

EMERGING CYBER RISKS

Understanding Complexity In Uncertain Conditions

16 October 2019



Navigating emerging risks





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What is a cyber risk?

2

What are the impacts to the public sector?

3

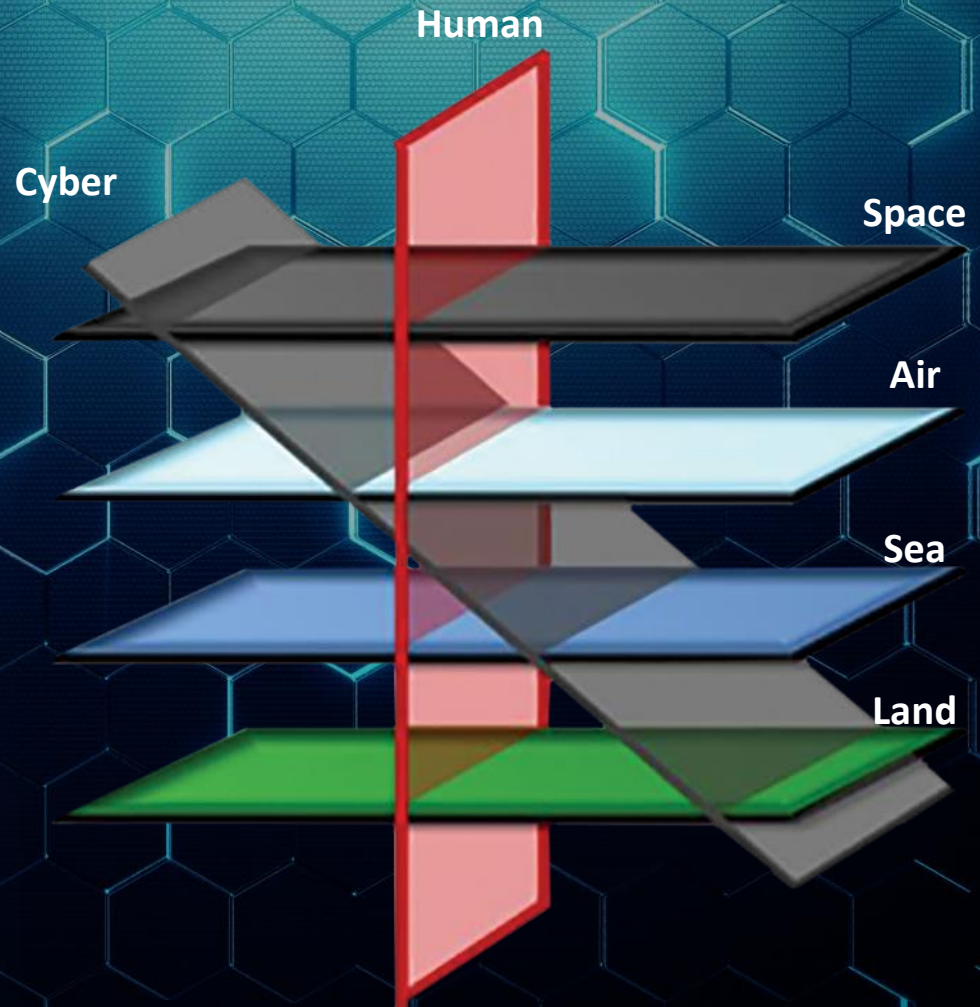
What can be done to protect your organizations?



71% of organizations said cyberattacks are still a “bit of a black box.”

“We struggle to understand how an attack would impact our organization beyond the obvious.”

Cyber and people
underpin every part
of modern life.



Interconnectivity helps everyone...







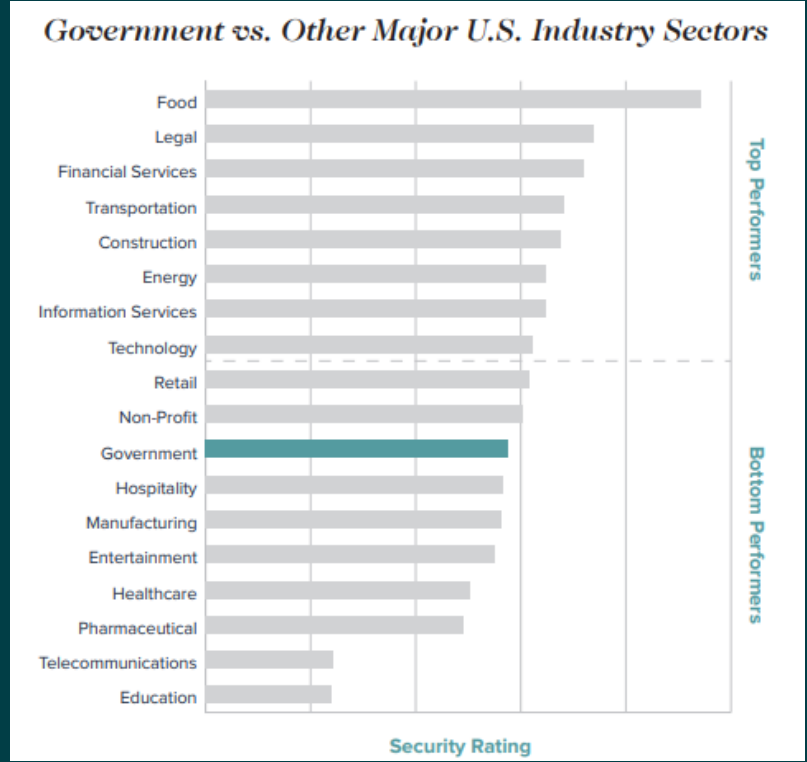
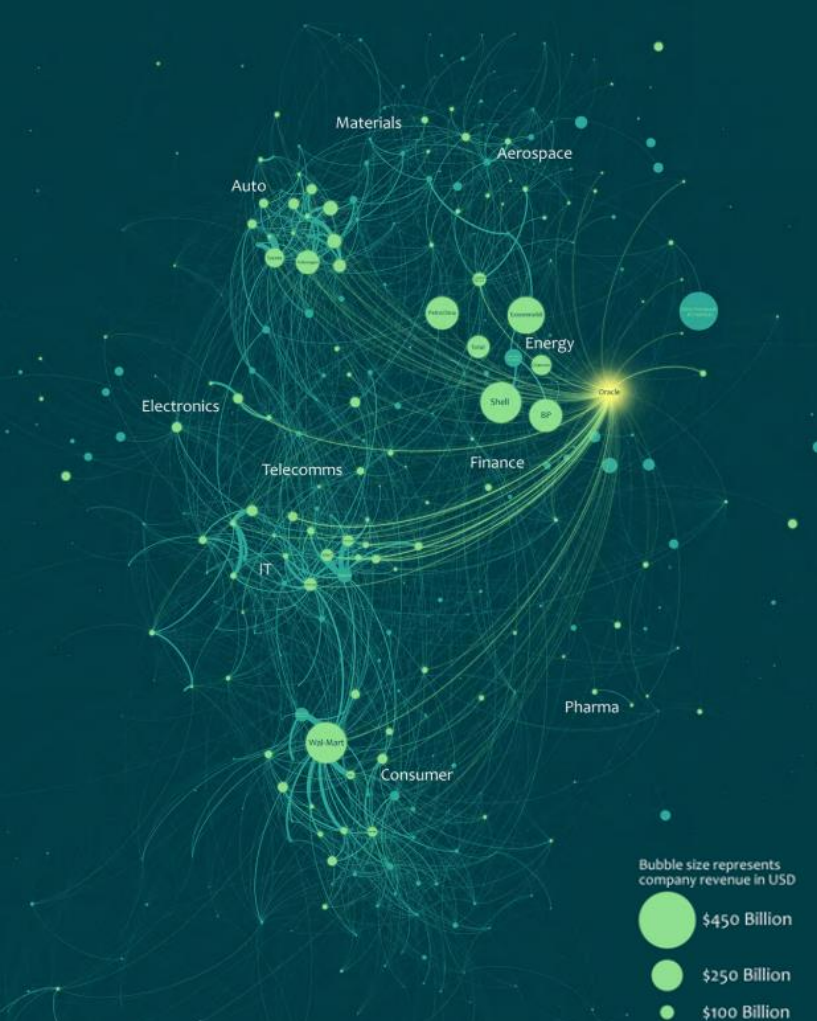
...until it doesn't.

> **70** state and local governments affected by ransomware in 2019 *so far*

\$3 trillion in economic losses by 2020

A single data breach could cost > **\$4 million** on average

Public sector faces the same, *if not more*, systemic cyber risks as the private sector



No longer a question of if but

WHEN and **HOW BAD**



Local governments hit by ransomware



45% of municipalities attacked had populations < 50,000

24% had < 15,000

It gets worse.

Fraud and theft of funds

Disable critical systems and services

Control of critical systems and services

Cyber-physical attacks



Emerging cyber risks create multiple impacts – financial and reputational – *across multiple lines.*



If you don't know what all the impacts are,
are you protecting against **ALL** of them?

What is Silent/Non-affirmative coverage and how does it impact you?



AVAILABILITY

DATA PRIVACY

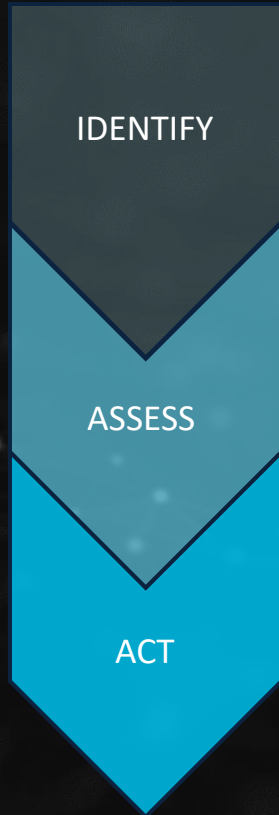
DATA INTEGRITY

EXTORTION

**How will cyber risks
manifest in your
organization?**

Understand, measure, and manage every risk, not just the insurable ones.

A Call to Arms



- Trace your cyber footprint.
 - Take stock of your organization, your assets, your goals.
 - Ask the hard questions now – the public will not be kind post-event.
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- Pick the meaningful metrics.
 - Measure your risks **ACROSS** the organization – account for interdependencies and cascading risks and your constituents.
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- Develop an integrated strategy that involves the entire organization, not just risk management.
 - Leverage all available tools – integrate business continuity planning, cash reserves, security investments, insurance, etc.
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- Lather, rinse, repeat.

QUESTIONS?



An aerial view of a city with various skyscrapers and buildings. The image is overlaid with a network of white dots and lines, representing a digital or data network. Several blue circular icons are scattered across the scene, including a speech bubble, an airplane, a smartphone, a location pin, a Wi-Fi signal, a laptop, and a shopping cart. On the right side, there are concentric white circles and a large blue Wi-Fi icon. The text 'THANK YOU!' is centered in the upper half of the image.

THANK YOU!