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## Learning from Cyber Risk Events – Are we well protected?

**Sheyna Janz**  
Head of Financial Lines  
AIG Malaysia Insurance Berhad

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# Agenda

- Evolving Nature of Cyber Risks
- AIG Claims Statistics
- Key Cyber Trends

# Evolving Nature of Cyber Risk

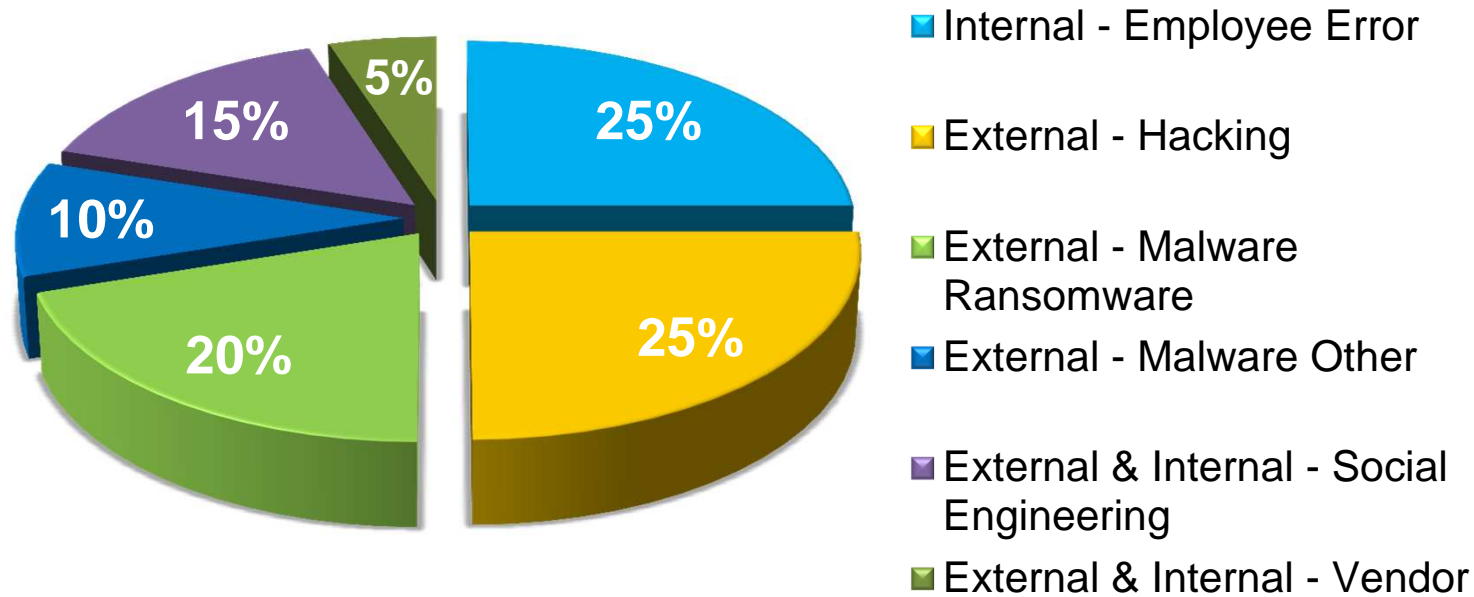


- Digitization
- Automation
- New working models
- IOT
- Big data
- Cloud
- 5G

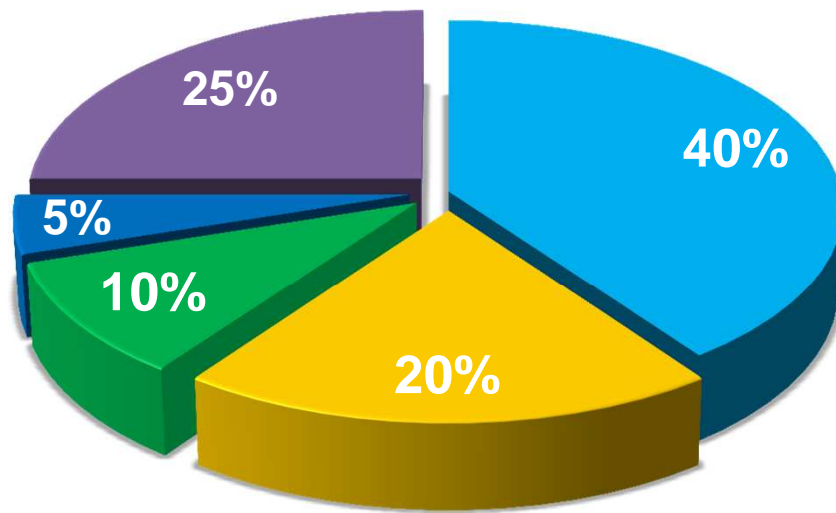


- Vulnerabilities
- Human errors
- Many adversaries
- Commercialisation of attack tools
- Weaponisation of cyber

# Distribution of Reported Incidents by Actor and Vector



# Distribution of Incurred Claims by Coverage Triggered

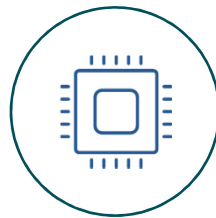


- Event Management Only
- Network Interruption Only
- Security and Privacy Only
- Extortion only
- Multiple Coverages Triggered

# Key Cyber Trends To Look Out For...



Interruption



Affirmative Cyber



Physical Cyber

# 4 main categories of cover: Cyber Insurance vs. Cyber As A Peril

	<u>1<sup>st</sup> Party</u> <i>(what you pay)</i>	<u>3<sup>rd</sup> Party</u> <i>(what you're forced to pay)</i>
<u>Financial / Intangible Loss</u>	Cyber – Network Interruption Cyber – Response Costs Crime	Professional Indemnity D&O Cyber - Liability
<u>Tangible / Property Loss</u>	Property	Casualty
	<i>(what you lost or have stolen)</i>	<i>(what you're forced to pay)</i>







# Other Cyber Trends To Look Out For...



Geopolitical environment



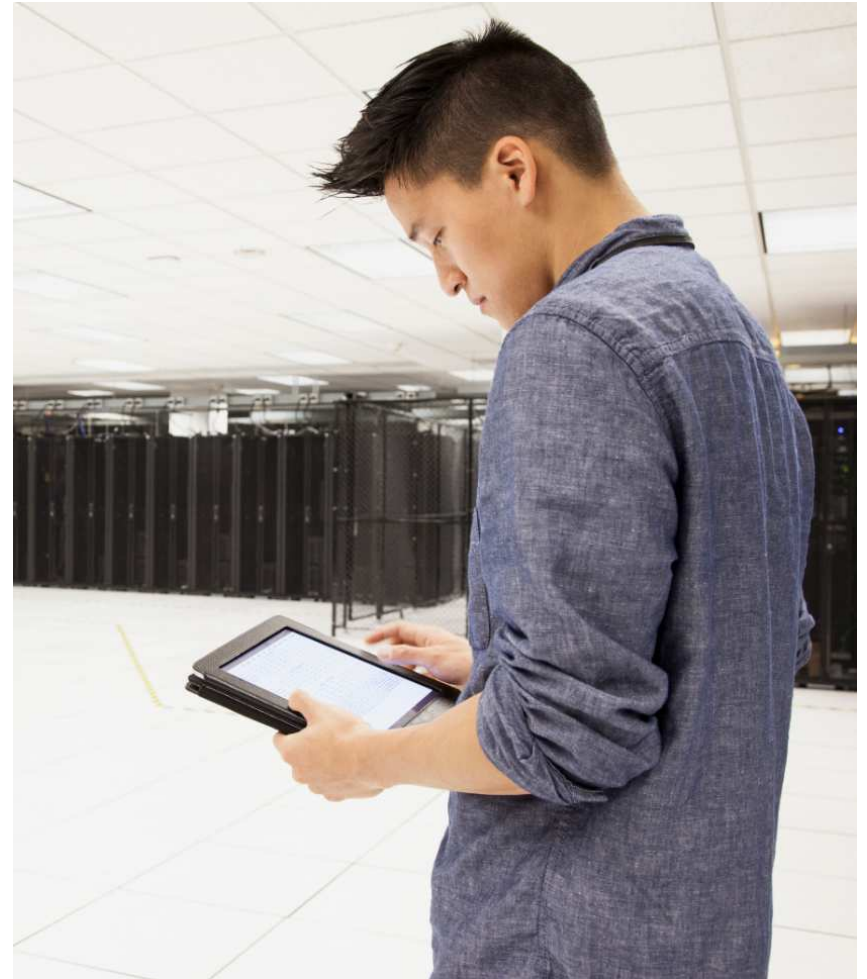
Adversaries incentivized



Regulatory environment



Attacks unlikely to stop



Cyber risk CANNOT be eliminated...

...but it can be managed. Insurance aids in improving resiliency

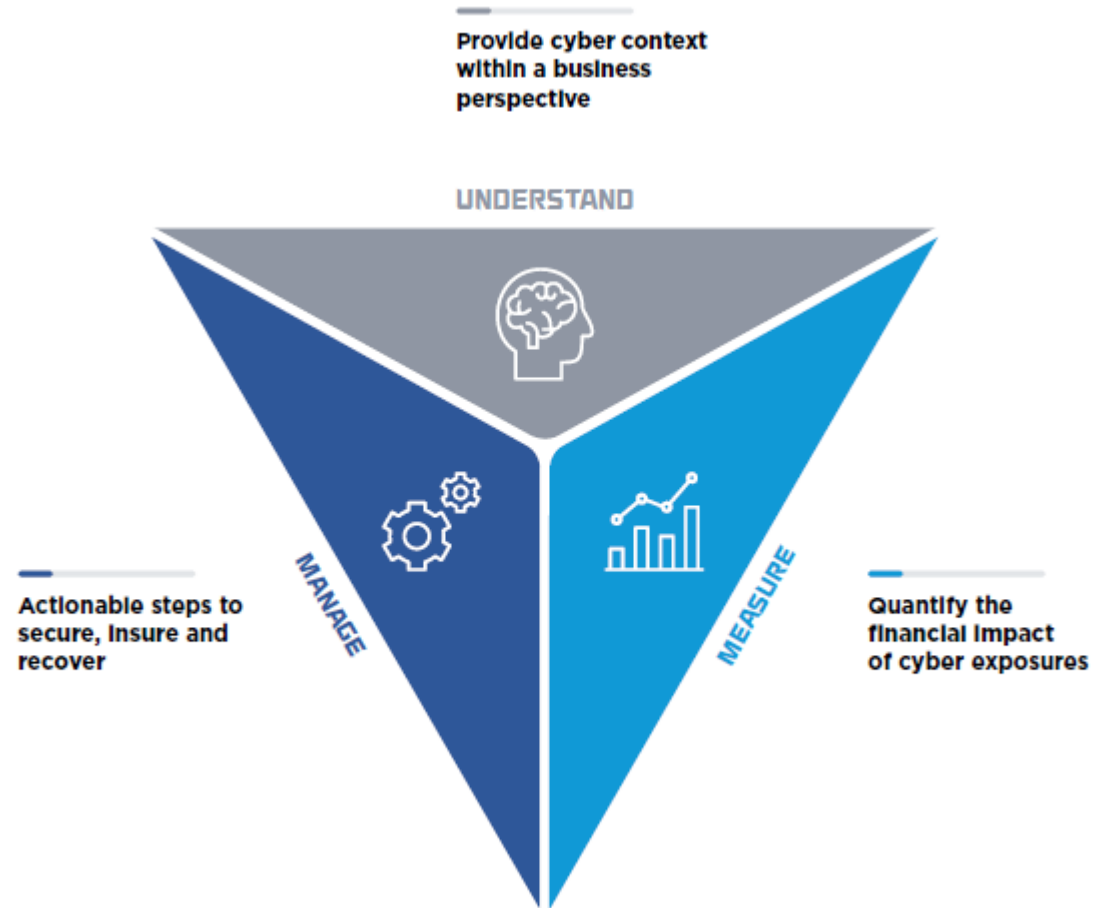


**Resilience:** /rɪˈzɪliəns/

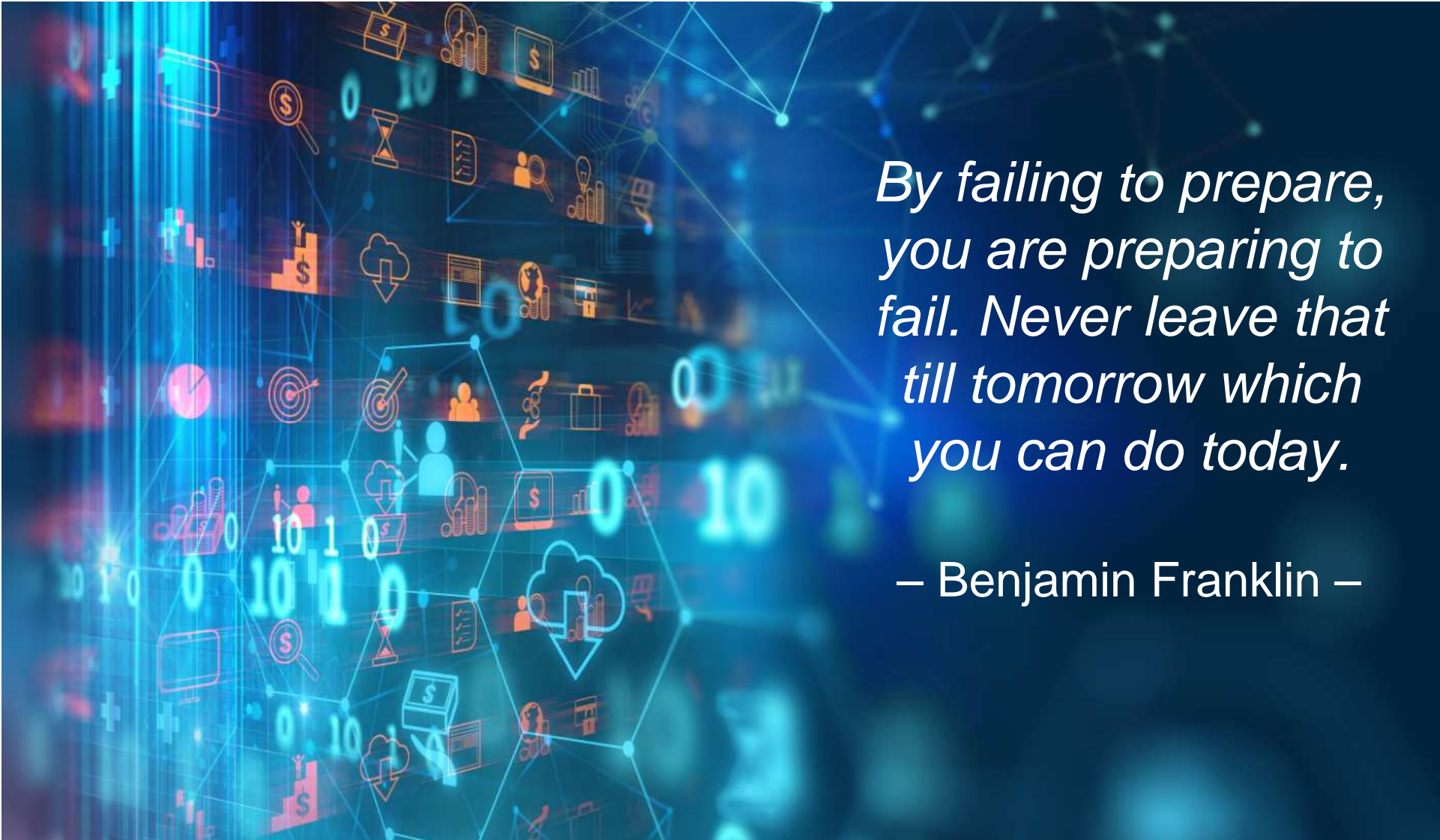
Noun; *the capacity to recover quickly from difficulties; toughness.*

“What gets measured, gets managed”

....but you can only measure what you understand



Source: Marsh, 2019, Understanding, Measuring, and Managing Fast –Evolving Cyber Risks (Webcast)



*By failing to prepare,  
you are preparing to  
fail. Never leave that  
till tomorrow which  
you can do today.*

– Benjamin Franklin –



Thank you

Sheyna Janz

Head of Financial Lines, AIG Malaysia

[Sheynamarie.Janz@aig.com](mailto:Sheynamarie.Janz@aig.com)

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