

## **Veratect Introduces Global System for Tracking and Measuring Emerging Threats of Civil Unrest**

*Corporation releases Shadowstream™ to monitor, measure and help mitigate potential impact of civil unrest on human life, public and private infrastructure*

FOR IMMEDIATE RELEASE

**(Kirkland, Washington, October 23, 2008):** Veratect Corporation, the creator of the most advanced system available for detecting disease threats to human, animal and plant life, has now launched Shadowstream™, a revolutionary service that identifies, tracks and quantifies emerging civil unrest around the world.

The potential impact of civil unrest on business now requires far more vigilant risk management and situational awareness of corporate exposure, particularly in emerging markets and unstable regions. Shadowstream™ enables clients to assess and quantify their risk exposure accurately while providing detailed proximity and severity information to gauge the ripple effect of disruption. This combination of information and analytics has never before been made available to the public.

Dr. Robert Hart, CEO and President of Veratect said, "Violence usually follows the destabilization of economic, ideological, environmental or ethnic forces. It also follows a scarcity of resources, such as energy, water or food. Unfortunately, all of these drivers are in play today and globalization is intensifying and accelerating the effects."

"Reporting violence or disruption after the fact is of little value, either in terms of protecting civilians, or limiting corporate exposure," according to Dr. Hart. "Veratect's mission is to help clients stay 'left of boom'; to be as far ahead of a civil unrest event as possible by providing them with timely and actionable information. Right of boom is not only costly in terms of human life but in corporate capital, revenues, civil services, and the restoration of infrastructure and business process."

Veratect is the only resource that can provide global, quantitative event severity metrics relative to all client assets and their suppliers, with explicit proximity determinations to estimate the direct correlation to economic exposure for each of its corporate clients.

Dr. Hart continued, "We enable our client, their insurer, reinsurer, chief risk officer and security resources to quantify emerging and abating risk through proprietary risk metrics. Through PEERview™, our corporate economic exposure evaluation tool, we can enable users to apply their own specific measures and knowledge to our risk identifications – for their business, their competitors and their industry - to provide the fullest possible picture. Based on this thorough

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analysis, the corporation can act in the most informed way possible to mitigate the impact or disruption, or make appropriate decisions to increase or decrease insurance coverage.”

### **Costs to corporations from civil unrest**

Corporations are increasingly being derailed by civil unrest. The bombing outside the Islamabad Marriott Hotel on September 20<sup>th</sup> was the company’s most catastrophic loss in 81 years. Energy transportation, particularly oil and gas distribution, is another area of growing risk and can have huge resultant effects on the global financial markets. In August, the Kurdistan Workers’ Party (PKK) destroyed a section of the Baku-Tbilisi-Ceyhan (BTC) pipeline in Turkey. As a result of the explosion, British Petroleum (BP) had to suspend operations for five weeks requiring 30 million barrels to be rerouted or stored. As a result of a five-day standoff between Georgia and Russia in early September, BP lost an estimated USD 2.2 billion. The domino effect created by disruption in far-flung multinational supply chain operations could paralyze businesses in virtually every industry.

Mark Polyak, Vice President of Situational Awareness for Veratect explained, “We are seeing a rise in vectors of violence that are diverse and know no boundaries. On an average day we are tracking more than 800 active events and emerging risk resulting from civil unrest, ranging from localized community grievances, cultural triggers of violence, violent labor strikes, kidnappings, nationalization catalysts, military activities, executions, weapons trafficking to bombings.”

Polyak continued, “Veratect uses carefully targeted artificial intelligence systems to collect data from sources worldwide, before combining that data with proprietary information. The results are sorted, correlated and rigorously quantified against millions of data points daily to identify key indicators of a specific risk type. Finally, this is matched by the highest levels of human intelligence and ground-truth validation to incorporate social and cultural nuances to give unparalleled analysis.”

The corporation uses the world’s most experienced subject matter experts in global social unrest, political violence, genocide, intelligence analysis, computational modeling and software engineering. Cultural expertise is also critical in the interpretation of warnings and indicators. Today, Veratect has cultural and linguistic proficiency across 37 languages, helping achieve an unparalleled level of sensitivity, specificity and timeliness of alerts with data not previously available to the public.

### About Veratect

Established in 2007, Veratect Corporation's mission is to provide the earliest detection of potential threats to human, animal and plant life while empowering corporations, government organizations, NGOs and global citizens with trusted and actionable information. With operations centers in Virginia and Washington State, Veratect offers two distinct products; Veratect Foreshadow™ for tracking diseases whether naturally occurring or of man-made origin, and Veratect Shadowstream™, for monitoring civil unrest.

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