



# The Changing Landscape of Risk

November 17, 2015

Rob Schimek

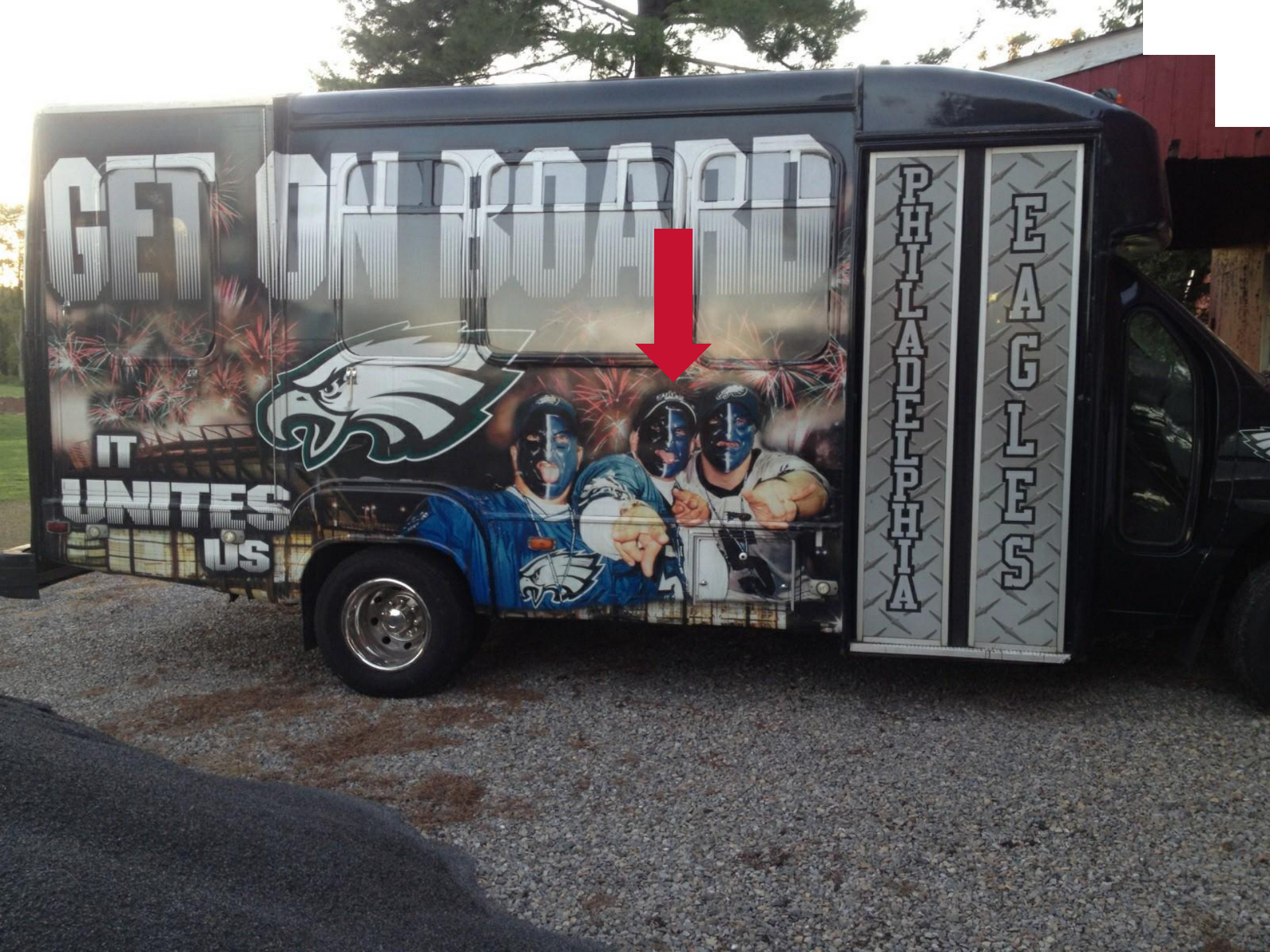
CEO, AIG Americas Region



Standing by  
your side for  
95+ years.



Official Insurance Partner



GET ON BOARD



IT UNITES US



PHILADELPHIA  
EAGLES

# IRONMAN WORLD CHAMPIONSHIP

GoPro  
By a HERO.

GoPro  
By a HERO.

ACTIVE

SUGOI

NEWTON

TRAINING  
PEAKS

823	BASDEN Erik	14:33:51
498	FORRESTER Share	14:18:41
1277	JAMES Cameron	14:32:44
761	GENNARINO Julie	14:17:23

IRONMAN

GoPro  
By a HERO.

ACTIVE

ENDURANCE

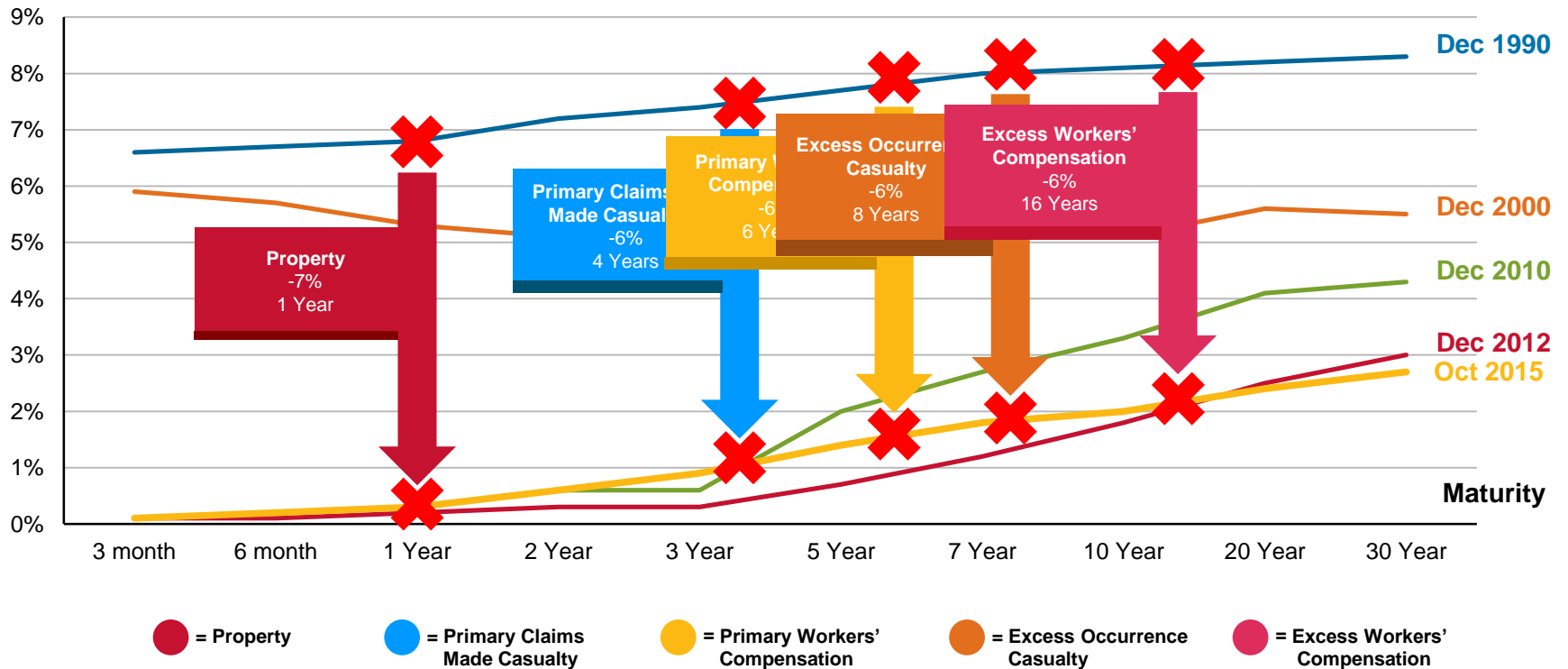
EarthLink



# U.S. Treasury Yields at Near Record Lows

## U.S. Treasury Yield Curve

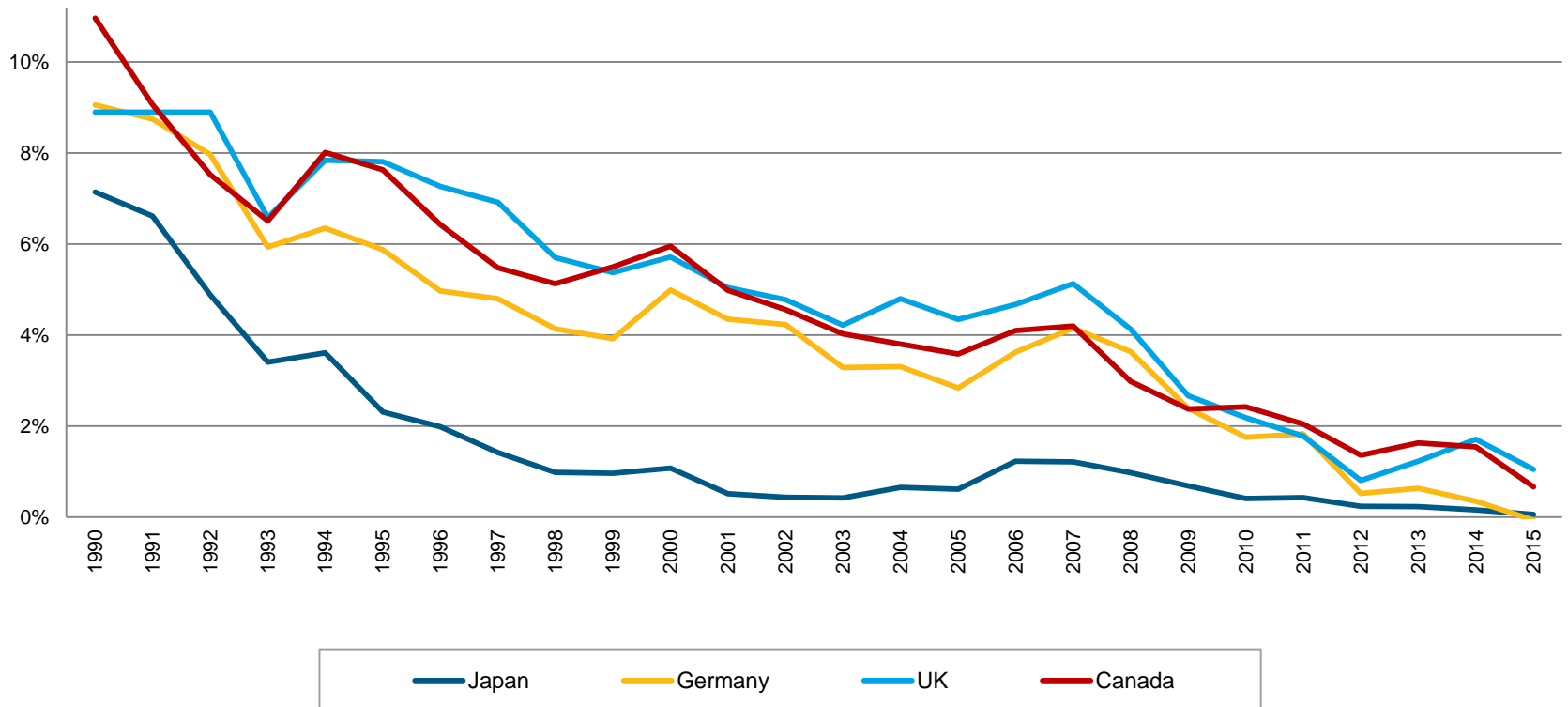
1990-2015



Source: U.S. Department of Treasury.

# International Interest Rates Exhibiting Similar Patterns

## Global 5 Year Government Bond Rates 1990-2015



# One Size Does Not Fit All

A world map with a blue color scheme. Four callout boxes with orange and white backgrounds point to specific countries. The U.S. callout is on the left, Greece is in the top center, Japan is on the right, and Argentina is at the bottom center.

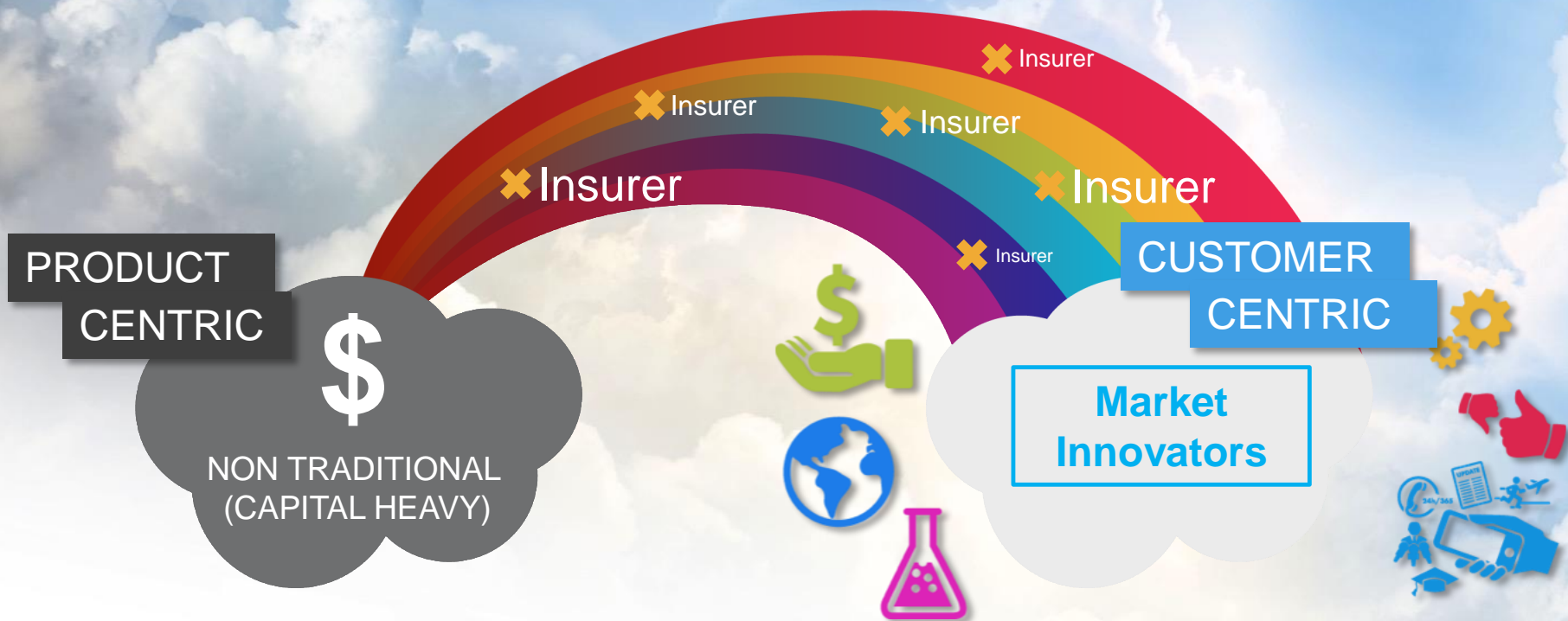
**U.S.: 100% COMBINED RATIO**

**GREECE: ~80%  
COMBINED RATIO**

**JAPAN: ~94%  
COMBINED RATIO**

**ARGENTINA: ~111%  
COMBINED RATIO**

# The Wide Spectrum of Insurance Solutions

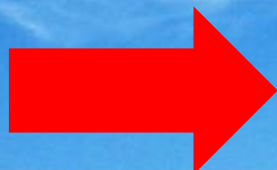


- 1 - Capital heavy
- 2 - Cost effective
- 3 - Additional capacity (excess layer)
- 4 - Narrow focus but good contract certainty
- 5 - Risk transfer

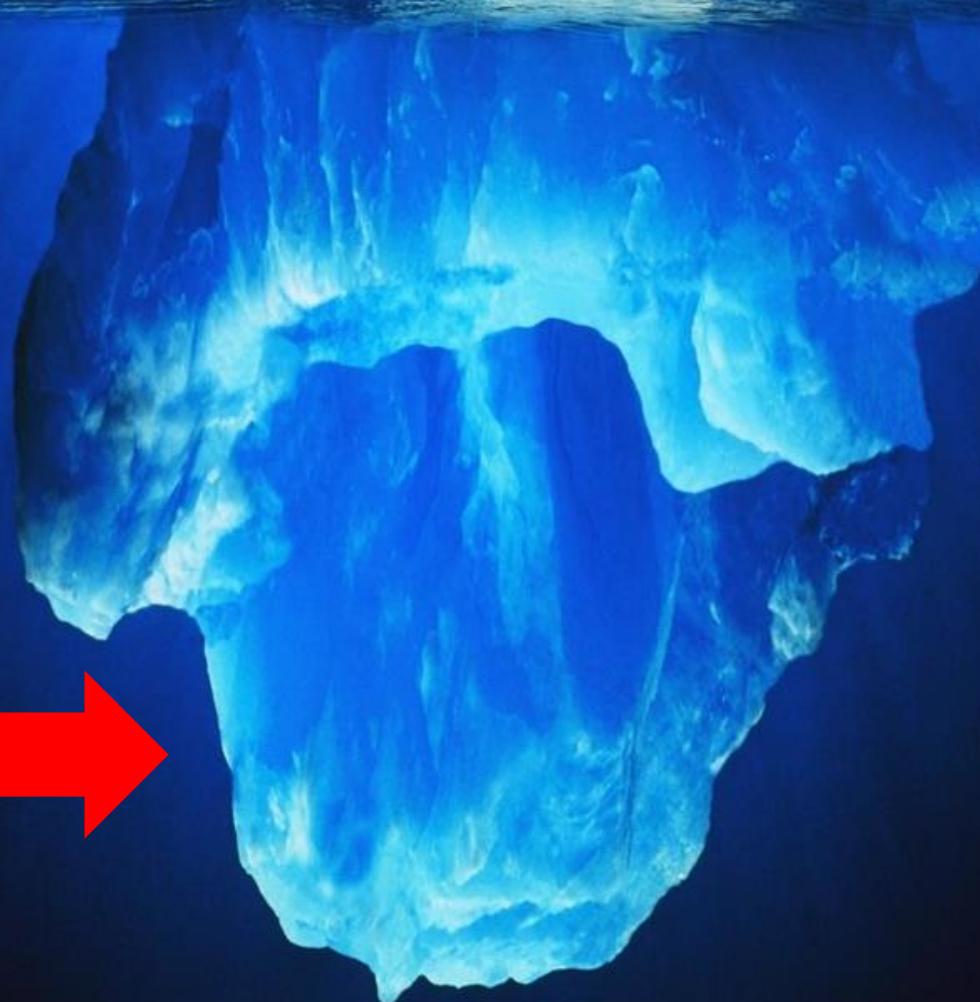
- 1 - **INNOVATION & SCIENCE**
- 2 - Claims handling
- 3 - Underwriting expertise and experience
- 4 - Global network
- 5 - Loss control and engineering
- 6 - CAPITAL
- 7 - Broad risk appetite
- 8 - Beyond insurance...



**PAST**



**FUTURE**



**INNOVATION**



**... or EXTINCTION**

# SCIENCE



UNDERWRITERS of the 21<sup>st</sup> Century

THEN

NOW



# Big Data

Category	Count	Time
Support	10	10 mins
Development	75	53 mins
Product	21	18 mins
VIP	13	22 mins
Feedback	22	14 mins



- ### Alerts & Comments
- Dave Ruiz** - 2 hrs  
Good job handling those burritos, @brooke. Up 90% from last month. Keep up the good work.
  - Brooke Lane** - 3 hrs  
If anyone is wondering about the spike in...



### My team's Cases

AGENT	CASES	OLDEST
Bob	10	
Julie	75	10 mins

# THE INTERNET OF THINGS

EVOLUTION OR REVOLUTION?

The Rise

2003-20

10+  
BIL

things con  
internet to

IoT  
Ris

Indus  
curre  
benefitting  
from IoT:

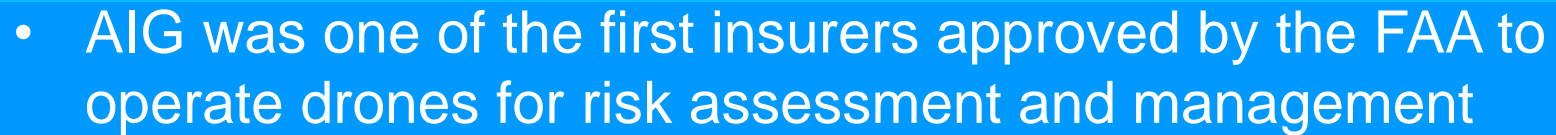
AUTOMOTIVE BANKING MARINE PROPERTY ENERGY AEROSPACE HEALTHCARE MANUFACTURING FOOD

**Safety** Driverless cars, worker accident prevention **Efficiency** Biometric banking, smart TVs & thermostats

**Decision Making** Data driven insights **Infrastructure** Risk triggers, electrical networks & predictive maintenance



# Drones

- AIG was one of the first insurers approved by the FAA to operate drones for risk assessment and management
- 

# Automated Vehicles



# Questions



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