



Government of British Columbia
16th Annual Privacy & Security Conference

Securing 2015: Change Just Three Things

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<http://investor.cisco.com/results.cfm>



Have you made your Resolutions for 2015?

The End at the Beginning – Three Things to Change in 2015

**Make Boards Manage
Cyber Risk Separately**

**Technical, PPP,
Country to Country**

**3 Changes,
3 Outcomes**



All Hands on Deck: Boards Must Manage Cyber Risk Separately

Organizations are weak policy and procedures, exposing vulnerabilities



90% of companies are confident about their policies

Strategy

- Policy
- Processes
- Controls
- Remediation



But 54% admit to facing public scrutiny following a breach

Operations

2014's Shift

SEC holds
hearings in
WDC

ISS Calls for
Target Board
Overhaul
after Breach

SEC
Commissioner
Luis Aguilar

Audit Committee
Boot Camp
Cyber

Wyndham
Data Breach
Legal Action
Dismissal

NACD BoD
Cyber
Chapter

NACD BoD
Cyber
Panel

March 2014

May 2014

June 2014

Sept 2014

Late 2014

Nov 2014

Dec 2014

Wall Street Journal

SEC.Gov

John Kindervag,
Forrester analyst,
The Guardian

Forbes

The Key Roles for Cyber in 2015

Responsibilities of Boardrooms, CEOs, and CIOs – and EVERYONE



BoD



CEO



CIO

ALL HANDS ON DECK

8 Questions BoDs Must Be Made to Ask

If a Board doesn't understand cyber security, it needs to bring in someone who does

Which threats are relevant to our business?

What's connected, how does it work, what are the critical services, who runs?

Is Cyber part of the plan and if so, who is accountable for it?

Formalized response process and capabilities?

Do we have a disclosure process that we follow?

What are our law enforcement and government relationships?

System of controls equal to risks?

What else do we need to know?





Increase Technological Cooperation,
and People Cooperation

part·ner·ship (pärtnr-shp)

1. The state of being a partner.
2. A legal contract entered into by two or more persons in which each agrees to furnish a part of the capital and labor for a business enterprise, and by which each shares a fixed proportion of profits and losses.
3. The persons bound by such a legal contract.
4. A relationship between individuals or groups that is characterized by mutual cooperation and responsibility, as for the achievement of a specified goal

Technology Partnerships Seem to Work



100Tb Intelligence
1.6M sensors
150m+ endpoints

180K files / day
120Tb web / day
35% email world wide

Open Source Community
Coord. Malware
Eradication
IOC exchanges

People Partnerships Sometimes Work, Sometimes Don't

A word of caution: Global industry is being affected.

FIRST FS-ISAC NCFTA

EU General Data Protection
Regulation

APEC Cross-Border Privacy
Enforcement Arrangement

Public and Private
Sectors with coordinated
responses to national
issues

China, Germany, Israel,
Japan, Russia, UK, US
decisions

Don't Imagine the World We Want, and Ignore the World We Have

We cannot ignore, block, or avoid that China, Russia, and Germany are partners in today's cyber domain and we *have* to find common ground.

Legal overhaul of liability, cooperation, and change the mindset for GCs and Shareholders

The SPs are enabled to protect the power grid, WOG stands beside victims, companies, and infra overhaul

Govt's decide the rules of the road, MLATs are modernized, carrot and stick are both used

Partnerships for Consistent Global Data Privacy Frameworks

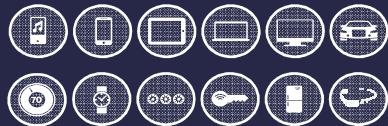
Global Drivers
for Consistency



Cloud Sharing

Big Data

Internet of Things



Outcome
Oriented Solutions

Global



Frameworks



Baked in Privacy
Principals

Will Empower
Business

Frameworks
Interoperate Regionally

Current with Latest
Technology Realities

Consistent Application



Change the Architecture, the Certification, and our Future

Gaps Between Perception & Reality of Threats



Attackers Expanding Tactics

Snowshoe Spam, Web Exploit Kits & Combinations of JavaScript and Flash Malware



Users Unknowingly Aiding Attacks

280% spike in Silverlight Attacks; 250% spike in Spam & Malvertising Exploits



Infections are the New Normal

100% of networks analyzed have traffic going to sites hosting malware

Source: 2015 Cisco Annual Security Report

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2. The Underwriters Laboratory (UL) History



1894: Created by William Henry Merrill as UEB

1903: Publishes first standard on Tin Clad Fire Doors

Today: 7 business areas, 62 facilities, 20b+ products that carry the brand

Why? Because electrical fires were increasing insurance payouts

Creating the Internet Underwriter's Laboratory (IUL)



Today: Would certify for Internet Readiness

Tomorrow: Would drive “Consumer Reports” on electronic safety to help change Markets

Beyond Tomorrow: 100 years ensuring safety standards for the Internet



In summary...and thank you for listening...



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January 2016 will show levels of progress...

Thank you.

