



# Cyber risks trends and effective mitigation

Allianz Global Corporate & Specialty Webinar  
December 6, 2021



# Agenda

- 1 Cyber risks and insurance claims
- 2 Cyber hygiene matters
- 3 Cyber insurance market outlook
- 4 Cyber crisis management
- 5 Q&A



**Shanil Williams**  
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Management, Allianz Group

# Allianz ransomware report



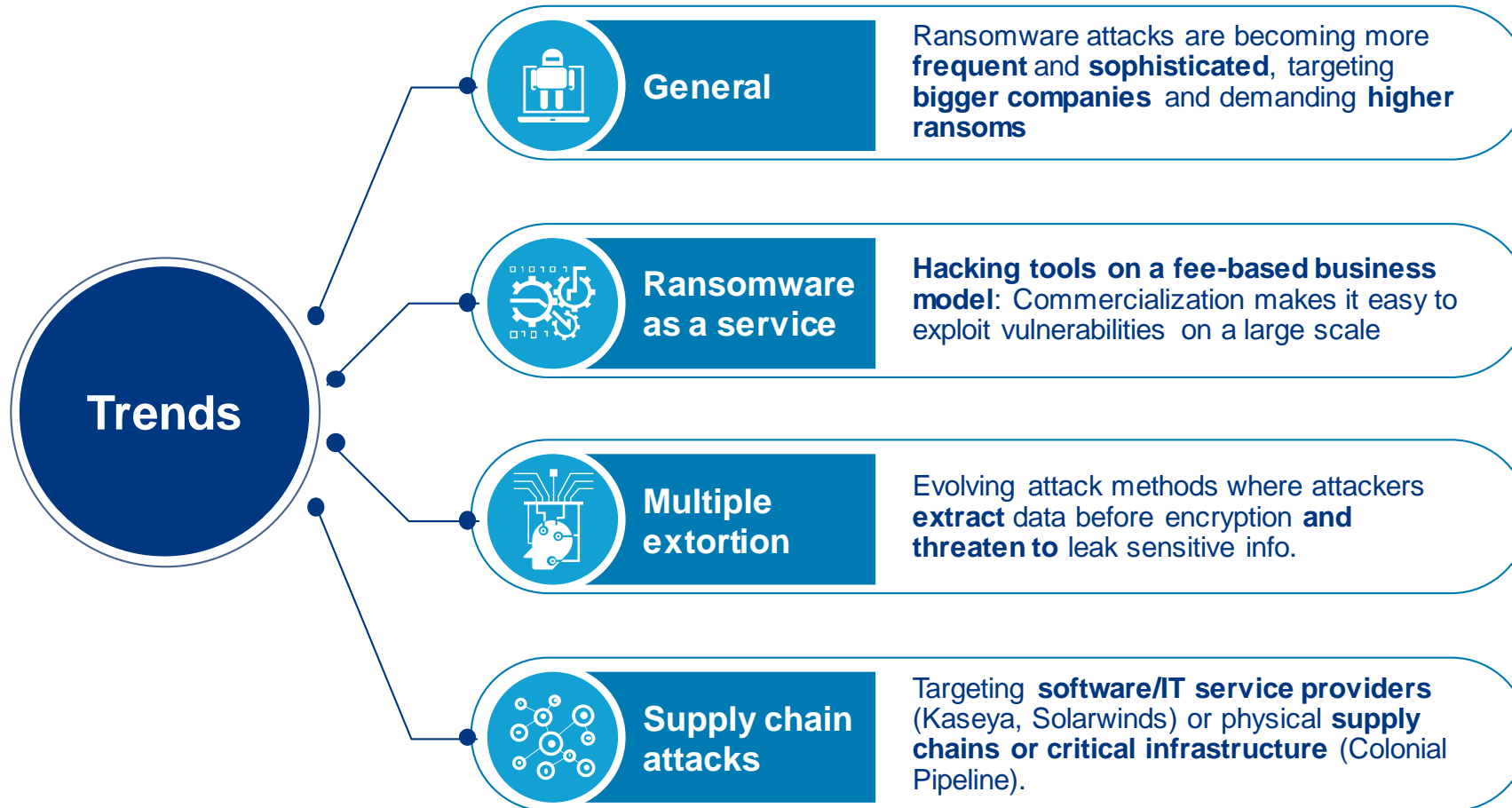
- The 'ransomware pandemic'
- New attack patterns
- Cyber claims analysis
- Tipps for effective cyber hygiene



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# Cyber risks and insurance claims

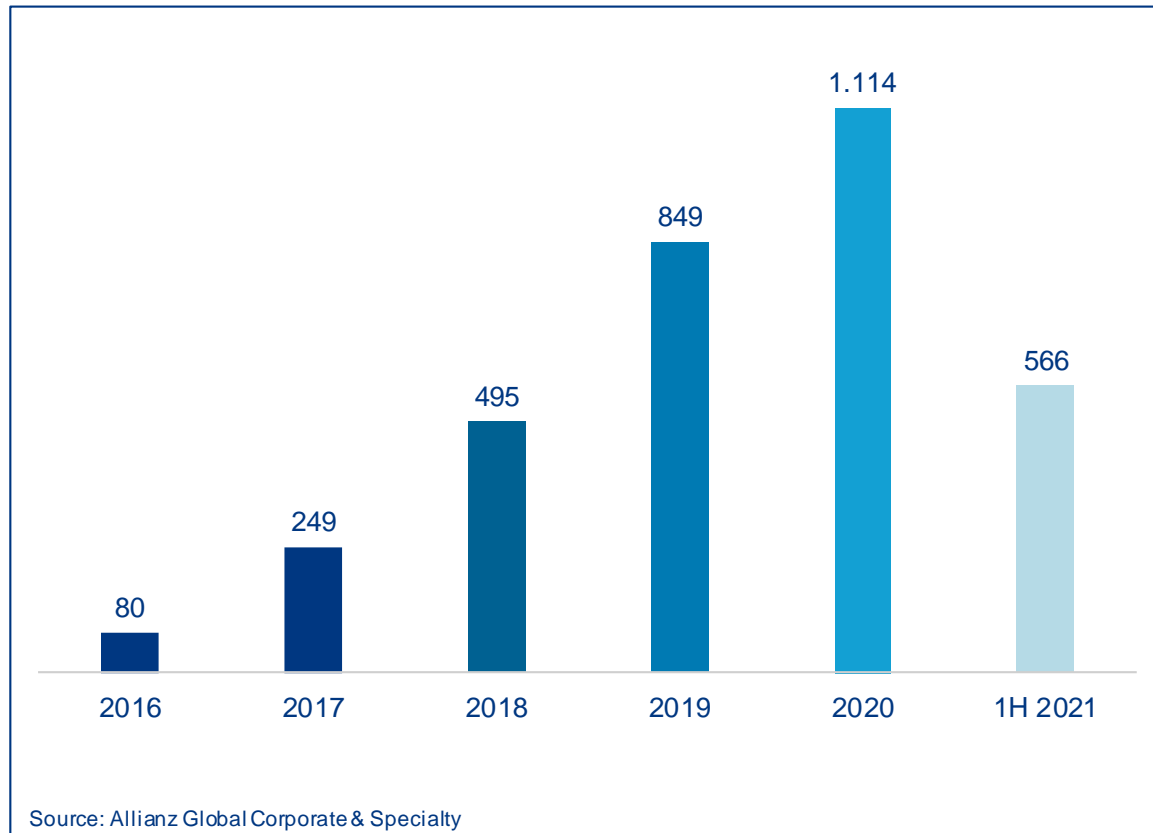
# A ransomware pandemic



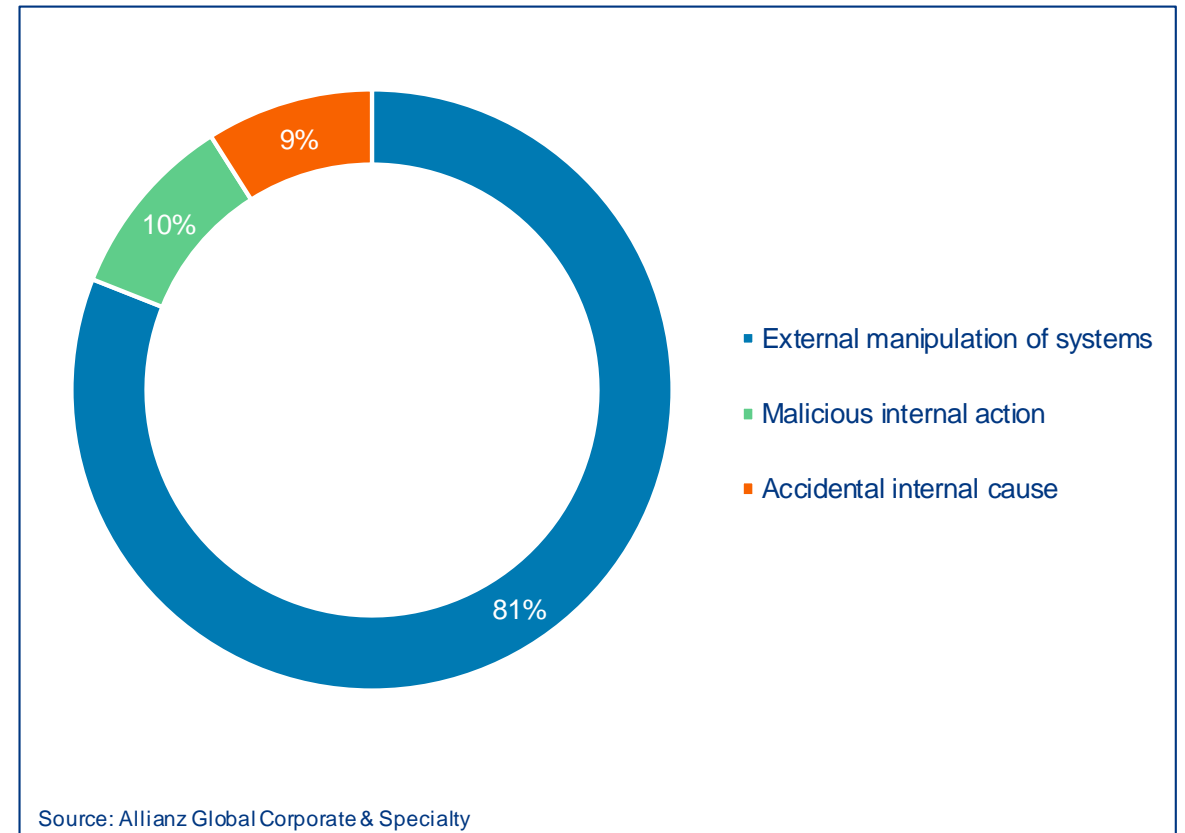
- **715% increase in reported ransomware incidents** between 2019 and 2020 (BitDefender)
- Estimated global **economical damage** increased from **\$11.5Bn in 2019 to \$20Bn in 2020**
- A 225% increase in ransom demands, but ransom payments are generally a small fraction of overall ransomware attack loss (FBI)

# Cyber claims on the rise

Number of cyber-related claims per year



Cause of loss by value of cyber claims



Source: Based on the analysis of 2,916 claims worth €751Mn (US\$885Mn) reported from 2015 until June 30 2021. Total refers to all cyber-related claims, not just ransomware incidents. Total value also includes the share of other insurers involved in the claim addition to AGCS.  
 Data Analysis & Graphic: Allianz Global Corporate & Specialty

# Cyber Hygiene Matters

# Our criteria to assess security posture

**Ransomware  
identification**

**Business  
continuity/  
incident response  
plans**

**Anti-phishing  
exercises and  
user awareness  
training**

**(Regular,  
replicated)  
Backups**

**Endpoint  
protection**

**Email, web, office  
documents  
security**

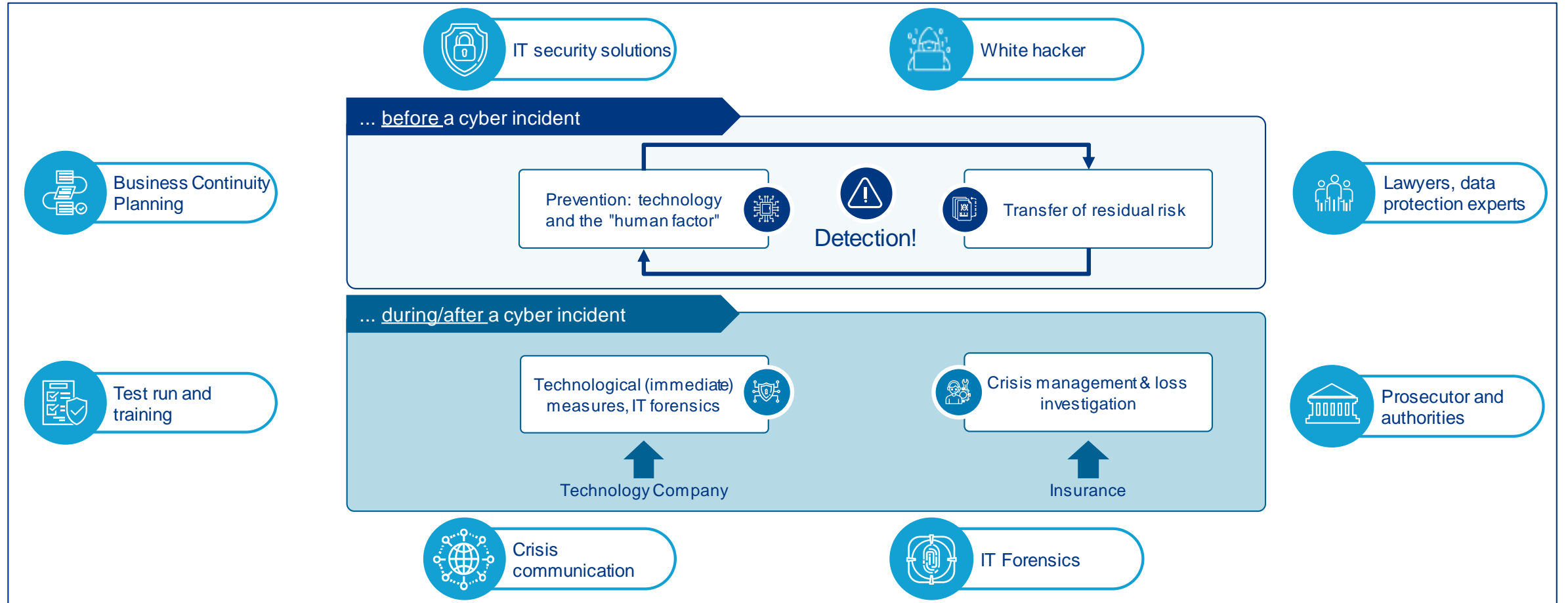
**Segmentation  
within the  
network**

**Patching and  
vulnerability  
management  
policies**



# Cyber Insurance Market Outlook

# Holistic approach to cyber resilience



# Cyber Crisis Management

# Combining insurance expertise with cyber risk and crisis management capability



## Risk Dialogues: Risk Identification & Assessment

- Support AGCS cyber underwriting and policyholders
- Assess cyber resilience and IT security posture
- Assess how cyber risks affect businesses based their value creation and 'crown jewels'
- Guidance on how to strengthen cyber resilience
- Cyber crisis management planning



## Technical consultation for quick claims delivery

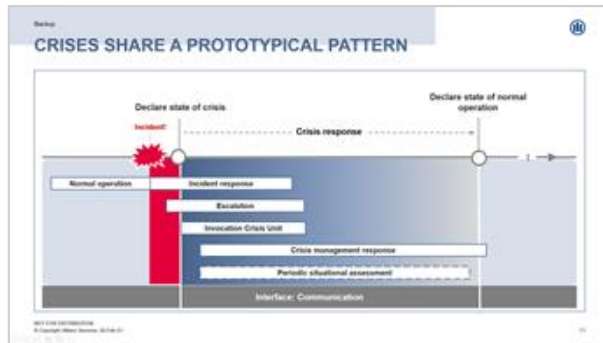
- Support AGCS claims management on large and complex losses to deliver first-class claims experience
- Analyze and assess evidence and loss reports in collaboration with insureds in order to confirm coverage quickly



## Crisis response for AGCS Cyber Premium Protect

- Advise insureds during severe cyber incidents or crises
- Co-ordinate service providers to support insureds during cyber-related incidents or crises
- Provide post-breach technical advice throughout incident response, remediation and post-containment phases

# Prevention prevents panic: managing a crisis before and after it hits



Design and implement a management system for relevant crisis scenarios. Key elements: Crisis Management Plans, crisis unit set-up and back-office, multi-year test plan, exercises and trainings

Crisis Management System



Design an overarching, general plan defining crisis management, the team, methods, metrics, and tools. Design specific battle plans for cyber scenarios with checklists, stakeholder matrices, or extended team structure for all AGCS cyber insureds.

Crisis Management Plans




Conduct a crisis management exercise. Ascertain the plausibility and veracity of assumptions made in crisis management plans.


Crisis Management Training and Exercises

# Ransomware attack – our support


Your network has been infected!



Your documents, photos, databases and other important files encrypted



To decrypt your files you need to buy our special software - General- Decryptor



Follow the instructions below. But remember that you do not have much time

**General-Decryptor price**  
the price is for all PCs of your infected network

You have **2 days, 23:28:36**

\* If you do not pay on time, the price will be doubled

\* Time ends on Dec 17, 09:12:48

Current price	<b>32718.2 XMR</b> ≈ 5,000,000 USD
After time ends	<b>65436.4 XMR</b> ≈ 10,000,000 USD

Monero address: 88MFd5V0IG844GXrGFvZK1ZieUJFcozJpXK6

\* XMR will be recalculated in 5 hours with an actual rate.



Single point of contact for customers to coordinate incident response



Support of AGCS cyber claims handling



Claims analysis, lessons learnt and risk prevention

Thank you!



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