IT'S TIME TO ACT
CYBER SECURITY AND
INFORMATION PROTECTION

CYBER SECURITY IS AN ISSUE YOUR BOARD NEEDS TO ADDRESS - AND FAST

Cyber security is a board-level risk with major legal implications: it is not simply a technology issue. High-profile data loss scandals and hacks, including at Sony and Facebook, highlight the serious reputational and financial impact of a cyber incident.

A global shake-up in data and cyber laws is on its way. In the EU, this will mean fines of up to 4% of global revenue for serious data breaches, regulators gaining new invasive audit powers, and mandatory reporting of significant cyber incidents. Similar proposals are likely around the world.

Clifford Chance will help assess your cyber exposure and develop a proactive risk-based strategy. We are working with some of the world's leading companies in relation to their cyber strategy.

Why Clifford Chance should lead your cyber strategy

Legal considerations need to be at the core of cyber risk management. A complex and fast-evolving multi-national legal and regulatory framework underlies this area, and you need commercially minded legal experts to navigate the framework.

Our Cyber Risk Team brings:

Cyber Risk Profiling and Forensic Investigation Expertise

 Cyber and data privacy experts to help you understand the company's cyber risk profile and identify key touch-points so that informed decisions on risk can be taken at board level

Crisis Management and Cyber Litigation Skills

- Experience in developing a robust cyber disaster response plan, addressing reputational priorities as well as your legal obligations in a crisis scenario
- Legal advice to assert your rights against hackers and disgruntled employees, defend claims from customers and suppliers, and manage regulatory risk, fines and sanctions
- There for you 24/7 when an incident breaks

Multi-Disciplinary Approach, with Dedicated Industry Focus

- Experts who know what to include in contracts to address the cyber challenge and who advise on policies and training to assist with risk mitigation. Employment specialists advise on HR policy management and employee communications
- Industry expertise, including for particularly data-rich sectors such as TMT, healthcare, banking, energy and consumer goods/retail

Global Reach and Regulator Insight

- A global team of experts, as cyber incidents impact data held across many countries and require management opposite multiple regulators and governments
- Legal advice privilege which helps maintain confidentiality of risk decisions and is helpful
 when regulators and customers demand broad disclosure in the event of an incident

Contact the Clifford Chance Cyber Risk Team:



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BE CLEAR ON CYBER SECURITY: 5 QUESTIONS YOU NEED TO ASK

1

How will new laws impact us?

The cyber security legal landscape is evolving fast. Core policies (HR/data collection/confidentiality/business continuity/insurance) must be re-designed with cyber in mind. You will need to ensure that your board is always alert to cyber risk issues and is able to react quickly. A new approach to data risk and compliance is now required to protect

against reputational damage and significant new fines.

2

Are we addressing the cyber risk profile of suppliers?

Your valuable data should only be passed to vendors and suppliers who have been cyber-vetted. To back this up, new cyber protection clauses need to be integrated into your agreements. Can you be sure that your

suppliers will tell you about a cyber attack before your customers read about it on the internet? Will they help you manage the fall-out and compensate you for your losses?

3

Is cyber a key part of our M&A due diligence?

When buying any business, cyber due diligence needs to be at the top of your list. Has the target fallen victim to a cyber attack? What risk mitigation measures are in place? Does the valuation reflect any cyber weaknesses?

4

What is our cyber disaster response plan?

An hour-by-hour cyber attack response plan is needed across the organisation with business leaders, legal, IT, HR, IR and PR teams working as one. Your plan needs regular testing and review.

5

If we have a data loss incident, what will we tell regulators and customers?

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One or more regulators may need to be notified following a data loss incident; and in these circumstances you will want your legal adviser to

have intimate knowledge of your risk mitigation strategy to put forward your best case. You may also need to tell customers – this legal communication process needs careful management.

"The shifting cyber landscape will open opportunities for those who are on top of the changes. Stand-out cyber risk management can be a significant advantage. Businesses which have their eye on the future legal landscape around cyber security are going to inspire confidence in their customers."

Megan Gordon (Partner, Washington D.C.) – Cyber law and risk management expert

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This publication does not necessarily deal with every important topic nor cover every aspect of the topics with which it deals. It is not designed to provide legal or other advice.

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