

Allianz Global Corporate & Specialty SE

CYBER: APEX CONFERENCE

27 March 2018





CONTENT TOPICS

01

WHAT IS CYBER AND WHY DO
CORPORATIONS CARE ABOUT
CYBER?

02

HOW TO CONTAIN LOSS BEFORE
A DATA BREACH

03

MANAGING CYBER RISKS

04

POLICY COVERAGE



01

WHAT IS CYBER AND WHY DO CORPORATIONS CARE ABOUT CYBER?



WHAT IS CYBER AND WHY DO CORPORATIONS CARE ABOUT CYBER?

Cyber: Relating to or characteristic of the culture of computers, information technology, and virtual reality

Increased risk associated with the digitalization of information: “evolving landscape”

MORE USERS



NEW DEVICES



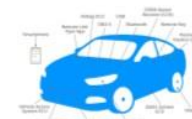
INNOVATIVE USAGES



GENERATING VAST DATA



SENSITIVE FUNCTIONS



INCREASED TARGET VALUE





WHY DO CORPORATIONS CARE ABOUT CYBER? (CONT'D)









“Consumers care about the privacy of their personal information and savvy businesses understand the importance of being clear about what you do with their data”

FEDERAL TRADE COMMISSION

- There are sector specific laws such as (Qatar+ UAE)
- Almost every GCC state has Independent data breach laws
 - Some pertain to what you must do in the event of a breach
 - Some pertain to ways in which you are obligated to protect consumer data
- Customers are more loyal to companies whom they believe protect their information
- Global Companies must comply with privacy laws in the countries in which they do business i.e., GDPR



DATA PROTECTION LEGISLATION MENA

01	 ALGERIA	<input type="checkbox"/>	13	 MOROCCO	<input checked="" type="checkbox"/>
02	 BAHRAIN	<input type="checkbox"/>	14	 OMAN	<input checked="" type="checkbox"/>
03	 DJIBOUTI	<input type="checkbox"/>	15	 PALESTINE	<input type="checkbox"/>
04	 EGYPT	<input type="checkbox"/>	16	 QATAR	<input checked="" type="checkbox"/>
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09	 KUWAIT	<input checked="" type="checkbox"/>	21	 TUNISIA	<input checked="" type="checkbox"/>
10	 LEBANON	<input type="checkbox"/>	22	 UAE	<input checked="" type="checkbox"/>
11	 LIBYA	<input type="checkbox"/>	23	 YEMEN	<input checked="" type="checkbox"/>
12	 MAURITANIA	<input type="checkbox"/>	<div><div><input checked="" type="checkbox"/> Legislation in place</div><div><input checked="" type="checkbox"/> Draft legislation in place</div></div>		



DO I HAVE A CYBER EXPOSURE?

Many organizations are in the dark over their true exposure, or if they even have exposures. Here are some key elements that many companies overlook ...

EXPOSURE	1	Organisation's size	
	2	Does my company process credit cards (even if outsourced)?	
	3	Do I have access to other companies' confidential information?	
	4	Do I hold data that if destroyed would prevent my business from operating?	
	5	If a system went down that prevented operations, would net income be impacted?	
	6	Does my company have employees?	

Almost all companies have cyber risk!



TOP BREACHES & OUTCOME

The importance of cyber can be gleamed from some recent breaches and how they were handled ...

Breach	Industry	Expected Cost
Target <ul style="list-style-type: none">• Data breach involving stolen payment card data (over 70Mn records)• HVAC vendors allowed the access• CEO lost his job• Retail cyber market firmed as a result	Retail	>\$180Mn
Anthem <ul style="list-style-type: none">• Over 80Mn Records at risk• Healthcare skyrocketed to the number 1 at-risk data• Healthcare data is some of the most expensive on the black market• Anthem Handled the notice on behalf of all BCBS plans	Healthcare	Unknown



02

HOW TO CONTAIN LOSS BEFORE A DATA BREACH





1. UNDERSTAND YOUR LEGAL OBLIGATIONS RE DATA BREACHES



2. ASSEMBLE A GREAT TEAM



Perfect
**PRACTICE
MAKES
PERFECT**

3. PREPARE AND PRACTICE A CRISIS MANAGEMENT PLAN



4. ENCRYPT DATA



5. CONSIDER CYBER INSURANCE

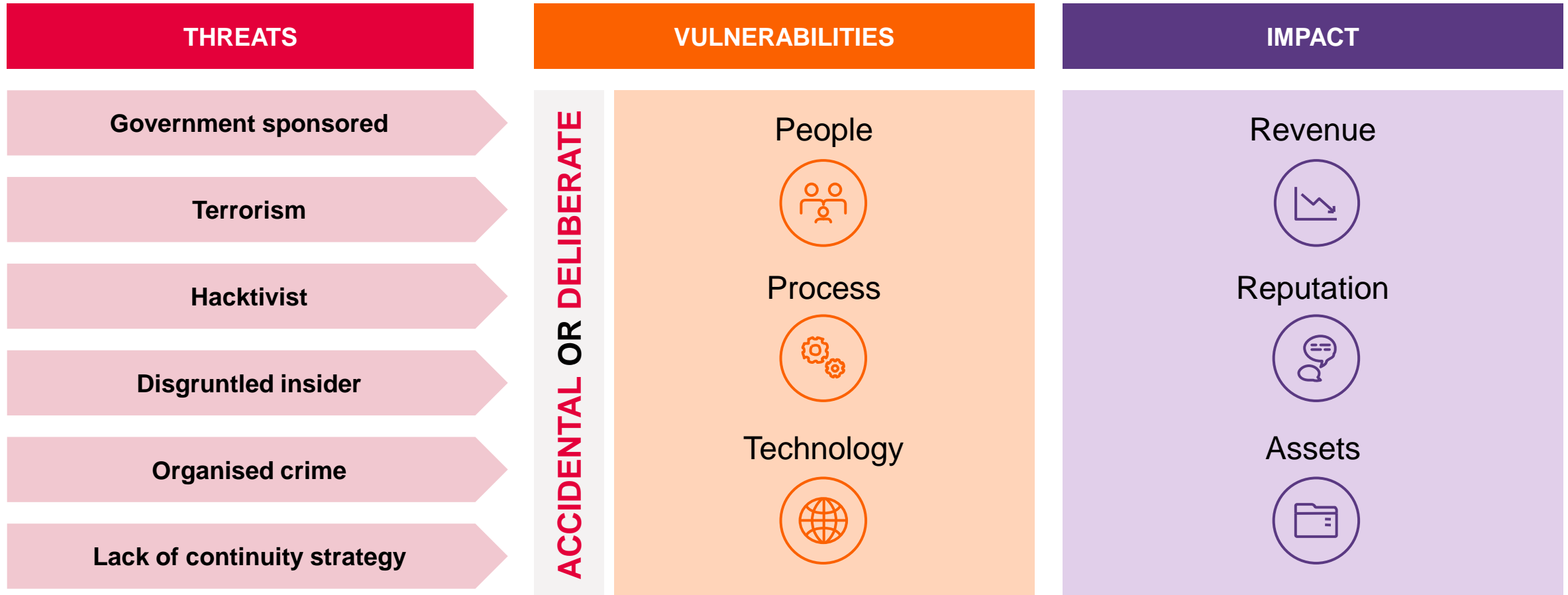
03

MANAGING CYBER RISKS

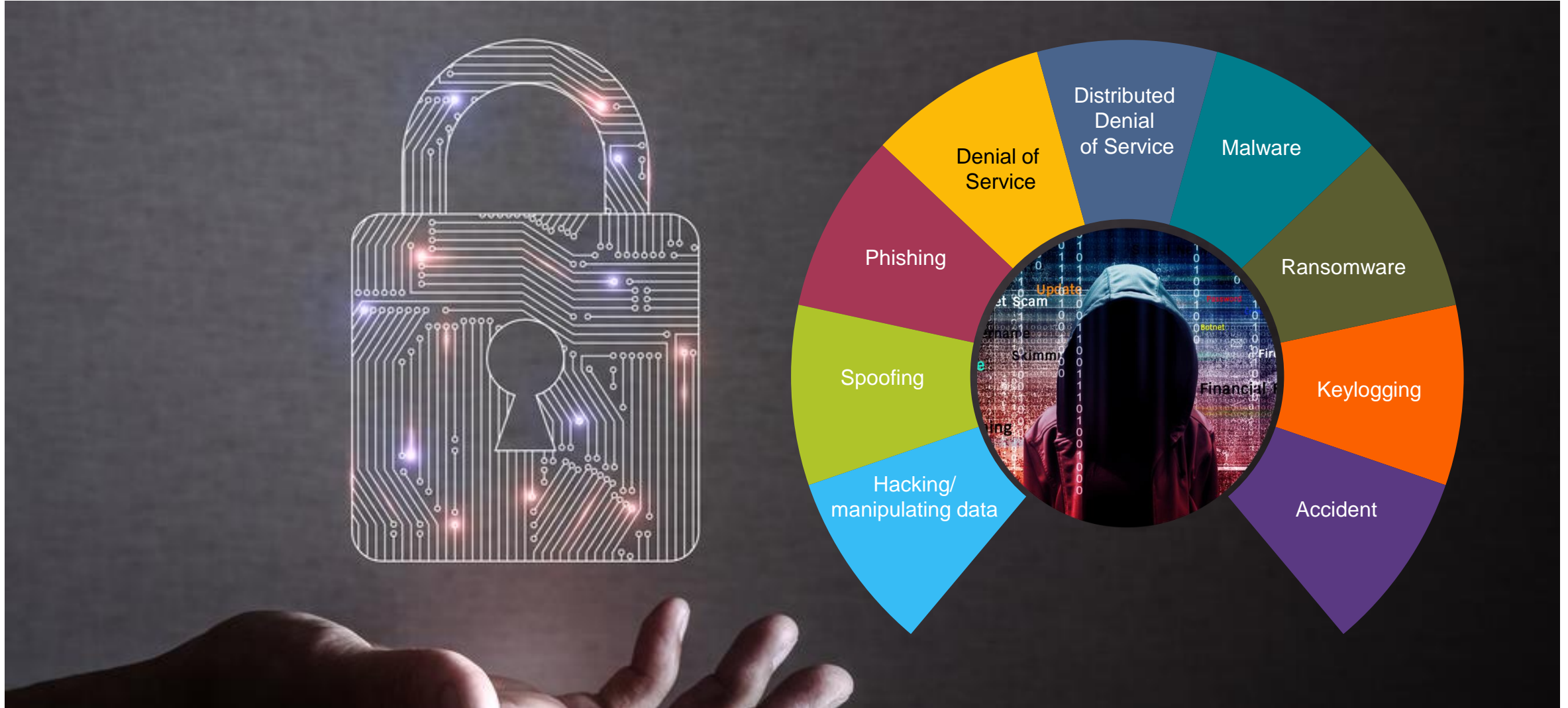




MANAGING CYBER RISK: UNDERSTANDING THREATS AND ITS IMPACTS



MANAGING CYBER RISKS: INCIDENTS CAN TAKE MANY FORMS





MANAGING CYBER RISKS: THE DAMAGE



First & Third Party Data



Intellectual Property



Financial loss



Misappropriation
of goods



Delay/Business
interruption costs



Incident response costs



Reputation



Physical damage

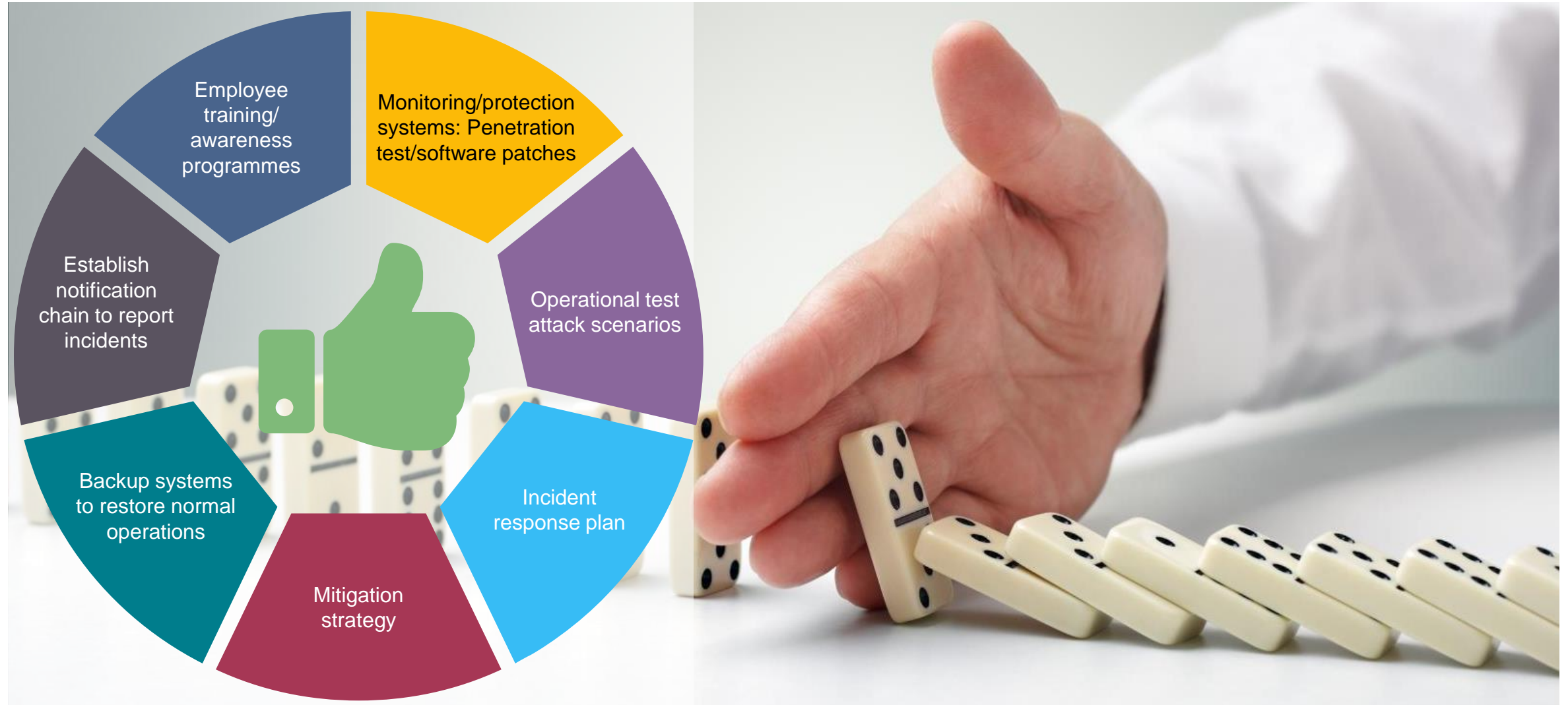


Personal Injury

MANAGING CYBER RISK: BEST PRACTICE



MANAGING CYBER RISK: BEST PRACTICE



04

POLICY

COVERAGE





POLICY COVERAGE: WHAT INFLUENCES CYBER INSURANCE POLICY

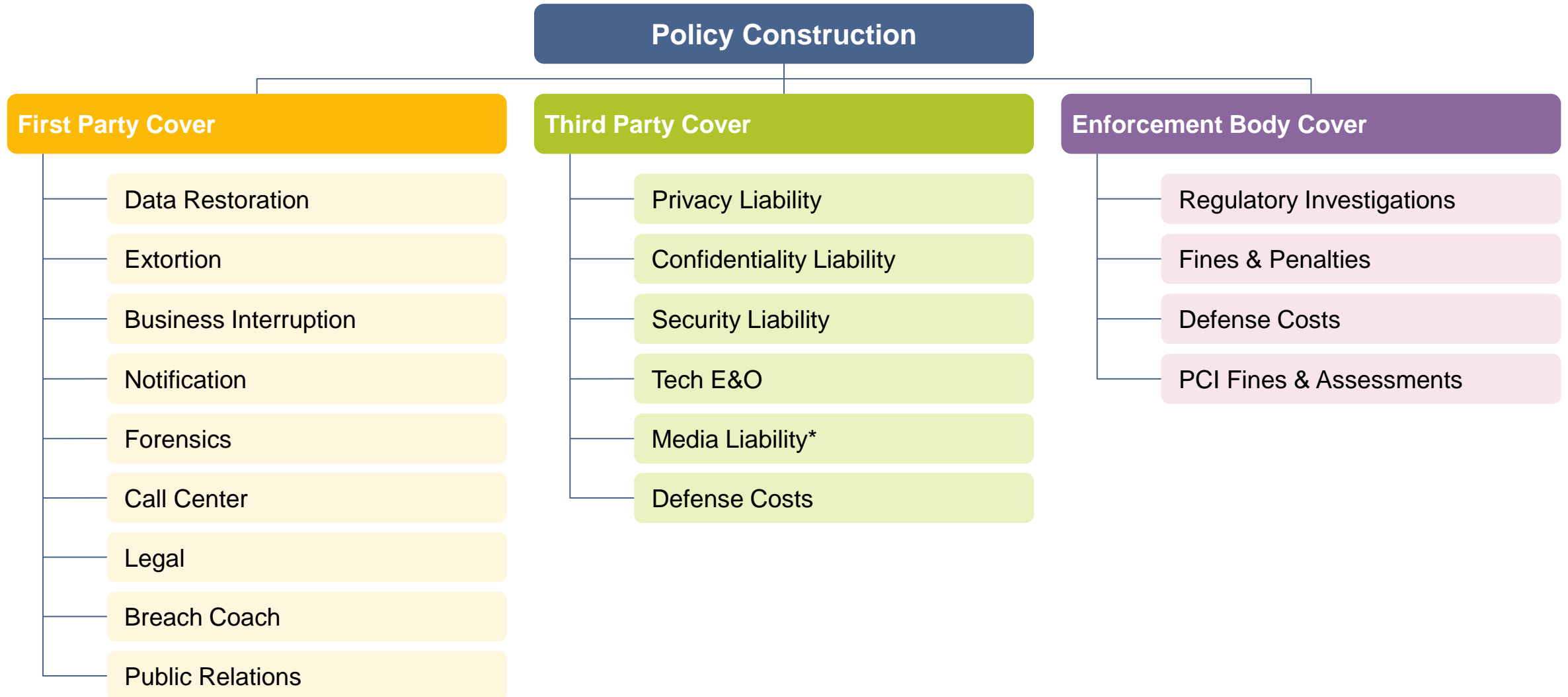
AFFECTING FACTORS

- | | | |
|---|---|---|
| 1 | Is my company a Data Owner? | ✓ |
| 2 | Type of business | ✓ |
| 3 | How much personal data held | ✓ |
| 4 | Organisation's cyber security measures in place | ✓ |
| 5 | Previous cyber events | ✓ |

Almost all companies have cyber risk!



POLICY COVERAGE



SUMMARY

- Cyber attacks occurring daily across all industries on global scale and only going to increase
- Warren Buffett (Berkshire Hathaway CEO/multi billionaire) considers cyber attacks number one problem with mankind – more so than nuclear weapons
- Everyone at risk and everyone needs to be aware of cyber security
- Ensure adequate insurance to cover cyber risk
- Comply with legislation/regulations
- Instruct cyber auditor
- Instruct lawyers with requisite knowledge, expertise and resources



"CONTROL IS AN ILLUSION"

SOONER OR LATER, YOU ARE GOING TO GET HACKED . IF IT HAS NOT ALREADY HAPPENED. YOU CANNOT CONTROL THE ENTERPRISE NETWORK OR HACKERS. THE ONLY WAY TO CONTROL THE SITUATION IS TO ACCEPT THAT YOU HAVE NO CONTROL, AND BE PREPARED FOR WHEN ATTACKS HIT, AND TO LIMIT THE DAMAGE.



USA Network's

MR. ROBOT



THANK YOU

