



## Introducing Cyber InFocus. Keeping you one step ahead of the trends.

The financial damages of cyber crime are projected to reach \$6 trillion annually by 2021—more than double those same figures from 2015.<sup>1</sup> That’s why it’s so important that we not only stay on top of the latest trends in the cyber security industry, but ahead of them.

Introducing **Cyber InFocus**—a new quarterly report that can help you understand the effects of cyber- or privacy-related incidents for your clients—or even prevent them from happening in the first place. For real time access to our proprietary data, with insight into current cyber threats and how you can protect your company against them, please visit [chubbcyberindex.com](http://chubbcyberindex.com)

“Using the resources that come with being part of the largest publicly traded property and casualty insurer in the world, we are able to stay abreast of the latest advancements in technology, as well as threat vectors that may affect our insureds.”

— Sara Trokan,  
US Manager of Cyber Claims.

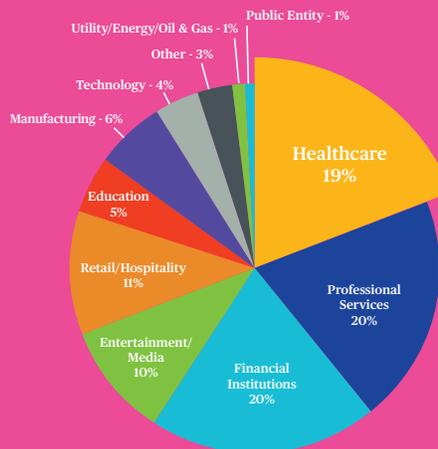
### Cyber Trends



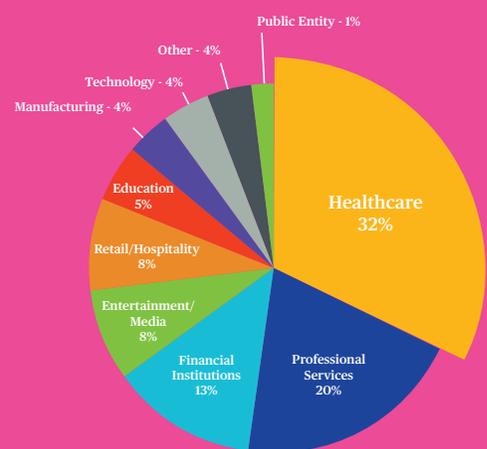
While cyber incidents continuously evolve in their complexity and focus, we have been able to pinpoint several common trends during the first quarter of 2018—namely a rise in cyber incidents involving healthcare organizations, phishing attacks and ransomware attacks. In general, the malware (malicious software) affecting our insureds is becoming more infectious as demands and costs associated with these incidents continue to increase.

### Healthcare Industry

The healthcare industry continues to be the number one generator of Chubb cyber-related incidents. In fact, it accounts for approximately 24% of all Chubb cyber claims across industry segments for all claim data collected since 1991. This trend is due, in large part, to the number of inadvertent disclosure and unauthorized access cases resulting from non-compliance with HIPAA’s stringent regulatory requirements.



Chubb Claim Count by Industry  
2014-2015



Chubb Claim Count by Industry  
2016-2018

24%

Healthcare accounts for approximately 24% of all Chubb cyber claims across industry segments over the last 27 years.

13%

The number of Chubb healthcare cyber-related incidents grew 13 percentage points over the last two years.

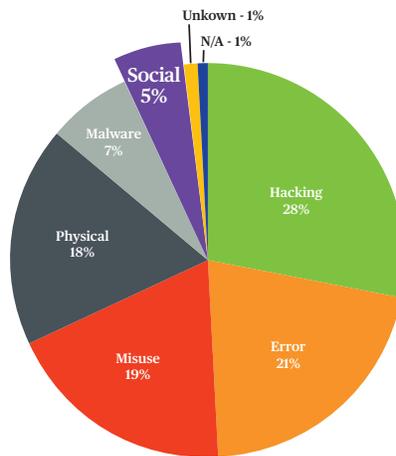
<sup>1</sup> Cyber Security Business Report, January 23, 2018

# Phishing Attacks

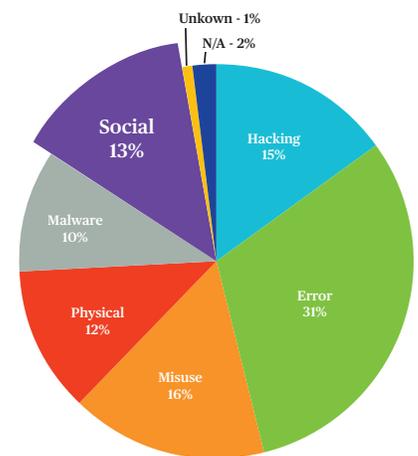
## How Phishing Works

1. Attackers send phishing emails to one or several employees within an organization. The email looks like it's coming from a credible source, sometimes an executive within the organization.
2. The email instructs the employee(s) to carry out a task that requires them to provide their login credentials.
3. The attacker captures this information and uses it to authorize transactions. These could range from approving and sending checks to making deposits, transfers, and more, depending on the industry.

Since it looks like an authorized user made the request, sometimes identifying this fraud takes a long time and costs the company a large sum of money and, many times, its reputation.



Chubb Claim Count by Action 2014-2015



Chubb Claim Count by Action 2016-2018



8%

The number of social attacks, including employee deception and phishing scams, grew by 8% for Chubb cyber claims since 2015.

**Industries Affected By Phishing Attacks**  
While phishing attacks can affect all industries, those currently most impacted for Chubb cyber claims are:



22%

Professional Services



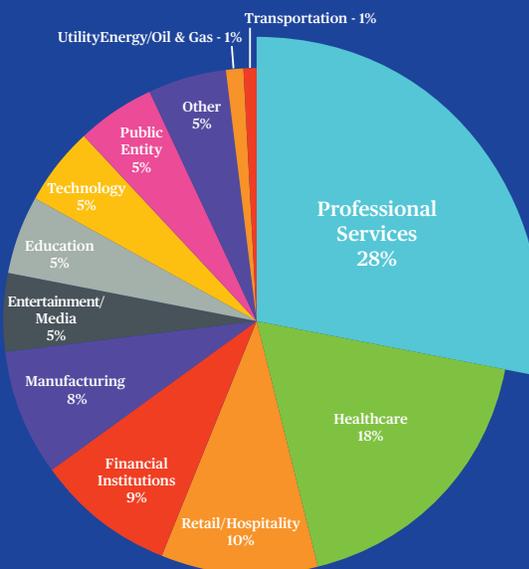
17%

Financial Industries

# Ransomware Attacks

Ransomware is much like its name sounds. It's a type of cyber attack that uses malicious software to block a business' network until a ransom is paid. Since 2016, we've seen an increase in the number of ransomware attacks, the amount of ransom demanded and the number of ransoms paid.

There's also a new and rising trend in ransomware called SamSam ransomware. Once limited to the healthcare sector, this more destructive form of ransomware has expanded to include other industries. With SamSam, attackers prey on missing security patches to access a network. This type of attack does more than just encrypt files-it also attacks critical software and network backups, making them inoperable. We've seen more than ten SamSam attacks so far this year and that number is expected to grow.



Chubb Ransomware Claim Count by Industry 2016-2018

- 34% increase in frequency of reported Chubb ransomware attacks
- Ransom was paid in 27% of Chubb reported ransomware attacks
- More destructive variants reported (rise of SamSam malware)
- Dollar amount of ransomware demands increasing. The highest Chubb paid ransom in 2016 was \$18k; to date in 2018, the highest paid was over \$60k

28%

28% of Chubb cyber claims are ransomware attacks in the Professional Services industry.

Sources: Chubb Claims Data, April 6, 2018

Chubb is the marketing name used to refer to subsidiaries of Chubb Limited providing insurance and related services. For a list of these subsidiaries, please visit our website at [www.chubb.com](http://www.chubb.com). Insurance provided by ACE American Insurance Company and its U.S. based Chubb underwriting company affiliates. All products may not be available in all states. This communication contains product summaries only. Coverage is subject to the language of the policies as actually issued. Surplus lines insurance sold only through licensed surplus lines producers. Chubb Limited, the parent company of Chubb, is listed on the New York Stock Exchange (NYSE: CB) and is a component of the S&P 500 index.