



THE METHODOLOGY OF THE POLITICAL RISK



POLITICONWORLD

power of politics

What kind of a world are we living in? It is a question of how we live in today's world and how it works today with countless actors and factors. The answer to this question is that it is helpful for our world not only to understand the past and to make sense of the present but also to have predictions about the future at the same time. In a world where there are many actors who have different world views, goals, interests and behaviors in political, economic, cultural, social and military terms; in order to be able to find the way in a foggy weather, to be able to act efficiently and in the direction of its aims and objectives, to know what to do or not to do in the face of crises and opportunities, to lose its route in the riparian seas and to reach safe harbors, is extremely important. Moreover, the world is now a more crowded, more complex, more multilateral and less secure place than ever before.

In the era of globalization, forecasting the tendencies of political and economic actors, their mutual interactions, the capacity of the parties to influence each other in politics-international relations-economy relations, and the effects and possible outcomes that actors and their effects on 'the game' are transformed into real actions and events, ensures that both risks are minimized and that profitable results can be achieved. In this sense, '**Politicon World**' is committed to providing a monitor that presents a panoramic and a snapshot picture for companies and other actors who are affected by the risks and opportunities caused by the international environment and who are working nationally or internationally, who want to be safe and profitable in their investment decisions and trade relations, published the Global Political Risk Map in 2017.

The Political Risk Map is a map that measures the global and regional political risks in the world and provides a general panoramic monitoring of the political risks that rise or fall in various geographies around the world, using a set of algorithms based on specific criteria to create a scoring system based on political risk situations on a country. The map provides a snapshot for each country against rising or falling risks on the world scale, an assessment of the course of the year, and up-to-date information, as well as the latest status of countries and regions where they work with or they would desire to.

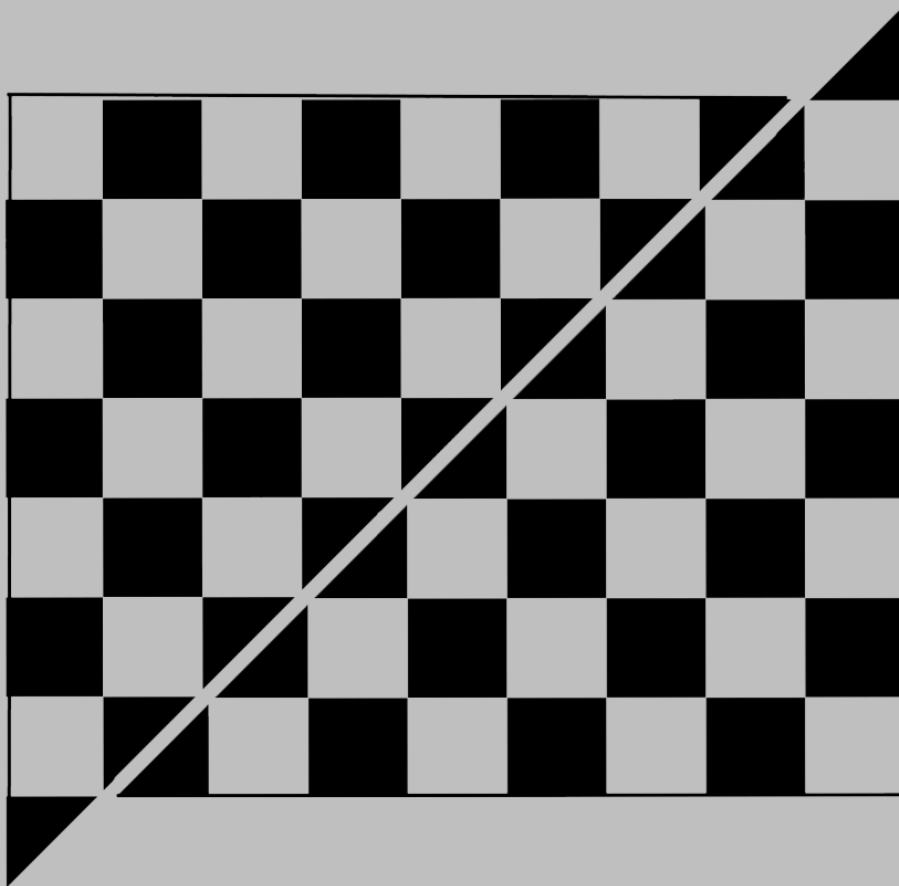
In this sense, the Map aims to provide a more general overview and to provide a current idea of the country or region being studied. The Political Risk Map, which provides an assessment, analysis and interpretation of the political risks, social crises, economic fluctuations and military-security developments that are being monitored at the national level and which should be taken into account when carrying out the activities of the market actors, are based on certain specific criteria and a methodology of the measurement algorithm based on these factors.

In this sense, there are scoring criteria in four main headings as social factors, economic factors, political factors and military factors in the algorithm. Each of these 4 main headings has scoring criteria as 10 sub headings. The sum of the scores of these sub-criteria

gives the score of the main heading followed by 4 columns and the sum of the scores of the 4 main headings gives the political risk score of a country. At this point, each criterion observed in the columns has a coefficient given relative to its specific weight. A criterion is given a risk score in the range of 1-10 points as the probability of risk or the higher the condition is, the lowest is 1, the highest is 10. This score is multiplied by the coefficient of that criterion and the criterion has a risk score. The total score of the criteria in the column is the main title score, and the sum of the main title scores is the political risk score of the country where the measurement is made. As a result of this process, the country receives a political risk score of 0 to 400 points in total and 0 to 400 points in the highest risk point. A color scale was created to facilitate reading on the map for all countries that have a political risk score of 0-400 points. According to this, the map color scale has the lowest risk between 0-50 points (light blue), the lowest risk between 50-100 points (blue), the lowest risk between 100-150 points (green), the relative risk between 150-200 points (dark green), at risk between 200-250 points (light yellow), at critical points between 250-300 points at risk (dark yellow), between 300-350 points at very risky (light red) and at the highest risk between 350-400 points (dark red), and gray areas for non-monitored or unspecified areas.

The Political Risk Map 2017 is intended to provide only a perspective and to give information while giving an idea of countries' risk ratings. The map is not intended to present definitive, indisputable and unchanging information nor providing guiding-binding interpretations. **Politicon World**, with Political Risk Map in order to create the public benefit only, publishes the consistency it generates using its own original template with it's own comments. In addition, while Politicon World has created this map, it has benefited from conceptual and formal contexts from preliminary examples and sources.

Politicon World can not be held responsible for the information obtained from this map, the decisions taken and the results of the activities carried out and the results, since the information is only advisory.



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