
TRAVELERS
The Evolution of Cybercrime

DISCLAIMER

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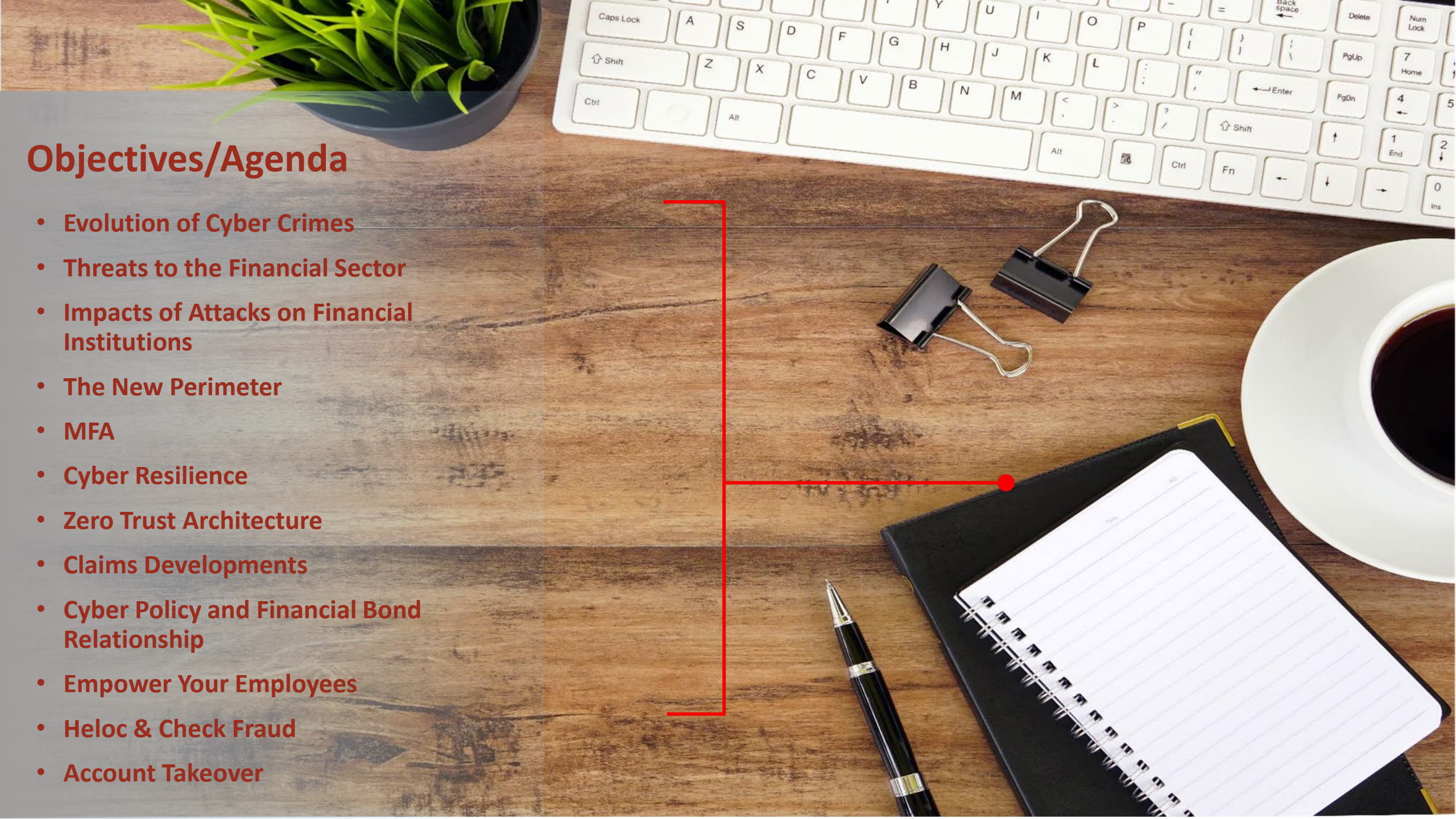
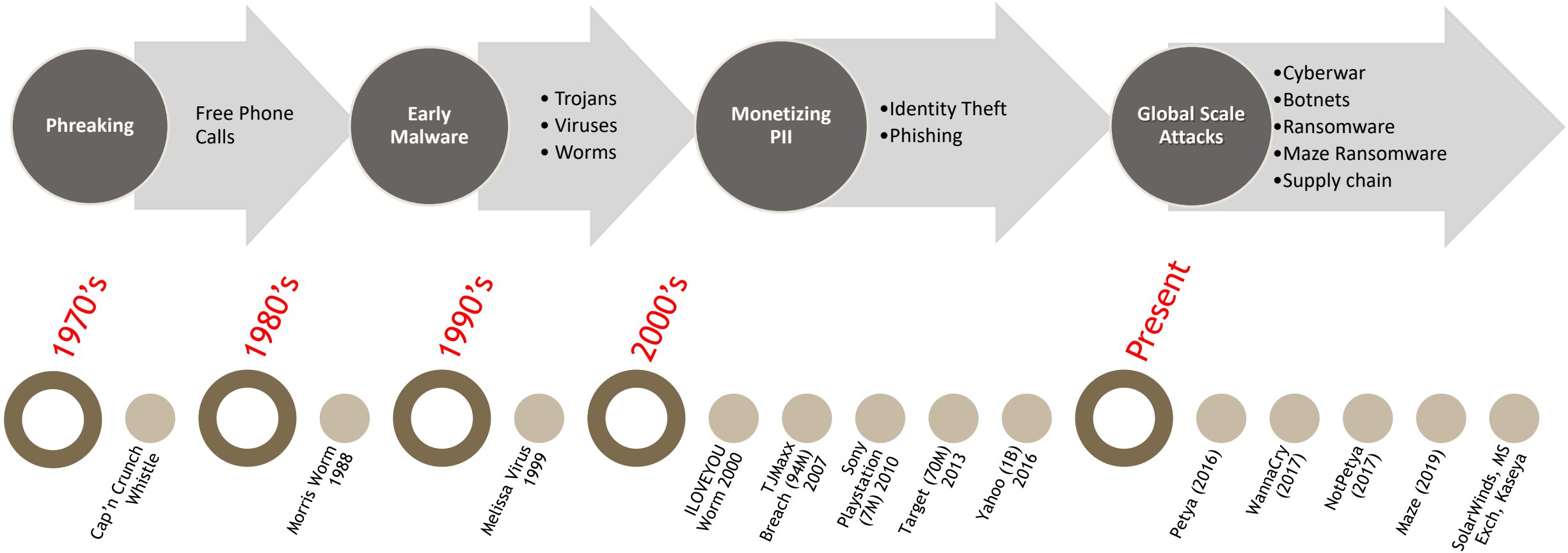
Objectives/Agenda

- Evolution of Cyber Crimes
- Threats to the Financial Sector
- Impacts of Attacks on Financial Institutions
- The New Perimeter
- MFA
- Cyber Resilience
- Zero Trust Architecture
- Claims Developments
- Cyber Policy and Financial Bond Relationship
- Empower Your Employees
- Heloc & Check Fraud
- Account Takeover



Evolution of Cyber Crime



Threats to the financial Industry

Per the Verizon 2021 Data Breach Investigations Report

Financial institutions suffered up to 81% of breaches due to web application and Social Engineering attacks with close to 40% of the breaches caused by internal actors.

Financially motivated organized criminal groups continue to target this sector**, with the deployment of Ransomware being a favored tactic.**

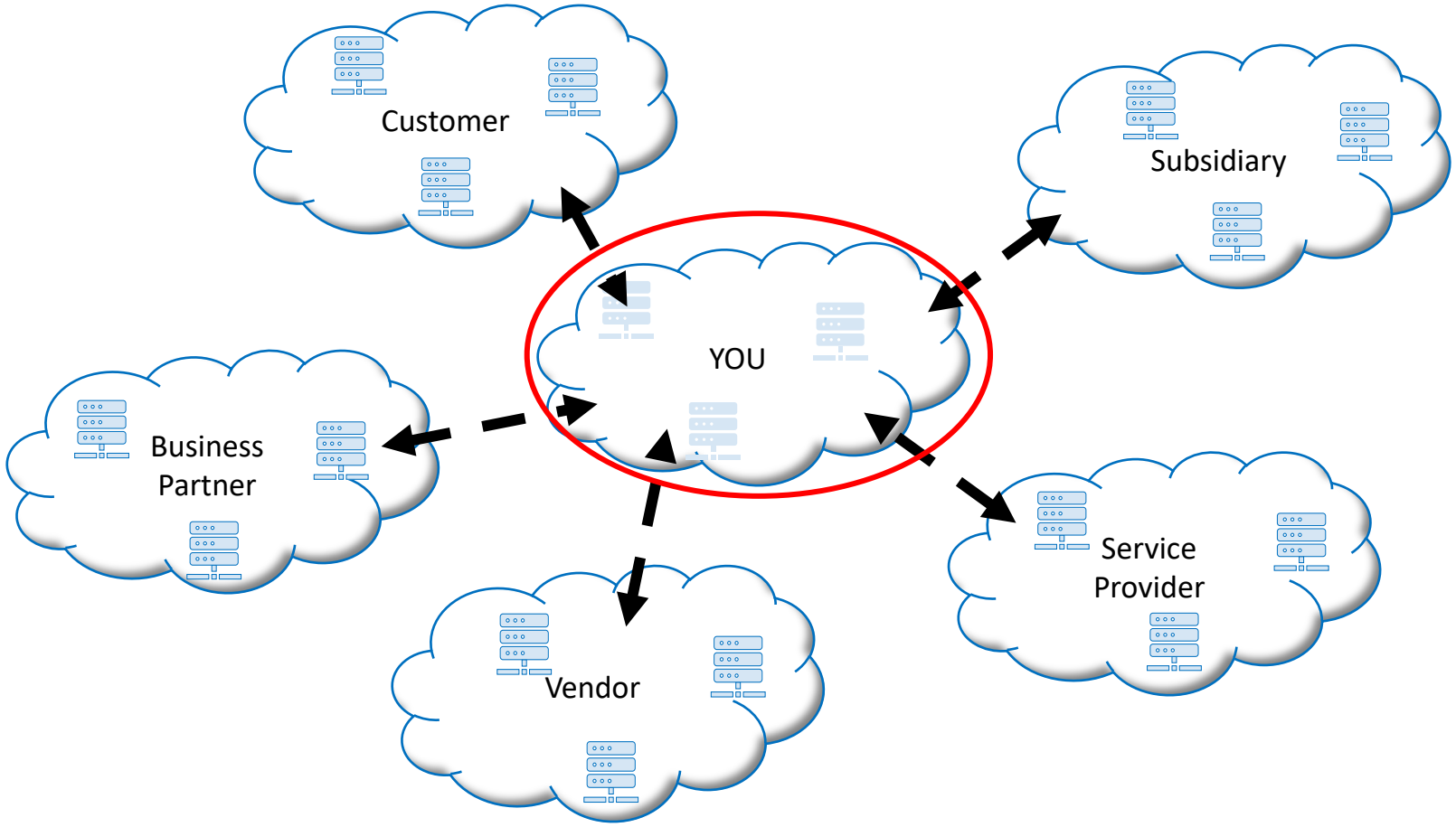
Frequency	721 incidents, 467 with confirmed data disclosure
Top Patterns	Miscellaneous Errors, Basic Web Application Attacks, and Social Engineering represent 81% of breaches
Threat Actors	External (56%), Internal (44%), Multiple (1%), Partner (1%) (breaches)
Actor Motives	Financial (96%), Espionage (3%), Grudge (2%), Fun (1%), Ideology (1%) (breaches)
Data Compromised	Personal (83%), Bank (33%), Credentials (32%), Other (21%) (breaches)
Top Protective Controls	Security Awareness and Skills Training , Secure Configuration of Enterprise Assets and Software, Access Control Management

Source: 2021 Verizon Data Breach Investigation Report

Impacts of Cyber Attacks on Financial Sector

- Attacks on financial institutions are causing direct harm to people and organizations by targeting personal, bank account and credit information of customers.
- Attacks are increasing and evolving as they continue to exploit vulnerabilities in the financial sector's complex digital infrastructure and weaknesses in its cybersecurity controls.
- Attacks on financial institutions are low-risk, high-reward crimes. Acting with near impunity, criminals and state actors are joining forces against financial institutions with varying motives and agendas.
- Small & Medium sized banks are prime targets.
- Remember the SWIFT breaches?

What's in *Your* Perimeter?



Importance of MFA from the Experts

Per Microsoft:

99.9%

of account compromise attacks can be blocked by MFA

Per Arete:

94%

of ransomware victims they investigated did not use MFA

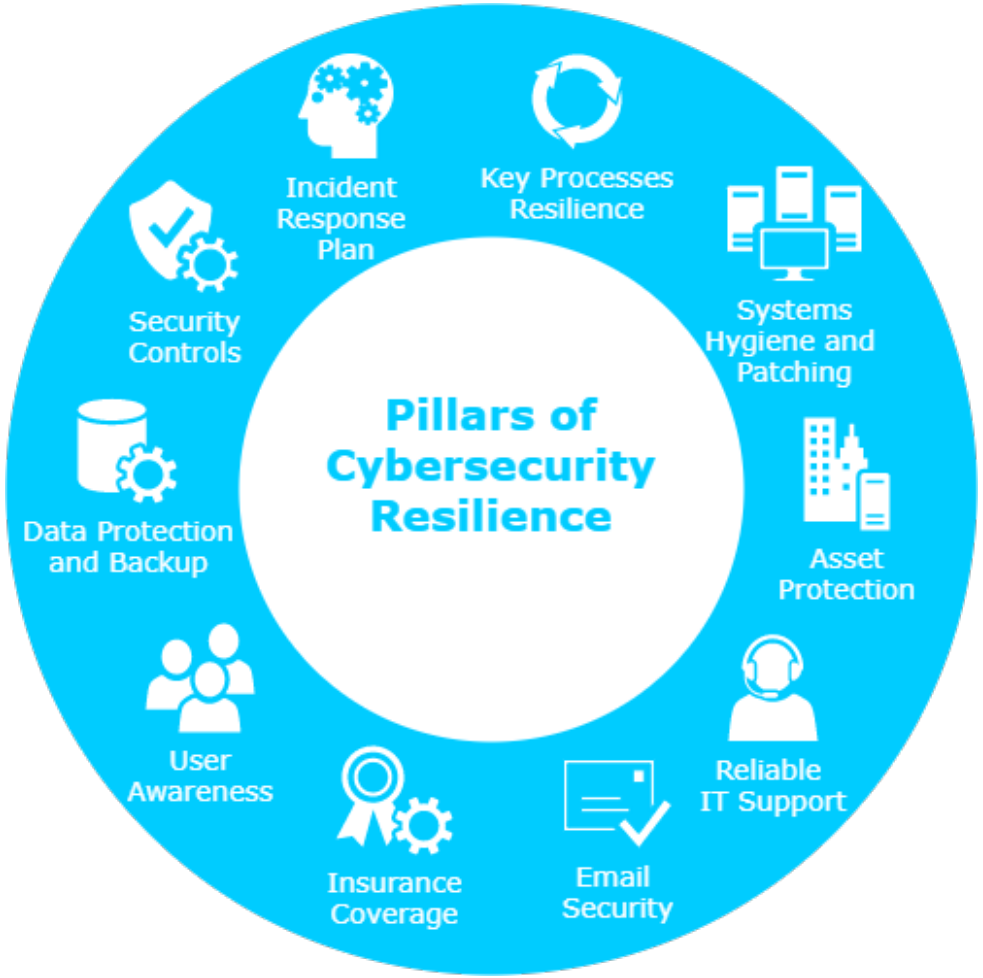
Sources: https://www.microsoft.com/security/blog/2019/08/20/one-simple-action-you-can-take-to-prevent-99-9-percent-of-account-attacks/, Arete Presentation “Ransomware Cards” 7-31-20

Cyber Resilience

The ability to:

- Anticipate,
- Withstand,
- Recover from, and
- Adapt

to adverse conditions, stresses, attacks, or compromises on systems that use or are enabled by cyber resources.

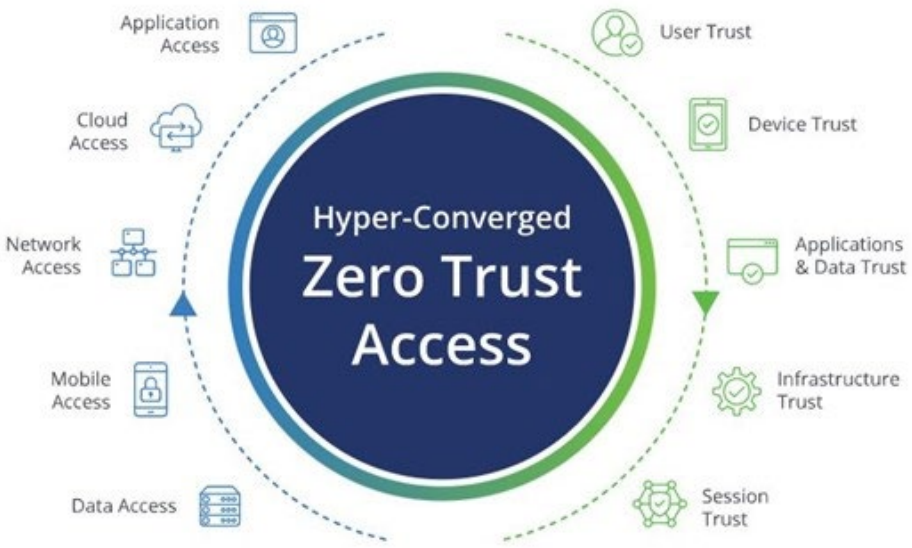


Source: NIST SP 800-160 vol. 2

Zero Trust, Aka Trust No One, Verify Always

Guiding principles of Zero Trust:

1. Verify explicitly. ALWAYS authenticate and authorize based on all available data points
   - user identity
   - location
   - device health
   - service or workload
   - data classification
   - anomalies
2. Use least privileged access. Limit user access with:
   - *Just-In-Time* and *Just-Enough Access* (JIT/JEA)
   - Risk-based adaptive polices
   - Data protection to protect both data and productivity
3. Assume breach. Minimize blast radius for breaches and prevent lateral movement by:
   - Segmenting access by network, user, devices, and application awareness
   - Verify all sessions are encrypted end to end
   - Use analytics to get visibility, drive threat detection, and improve defenses



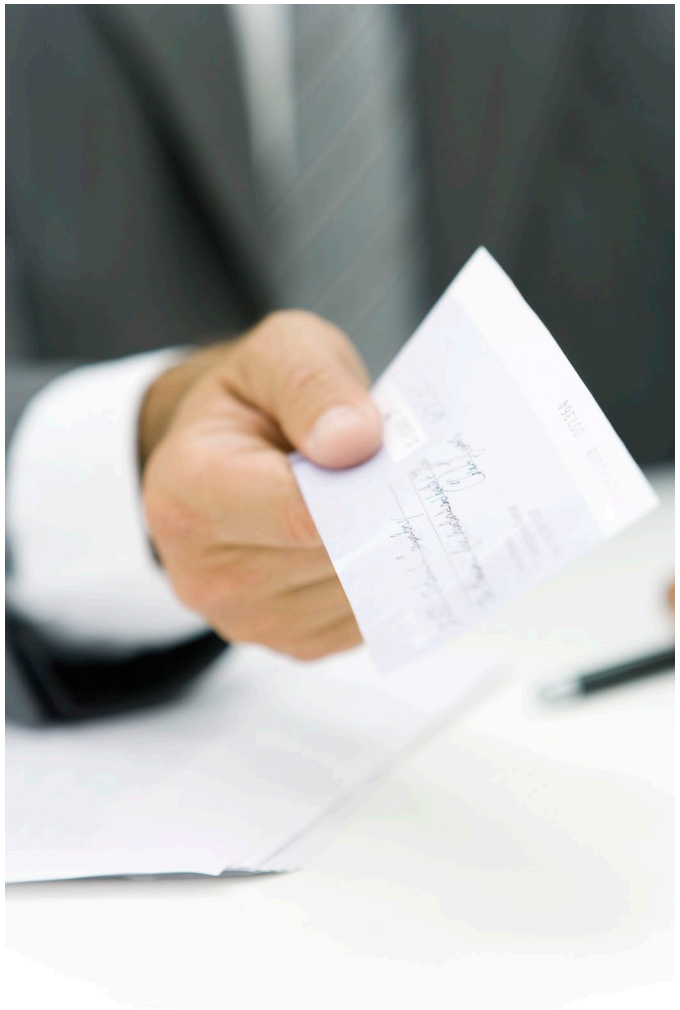
Source: https://go.microsoft.com/fwlink/p/?LinkID=2109181&clcid=0x409&culture=en-us&country=US

Claim Developments

Cyber Policy & Financial Institution Bond Relationship

Stop the Line: Empowering Employees to Speak Up

HELOC & Check Fraud



Account Takeover

THANK YOU

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