

A structured insight into the complexity of global risks

The Zurich Risk Room



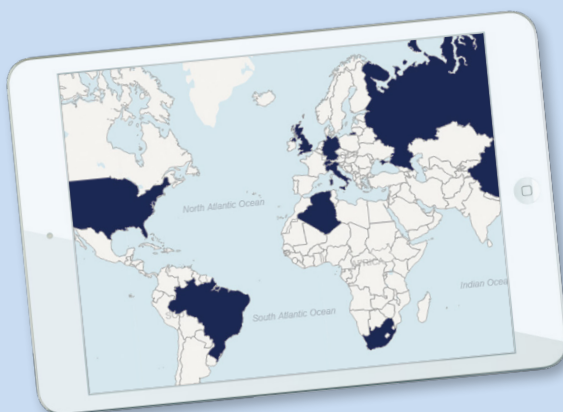
Cutting through the fog of country risk

The spread of our businesses is global, and so are the risks affecting them. And 'global' means more than just geography. It covers a broad spectrum of areas, all capable of influencing the success and profitability of our organizations. It extends from the economic and financial sphere all the way to geopolitical risks and the natural environment.



Add to this the fact that many risks are interconnected and we begin to see the true complexity of understanding, managing and protecting ourselves from global risks.

As a result, companies with international operations are increasingly challenged by the need to not only understand their risk profiles globally, by country and location, but also the types of risk to which they are exposed. Each location requires careful review with respect to supply chains and sourcing, market security and resource issues. Companies today want and need to know:



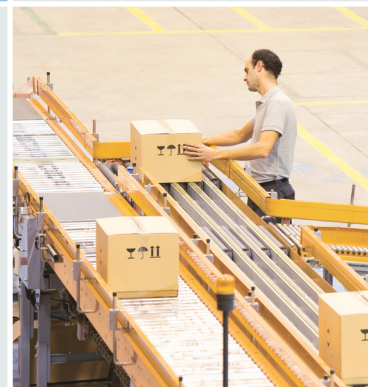
- Where is our profitability at risk?
- Which risks affect our sales and market shares?
- Where should we make our next investment and what challenges do we have to expect?
- Which risks are out there that we may not even be thinking about?
- In short: How can we best make strategic decisions in an ever-changing global risk environment?



By using the Zurich Risk Room, risks and their interactions can be visualized in an intuitive way.

To help answer these questions, companies must look at risks beyond single dimensions. They must understand the complex interactions between a multitude of diverse risks. And they must do so quickly and objectively in order to keep up with their competitors.

By using a tool like the Zurich Risk Room, risks and their interactions can be visualized in an intuitive way. The Zurich Risk Room can support board members, senior managers and strategic advisors of multinational corporations cutting through the fog of country risk. It is a fact-based management tool, helping facilitate strategic decision-making and risk mitigation in the face of difficult and constantly changing business conditions and risk environments. It helps companies place their strategic decisions and priorities within a consistent and holistic country risk management framework.



The intuitive visualization of complex risk environments

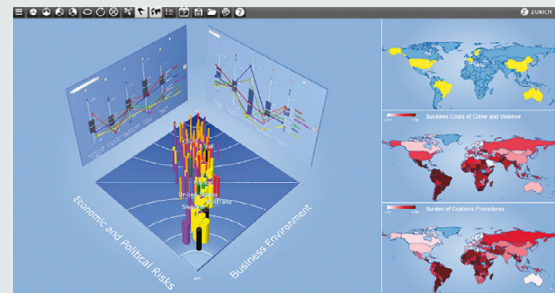
Modeling risk – how the Zurich Risk Room works:

The Zurich Risk Room aims to illustrate the impact of business, economic, political, social, infrastructure and environmental risks on individual countries. One of the core strengths of the tool resides in its ability to display the results of complex risk modeling in an intuitive way, displaying relative risk positions across countries and regions. In its current version, the tool includes more than 100 risk factors for more than 170 countries, with monthly data going back to January 2007.

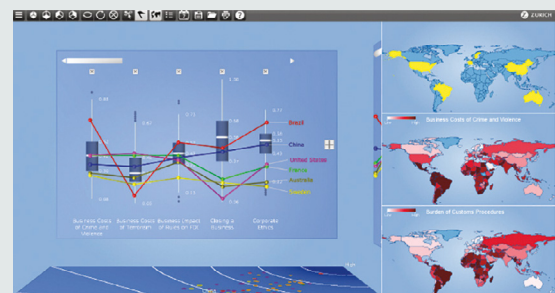
While the Zurich Risk Room can be used to visualize the interplay of various risk factors and their potential impact on all of the countries in the tool, companies can also optimize the analytical output by selecting risks and geographies that match their own individual risk profile.

By highlighting their most relevant locations and risk factors, organizations can use the Zurich Risk Room to create a three-dimensional risk simulation that is designed to reflect their specific strategic concerns. In a virtual risk world, strategic decision-makers can see how their chosen risks might interplay in different regions of the world.

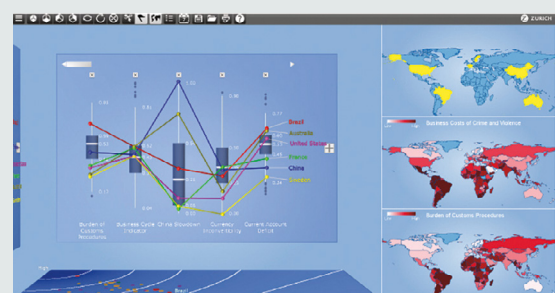
The Zurich Risk Room not only can provide insights on the current global risk environment, but can also allow businesses to analyze risk trends over time and model potential future risk developments. It can further support companies in their scenario analysis and planning processes – by asking a multitude of ‘what if?’ questions, the tool can help businesses anticipate unfolding risks and develop appropriate mitigation plans.



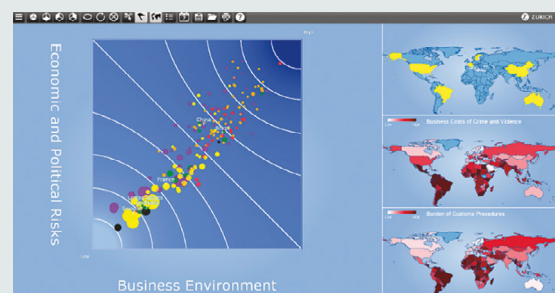
Exploring business environment, economic and political risks.



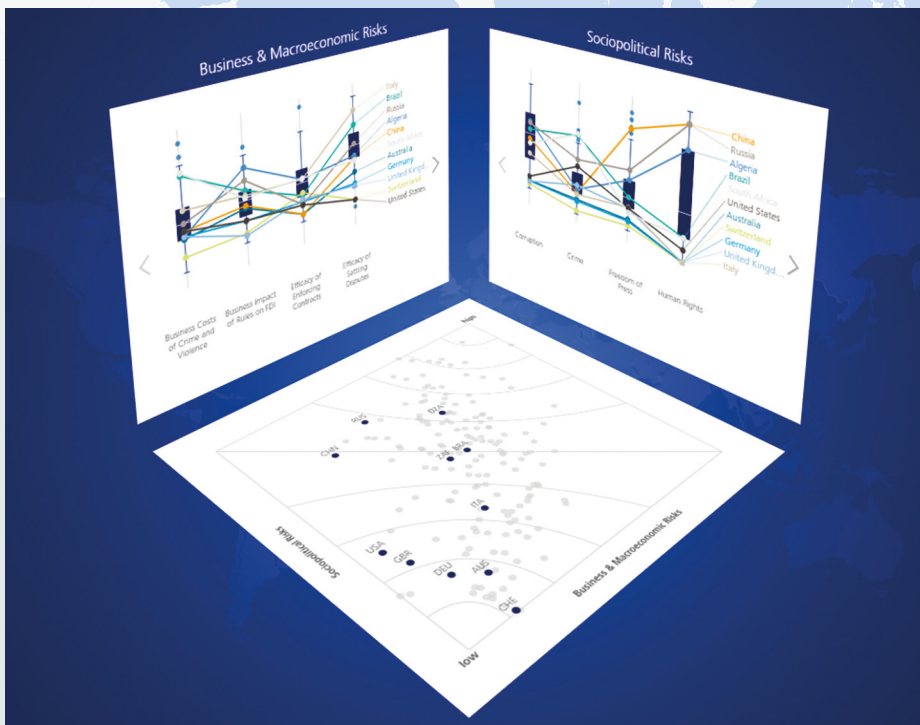
Comparing business environment risks across different countries.



Comparing economic and political risks across different countries.



Comparing risks across all of the countries included in the Zurich Risk Room.



The Zurich Risk Room

- ... is a risk visualization tool, creating three-dimensional risk simulations that can offer a breakdown of global risks by country and geographical region.
- ... references more than 170 countries and over 100 global risk indicators across nine risk categories through sophisticated modeling.
- ... contains monthly data going back to January 2007, which is updated on a quarterly basis.
- ... helps systematically explore major global risks, investigating how they are expressed on a country by country basis and how they interact.
- ... shows how risks and geographies combine (sometimes unexpectedly) to be relevant to business concerns.
- ... shows which countries reflect similar risk profiles and which begin to stand out.

The Zurich Risk Room can support companies' key operational processes associated with risk and across various major functional areas, such as Risk, Finance, Treasury and Strategy. Companies can use the Zurich Risk Room to complement their own, in-house pricing and validation models,

portfolio, sales and revenue analysis frameworks, market entry/exit strategy assessments, and associated risk and opportunity analyses, strategic M&A and Foreign Direct Investments decision processes, supply chain risk analyses, and even corporate social responsibility programs.

The Zurich Risk Room has received multiple awards since 2012, illustrating the tool's substantial value for corporate risk management and strategic decision-making.



2012 Most Innovative
Use of Technology



2013 Innovation
Award



2013 Innovator of the
Year Award



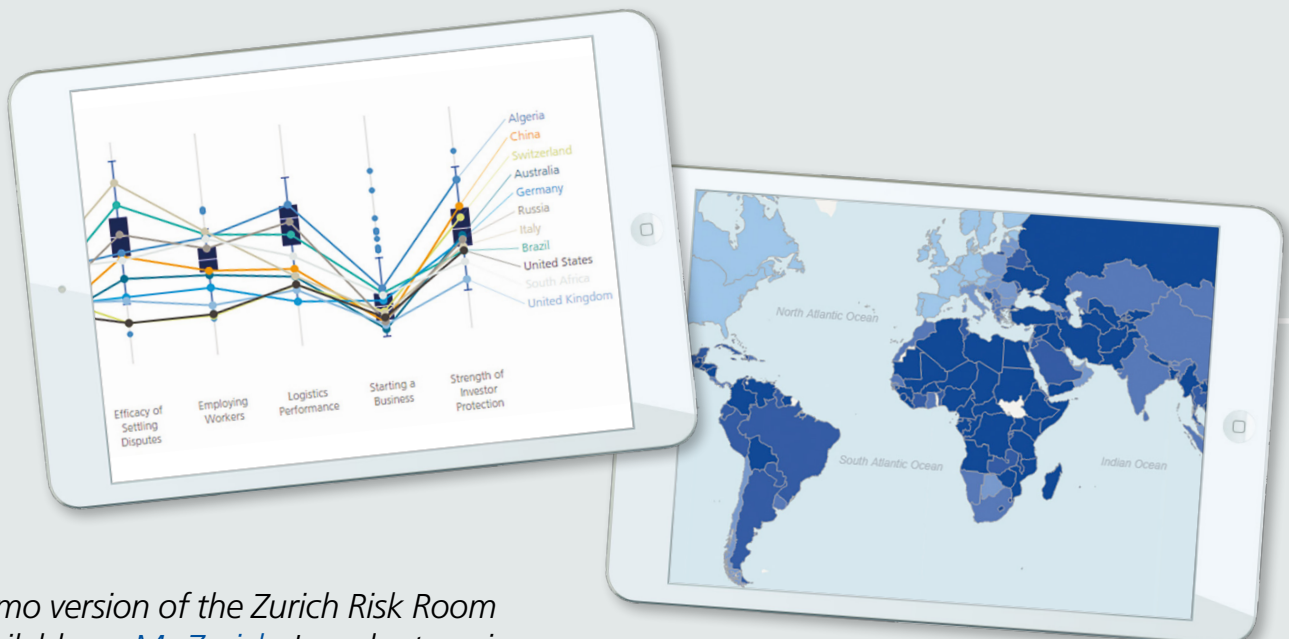
2013 Risk Management
Solution of the Year




2014 Technology
Innovation Showcase



2014 Innovation
Award



A demo version of the Zurich Risk Room is available on [My Zurich](#). In order to gain access, please send your name and email address to myzurich@zurich.com, and request log-in details for the Zurich Risk Room demo version.



The Zurich Risk Room

A tool that can help you better understand the complex global risk environment

Holistic analysis...

The Zurich Risk Room aims to provide a more holistic view of country risk. A threat in one geographical area can rapidly affect countries in other regions of the world. As the Zurich Risk Room supports a measured response to managing risk, it can assist companies in making risk-aware decisions on global investments, operational issues, and potential market developments across countries and regions.



that is fact-based...

The Zurich Risk Room can create a fact-based assessment of global threats as they relate to business planning and implementation. Its output complements departmental, regional or consultant-based research and data, providing an additional lens to risk evaluation and mitigating the issues related to silo-based risk assessments. Using a consistent global framework, it can help identify threats that may cross boundaries, and assists key executives in making informed decisions, even if they are not experts in risk analysis.

and operational...

Businesses want to mitigate risk, so the time span between risk identification and strategic response needs to be as short as possible. The Zurich Risk Room enables prospective business strategies and investment plans to be simulated through risk scenarios before final decisions are made. This can allow for a forward-looking analysis, which can be applied to investment plans, operational developments, resource allocation, or market investigations.

In short: a strategic decision-making tool!

The Zurich Risk Room can enhance businesses' strategic decision-making capabilities by helping them to better understand and protect themselves from risk. The Zurich Risk Room insights can be cascaded throughout an organization, ensuring strategic rationales are shared within the C-Suite and beyond. The Zurich Risk Room can provide senior executives with an intuitive illustration of risks, help facilitate risk comparisons across countries and regions, and provide a visual interpretation of how risks could be interconnected.



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