

MARSH JLT SPECIALTY

ENERGY AND CYBER PRACTICES

Cyber Risk Management Solutions Tailored for the Energy Sector

Cyber risks represent a clear and present threat to the energy sector, with attacks happening nearly every day. Yet 65% of energy sector organizations say they are challenged to keep pace with evolving cyber exposures, according to the 2019 Marsh Microsoft Global Cyber Risk Perception Survey.

Energy companies face a variety of potential cyber risk threats, including ransomware and various forms of theft. The energy sector is also a growing target for hackers and others who may be motivated to disrupt critical national infrastructure through cyber-attacks for either political or competitive reasons. And because all segments of the energy sector are part of a complex supply chain, energy companies are especially prone to operational disruptions from cyber-attacks. Disrupted production activities could affect commitments to midstream supply, which can further impact downstream energy operations and customers.

Such attacks can result in substantial financial impacts, including lost earnings, incident response costs and other extra

expenses, liability for failure to fulfill contractual obligations, and regulatory investigations and fines. They can also have physical effects, including infrastructure damage, control system outage, property destruction, and bodily harm.

Marsh's Cyber Risk Management Approach

Marsh's team of cyber specialists are ready to help you:

- **Understand** your cyber risk and business context.
- **Measure** the financial impact of potential cyber incidents.
- **Manage** your risk with actionable steps to secure, insure, and recover.

WHO IT'S FOR

- Upstream, midstream, and downstream energy companies of all sizes.

WHAT YOU GET

- Access to cyber risk specialists who understand the insurance market and your unique needs.
- Holistic cyber risk consulting capabilities and advanced analytics, including risk assessment and quantification tools.
- Cyber risk insurance solutions specifically tailored for energy sector firms.
- Optimal coverages for supply chain disruption and other key energy sector concerns.

Helping You Understand, Measure, and Manage Your Cyber Risk



Understand

- Initial consultation with risk management, information security, legal, and HR teams.
- Board of directors' cybersecurity advisory services.
- Enterprise cybersecurity policy reviews.
- Cybersecurity program maturity assessments and program review.
- Cyber threat environment assessments of your organization and your vendors.
- Third-party and vendor risk management program development and continuous monitoring.
- Detailed industry-specific cybersecurity threat intelligence briefings encompassing nation-state, organized crime, terrorist actors, hacktivists, and other organized threats.



Measure

- Cyber XQ (exposure quantification) to determine likely revenue exposure from tailored cyber-attack scenarios on your critical systems and processes.
- Network Interruption loss modeling to provide statistical loss severity estimates based on your level of network reliance and other model inputs.
- Cyber IDEAL data breach model estimates of the probability and potential severity of various data breach loss scenarios.
- Risk financing optimization studies that estimate your economic cost of cyber risk versus potential premium spend to evaluate the efficiency of your insurance program.



Manage

As the leading cyber broker to the energy sector, Marsh is well positioned to help you manage risk through consultative capabilities and optimal risk transference. We can help you design easy-to-understand insurance protection that responds when needed and is tailored to your specific needs. For example, we can help you:

- Secure enhanced business interruption coverage that responds to network attacks, with or without physical damage.
- Secure specific energy industry regulatory risk protection.
- Limited war exclusions and other language that could prelude coverage for cyberterrorism.
- Build a program that explicitly responds to interruptions of your supply chain.
- Obtain protection for network attacks against or failures of both enterprise systems and industrial control systems.
- Protect against contractual liability for failing to supply energy products.

In addition to building a robust insurance program, we can also help you develop operational procedures based on industry best practices and test the performance of your cybersecurity controls. And in the event of a cyber incident, our dedicated team of energy industry-focused advocates can help you optimize and accelerate your claims recovery.

To learn more, contact your Marsh representative or Marsh's Energy and Cyber Practices:

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