



Cyber threats and Your business

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Cyber attackers and cyber attacks



Commoditised attacks	
**********	Hundreds of millions of victims
*	\$300–\$10,000
A	High impact
Targeted attacks	
茶 茶	Tens of thousands of victims
좌 좌 좌	\$10,000–\$1 million
A	High impact
High-end attacks	
ኡ	Dozens of victims
\$P \$P \$P \$P \$P	\$1 million –\$100 million
\$A \$A	Extreme impact

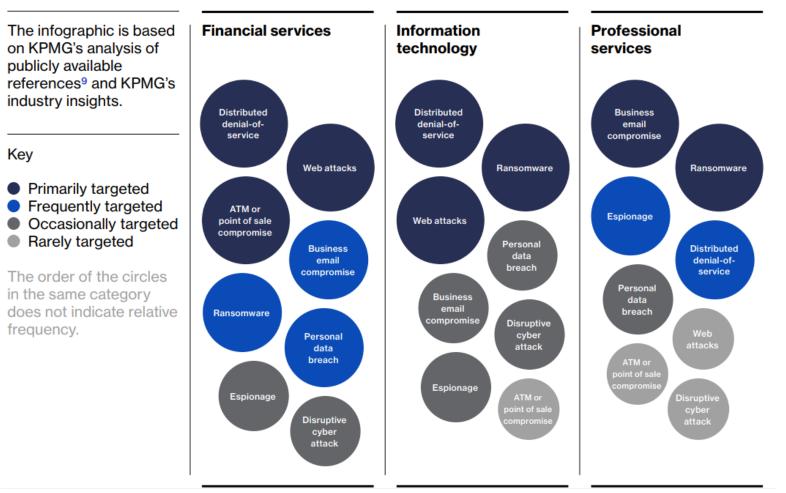
Source: "Closing the gap – Insuring your business against evolving cyber threats, June 2017" from Lloyds of London, KPMG LLP, and DAC Beachcroft



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Industry focus

KPMG



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Cost of a cyber attack

Immediate costs

These are the largely unavoidable costs that include the immediate business and media impact, plus the cost of restoring the confidentiality, integrity and availability of data and systems. Immediate costs include:

- Forensic investigation costs
- Legal costs
- Customer notification costs
- Credit monitoring for customers
- Potential business interruption costs
- Public relations expenses
- Fraud costs
- Extortion costs
- Physical damage costs
- IT/business remediation costs

Slow-burn costs

These vary according to the type and severity of the event, and how it is handled, but typically include the long-term business impact and costs incurred by reimbursing victims, as well as reparation and the payment of penalties for failure to meet obligations. Slow-burn costs include:

- Third-party litigation expenses
- Customer churn from reputational damage
- Regulatory fines and penalties
- Share price impact
- Loss of management focus
- Loss of competitive advantage
- Loss of revenue

Time from event discovery

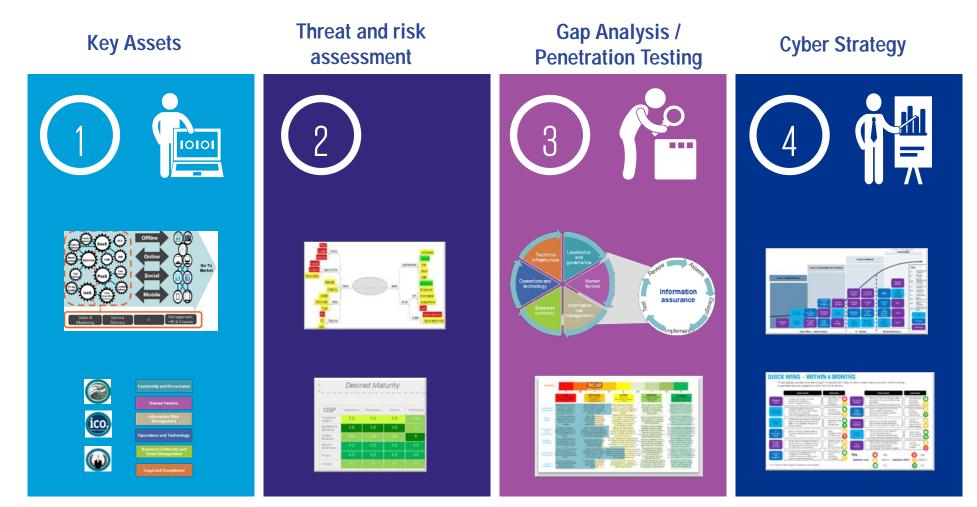
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Developing a cyber strategy





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- Understand the specific threats to your company, including both the immediate and slow-burn costs – everything from reputation as perceived by customers and the value of the data held, to supply chain vulnerabilities and business-leader profiles.
- Evaluate both current and future threats: underwriters will evaluate both so they can offer you the insurance cover that best suits your needs.
- Ensure all employees, including management, have a comprehensive understanding of the cyber threats your company faces and promote a cyber-risk management culture.
- Seek expert help when it comes to arranging cyber insurance to ensure that your risks are adequately covered.

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Thank you

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