

Cyence



Cyence: 100% Focused on Cyber Risk for Insurance

Cyence Team's Background:



“Cyence raises \$40M to help insurers assess cyber risk. The company has assembled a team of experts from the digital security industry as well as the insurance industry and in economic modeling.”



“Cyence is developing a system that can model cyber risks in financial and economic terms”



“A.M. Best is happy to be working with Cyence and leveraging their economics and risk modeling perspective on cybersecurity to move the cyber risk discussion onto the critical topics of probabilities and dollars, severity curves and probable maximum loss.”



“A major global cyber-attack has the potential to trigger \$53 billion of economic losses, roughly the equivalent to a catastrophic natural disaster like 2012's Superstorm Sandy, according to a scenario described in new research by Lloyd's, the world's specialist insurance market, and Cyence, a leading cyber risk analytics modelling firm.”

Insurance Challenge: Cyber Risk requires bridging two very separated disciplines

CyberSecurity Community



Systems, Networks,
Spam, Botnets,
Vulnerabilities, Threats,
Encryption,
Endpoints...



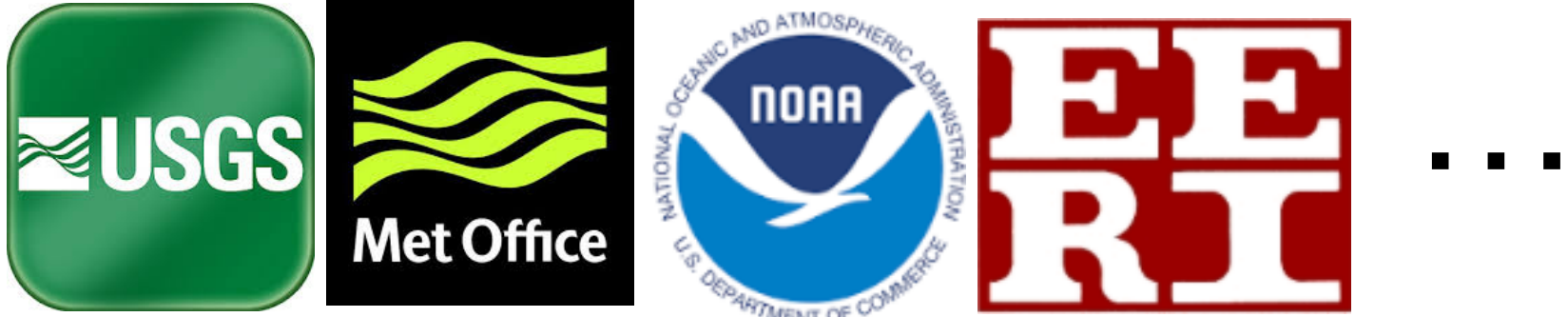
Insurance Risk Community



Risk Aggregation,
Exposure Modeling,
Disaster Scenarios,
Probable Maximal
Loss...

Unlike other Insurance Modeling, Cyber Risk has no authoritative data source

Traditional Aggregation Models rely on Data from Authoritative Sources



Cyber Risk

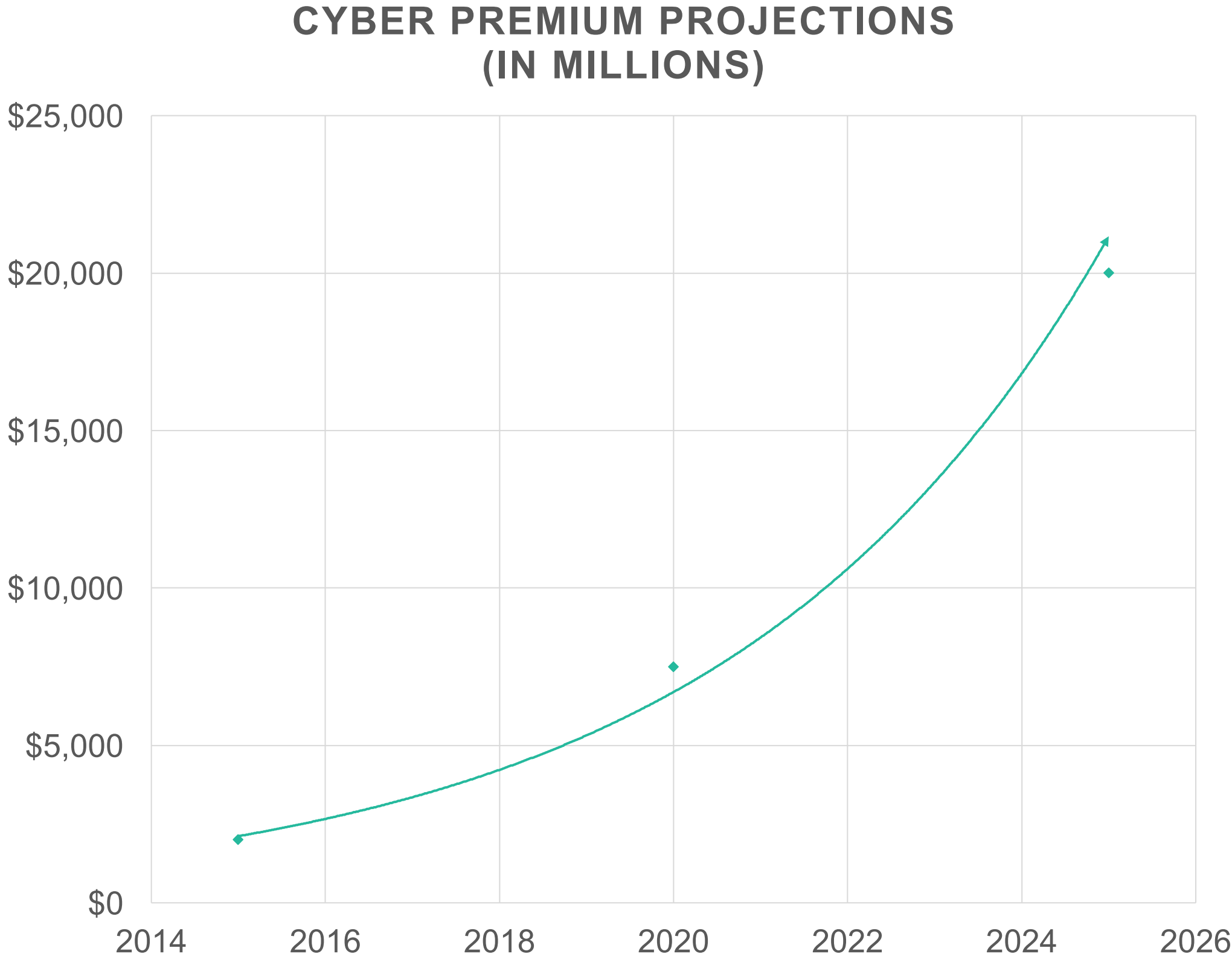
“The most compelling data to model Cyber Risk is often not technical and cannot be purchased – it has to be COLLECTED and Cyence has built the platform to collect the data”



What we are insuring is changing...



Cyber premium growth projections



Cyber Insurance - recent claim examples



EQUIFAX

- Breach announced September 7, 2017
- ~143M social security numbers, birthdates, addresses and some driver's license numbers
- Path of attack reported by security researchers as an application vulnerability
- According to Bloomberg, Equifax carries \$100M-\$150M in coverage



- Global ransomware campaign in June 2017
- Utilized the EternalBlue exploit of a Microsoft Windows vulnerability
- Cyence's estimate of \$850M in economic losses reported by Reuters
- Affected companies include Merck, WPP, Maersk, DLA Piper, DHL, among others

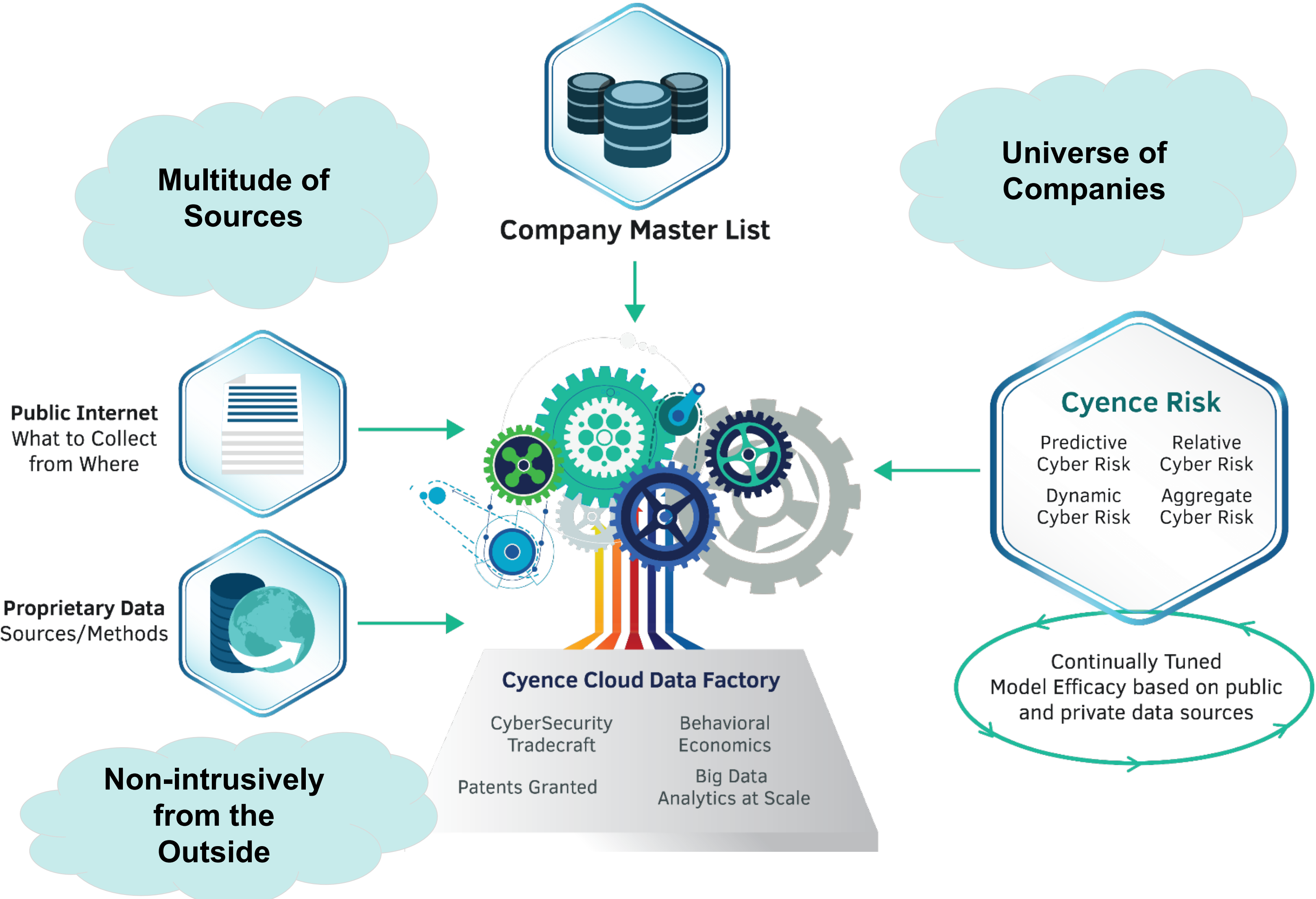


- Human Error caused an outage of Amazon Web Services' S3 services from its northern Virginia data center
- Websites that relied on S3 were unavailable for approximately 5 hours
- Cyence's estimate of \$150M in economic losses to the S&P 500 companies was reported by the Wall Street Journal
- No insured losses due to network interruption waiting periods typically being ~12 hours

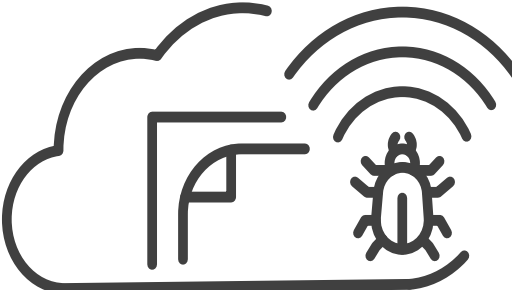


- Oct 2016 Hit with Mirai DDoS causing an 11 hour outage of their DNS services causing massive disruptions of internet access across the northeast of the United States
- Evidenced a not typically considered single point of failure to internet infrastructure
- Mirai DDoS attack demonstrated an unprecedented strength exceeding 600 Gbit/s

Cyence Cyber Risk Platform



Lloyds Emerging Risk Report: Cyber Disaster Scenarios



Cloud Provider Outage

- Malicious backdoor embedded into common hypervisor
- Crashes many cloud service provider systems

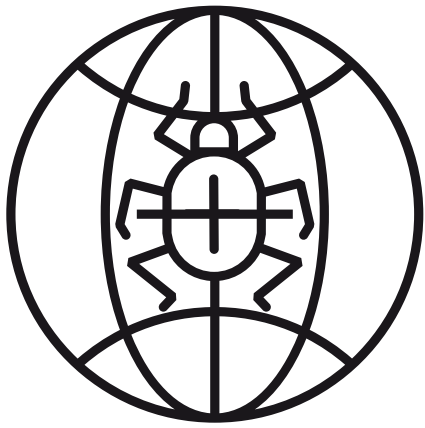


Scenario losses range from \$4.60B to \$53.05B

THE WALL STREET JOURNAL.

March 2, 2017

The AWS outage cost companies in the S&P 500 index \$150 million, according to Cyence



Mass Vulnerability Exploit

- Zero day vulnerability published to dark web
- Attacks take place for 4.5 months until patch created



Scenario losses range from \$9.68B to \$28.72B

FINANCIAL TIMES

May 12, 2017

Hackers use tools stolen from NSA in worldwide cyber attack

CYENCE

Thank You



Cyence Inc.

300 8th Ave, San Mateo, CA 94401

www.cyence.net



contact@cyence.net



+1 650 - 477 - 2600

