

FACI

Cyber Risk Discussion



What does cyber mean to us?



Companies must leverage **internal** and **external** relationships and **expertise** to get the most accurate picture of their cyber exposure:

They must understand:



Value of data assets at risk

Actual cost to rebuild or replace data assets



Impact of cyber attack

Organizational record count **PHI/PCI/PII**



They must understand:



Where contractual indemnities are provided or not provided

Cultural awareness of privacy training implementation, data security, & social engineering



How many 'at risk records' lie within one database or application

Develop an Incident Response Plan

Why?



To be prepared to respond with a unified & impactful approach

Use internal resources & outside support as needed



Cyber Enterprise Risk Management

Cyber Risk strategy built on the fundamentals of the NIST framework:



Hackers Are Becoming More Sophisticated



Data Theft – Economic & Political Advantage

CNN World » Africa | Americas | Asia | Europe | Middle East Live TV U.S. Edition + ☰

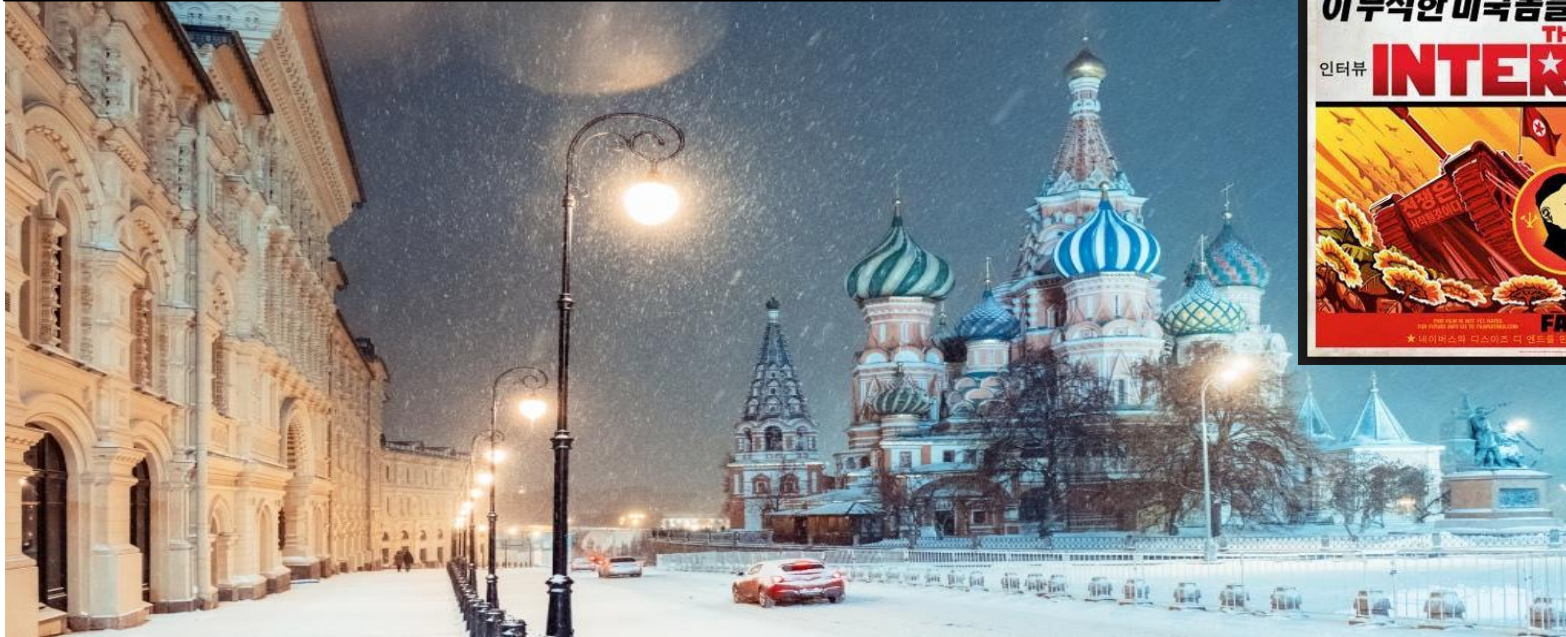
North Korea to U.S.: Show evidence we hacked Sony

By **Madison Park** and **Dana Ford**, CNN
Updated 9:18 AM ET, Wed January 14, 2015

EUROPE

D.N.C. Hack Raises a Frightening Question: What's Next?

The Interpreter
By **AMANDA TAUB** JULY 29, 2016



CYBER RISK DISCUSSION

Cyber Criminals – Financial Gain

Hackers hold hotel's keys hostage for bitcoin ransom

By Madeline Holcombe, CNN

Updated 2:18 PM ET, Mon January 30, 2017



Hacktivism - Defamation

CNN tech

business

culture

gadgets

future

startups

search

WikiLeaks claims to reveal how CIA hacks TVs and phones all over the world



CYBER RISK DISCUSSION

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Destructive Attack – Disrupt Operations

Distributed Denial of Service (DDoS) Attack

DDoS attack that disrupted internet was largest of its kind in history, experts say

Dyn, the victim of last week's denial of service attack, said it was orchestrated using a weapon called the Mirai botnet.

theguardian

Assets = Exposure

A human brain is centered in the image, rendered in a realistic, slightly translucent style. It is set against a background of a dense, intricate circuit board. The circuitry is primarily black and grey, with prominent orange and yellow traces and components, particularly on the right side. The overall aesthetic is high-tech and digital.

Understand your threat environment

Identify & protect your mission critical assets

Threats Dependent on Organization



Intellectual Property &
Corporate Confidential
Information



Personal Data



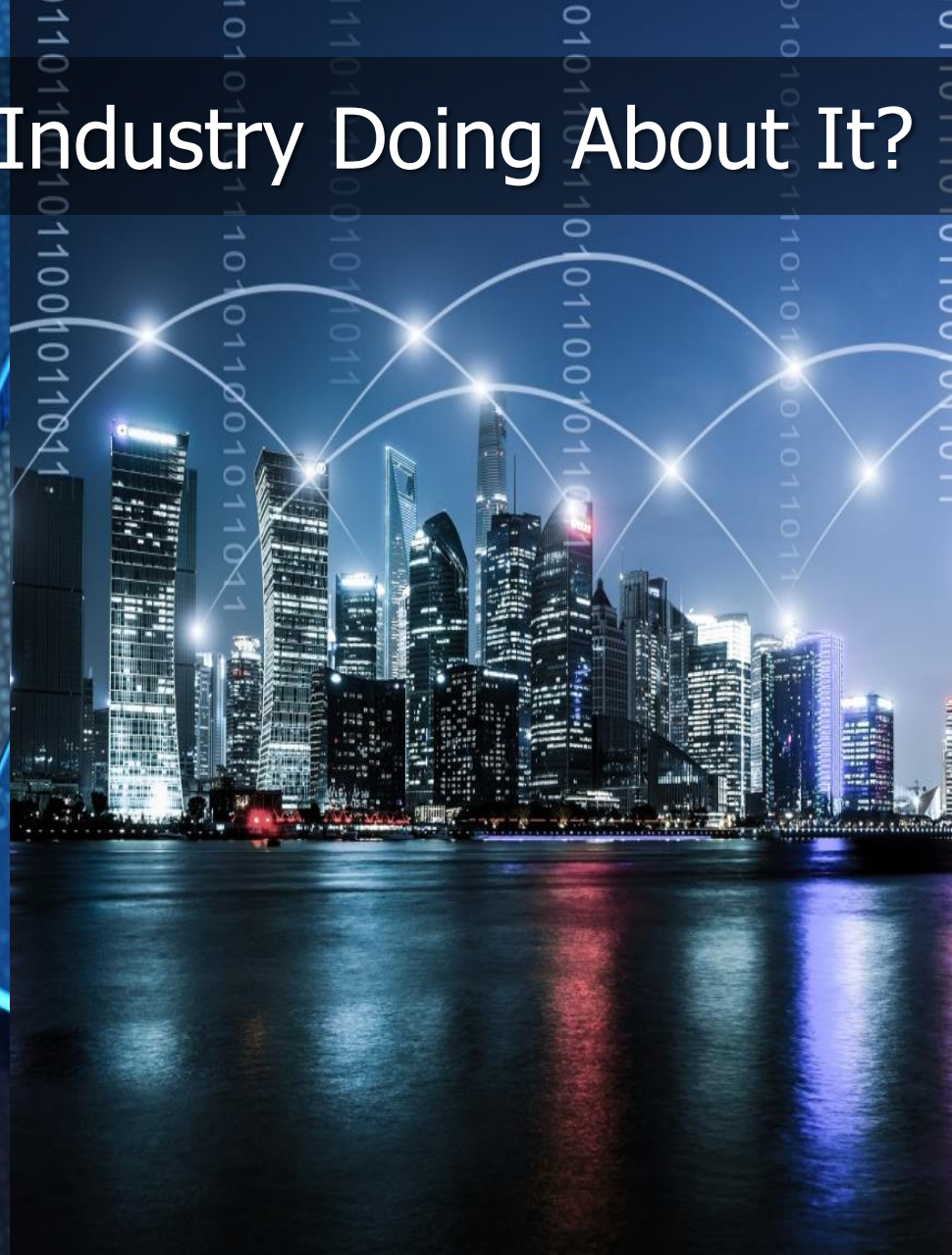
Physical

- Patents
- Trademarks
- Industrial Design
- Trade Secrets

- Personally Identifiable Information
- Personal Health Information
- Payment Card Data

- Operating control systems remotely through corporate IT network creates vulnerabilities to physical assets

What Is the Insurance Industry Doing About It?



Challenges for the Insurance Industry

- Lack of actuarial data
- Risk aggregation



Evaluation of Risk Transfer

Quantitative Factors

- Contracts
- Geography
- Industry Sector
- Cyber Threat Landscape
- Privacy
- Data Type and Amount
- Breach Scenario Costs

Qualitative Factors

- Information Technology Security
- Privacy
- Risk Tolerance
- Peer Benchmarking
- Cost of Capital
- D&O Macro Market
- Budget

Risk Transfer Process



How can the government help?



Our Mission

To be the worldwide value and service leader in insurance brokerage, risk management, employee benefits, and retirement services

Our Goal

To be the best place to do business and to work



RISK MANAGEMENT | EMPLOYEE BENEFITS | RETIREMENT SERVICES

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