

Pool Re **SOLUTIONS**



Building resilience against
terrorism risk

Introducing Pool Re SOLUTIONS

Whilst the human cost of terrorism is devastating, the financial impact an incident can have on communities, businesses and economies is generally greater than most realise.

At Pool Re we understand that terrorism is a significant multi-faceted peril that can expose businesses in a complex way, making it one of the most difficult challenges facing the insurance industry, and indeed businesses today.

Terrorism changes in ways that natural catastrophe perils do not. This presents unique challenges as the threat is no longer confined to bombs, threats now include vehicles, knives, drones, cyber, chemical and biological techniques.

We have been the UK's leading terrorism reinsurer for over a quarter of a century and during this time have developed a specialist team of experts who can work with you to help you and your policyholders understand and manage terrorism risk.

resilience

UK /riˈzɪl.jəns/

noun

1. : the capacity to recover quickly from difficulties; toughness.

“the often remarkable resilience of so many British institutions”

2. : an ability to recover from or adjust easily to misfortune or change

**Knowledge
brings
potential;
implementation
brings
power.**

Finding the right **SOLUTION**

SOLUTIONS provides more than just terrorism risk analysis and data. Our new in-house risk management team will work with Members and policyholders on risk evaluation and mitigation, creating risk tools and training for industry professionals.

We are a unique organisation. We pride ourselves on our individual approach in sharing our expertise with others. Our collaboration with Members, and Public and Private organisations enables us to achieve better outcomes.

Our extensive knowledge and expertise allow us to help you better understand the terrorism risks you face today. We have invested significantly in our in-house research and analysis, actuarial, risk management and mitigation capabilities, and developed a bespoke range of tools and technologies to support this. Our ambition remains that of helping UK businesses, and the wider economy become more resilient to terrorism risk.

Over the past few decades, we have become a leading authority on how to finance, transfer and mitigate terrorism risk within the UK and global markets. The last five years in particular, however, have seen us escalate our strategy of supporting our Members' comfort with and understanding of terrorism risk, which has evolved into a range of SOLUTIONS. This in-house centre of excellence will streamline and amplify our emphasis on risk awareness, risk modelling, and risk management.

Why choose

us



Tell me more about SOLUTIONS

We have created a range of capabilities, uniquely designed to provide the industry with the tools and information it needs to evaluate, price, sell and manage terrorism risk to its maximum extent.

Pool Re SOLUTIONS comprises of three core pillars designed to support resilience for:



Risk Awareness

Sharing intelligence, analysis and data on terrorism and the threat landscape. Our analysis is provided within regular reports and bulletins, as well as being embedded within our modelling tools.



Risk Modelling

In collaboration with academia, Government and insurance experts, we have created terrorism risk models that can allow both Pool Re and its stakeholders to evaluate, quantify and price terrorism risk.



Risk Management

We have created risk mitigation tools and techniques that promote and incentivise best practice in terrorism risk management. We are working with our Members and their policyholders to better manage, and mitigate terrorism risk.



Risk Awareness

The core aim of the Risk Awareness arm of Pool Re SOLUTIONS is to provide analysis, intelligence and expertise on all aspects of the terrorism threat. We use our unique position between the public and private sectors to help the insurance industry and its policyholders understand the contemporary threat landscape.

Risk Awareness is a pivotal element of any risk management strategy but is particularly important with terrorism risk given its dynamic and constantly changing nature.

The Risk Awareness core activities build on the regular qualitative and quantitative threat reporting which is undertaken by our in-house team of experts, and includes:

- Supporting our cutting-edge actuarial modelling with intelligence and analysis.
- Leveraging our strong partnerships with academia, Government agencies and specialist think tanks in order to evaluate and understand the modern threat.
- Providing regular analysis and assessments of the terrorism threat.
- Using insights from our international collaboration with other terrorism reinsurance pools (IFTRIP) around the world to inform our view of the risk and how to manage it most effectively.

Risk Awareness



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The private sector has to play a bigger role than ever as part of a whole society effort to counter today's terrorism threat.

Sir Mark Rowley, ex-Assistant Commissioner for Specialist Operations



Risk Modelling

The Risk Modelling arm of Pool Re SOLUTIONS helps create and build terrorism modelling tools and techniques that can underpin greater deployment of capacity into terrorism (re)insurance. These innovative tools have been created in partnership with academia, insurance modelling experts and Government agencies and are a result of our unique ability to bring together such diffuse expertise.

Our innovative and flexible approach to terrorism modelling, using cutting-edge blast modelling technology such as Computational Fluid Dynamics (CFD) enables us to offer leading-edge modelling capabilities.

These models make possible more accurate assessment of not only conventional terrorism, such as explosive and firearm attacks, but also CBRN attacks. Distributing these tools is central to SOLUTIONS' overarching goal of improving the deployment of private capacity for terrorism risk.

Our sophisticated modelling tools made possible the first-ever insurance-linked securities (ILS) bond to cover terrorism risk exclusively.

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Executing this successful placement whilst the ILS market is processing losses from 2017 and 2018, demonstrates the strength and quality of Pool Re's proposition and their market-leading risk analysis. This type of innovation is a great example of the major role the UK market can play in broadening the ILS asset class.

Shiv Kumar, President, GC Securities

Risk Modelling



Risk Management

The core aims of the Risk Management arm of Pool Re SOLUTIONS is to be the key facilitator of terrorism risk management information and techniques by building pathways which link Government agencies, academia, risk professionals and the insurance industry.

Our in-house experts ensure that tools, techniques and expertise are cascaded through the insurance industry to its policyholders and their advisors. This reduces the underlying terrorism risk the UK faces, and also helps to mitigate and reduce the effects of attacks should they occur.

The Risk Management arm's activities help to build on the success of our risk management tools, training and advice by:

- Developing and distributing risk mitigation tools, such as VSAT for adoption by Members and their policyholders.
- Devising and delivering training initiatives for Members in collaboration with academia and industry specialists.
- Producing risk mitigation information and educational material around emerging issues or new aspects of risk, and distribute them through seminars, literature and our Member Portal.
- Undertaking risk studies for policyholders with bespoke requirements.
- Investing in Government initiatives for information sharing such as the ISP - Information Sharing Platform

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The insurance industry has the potential to shape behaviour and improve safety, security and resilience... Pool Re is an excellent example of a public-private partnership set up specifically to mitigate the financial impact of a terrorist attack.

Counter Terrorism Strategy (CONTEST) June 2018

Risk Management



What support does Pool Re SOLUTIONS provide?

We have already undertaken a number of pilot projects and initiatives over the past 18 months. Some highlights of note are:

- Developed Vulnerability Self-Assessment tool (VSAT), which is now exclusively available for medium to large policyholders.
- Delivered a bespoke range of training in collaboration with Cranfield University specifically aimed at risk engineers.
- Produced a terrorism scenario assessment and quantification for Heathrow Airport.

It is refreshing to work with an organisation that is focused and clearly understands the risk to be insured. By discussing current risk issues, a tailored review was proposed, and using industry leading experts the process minimised the resource from our side, and produced meaningful conclusions that we have acted upon, making improvements to the protection purchased.

Stephen Boaler, Head of Insurance, Heathrow Airport.

What might Pool Re SOLUTIONS deliver in the future?

THE future vision of SOLUTIONS is already taking shape as we grow with:

- Specialist loss interpretations involving ground-breaking blast and construction assessment tools
- Wide area economic modelling using academic partners
- Deployment of terrorism loss models for Members and other stakeholders
- Creation of 'bespoke' terrorism training scenarios
- Development of information sharing pathways between Government agencies and the insurance industry

We believe all organisations and businesses can benefit from a better understanding of terrorism risk solutions available.

To find out more about Pool Re SOLUTIONS and how your organisation can take advantage of this service please contact us:

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