DRAGOS

2021 State of Industrial Cybersecurity

December 8, 2021 | ***Moderated by Sam Wilson | Dragos***

Shon Gerber
Chief Information Security Officer, INVISTA

Doug Short
Chief Information Officer, Trinity River Authority of Texas

Steve Applegate
Chief Information Security Officer, Dragos

Paul Reyes
Chief Information Security Officer, Vistra

Before we get started…

- Webinar is being recorded
- Recording will be shared this week
- Phones are muted
- Please submit questions using Q&A below

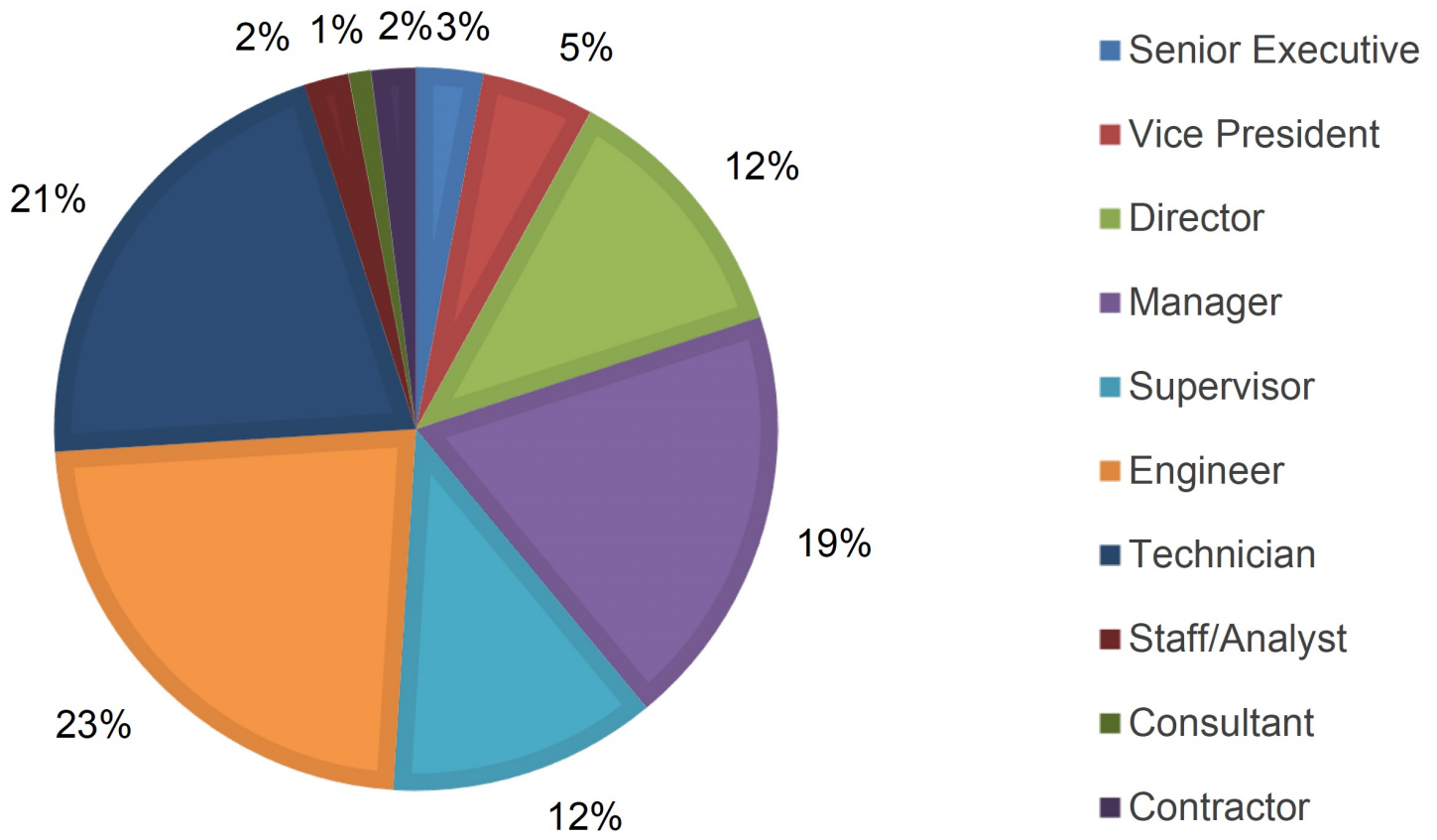
Study Background

- Sponsored by Dragos, conducted by Ponemon Institute

- 603 IT and OT security practitioners from managerial to C-level in the United States
- All familiar with cybersecurity initiatives and ICS/OT security practices within their organizations

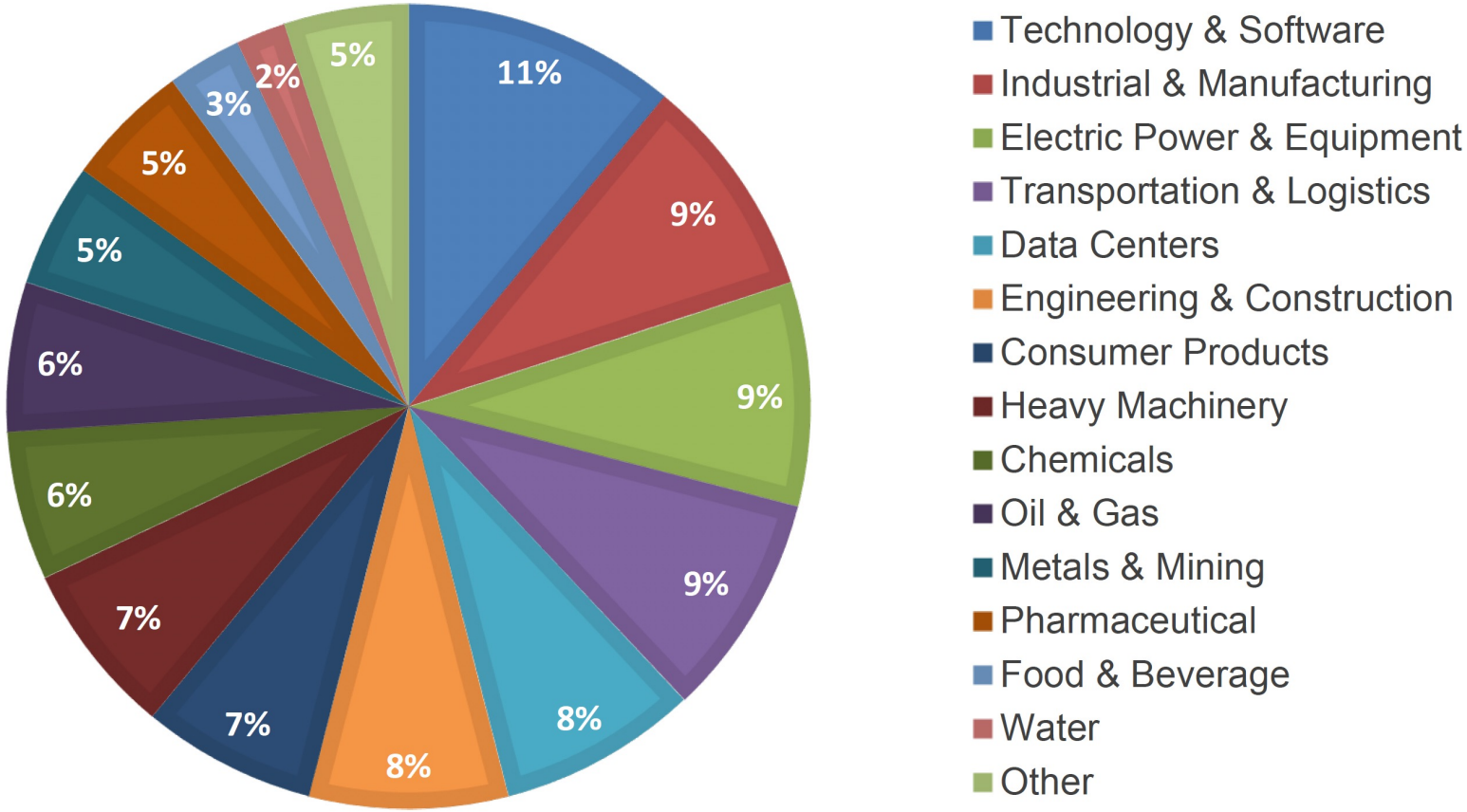
Survey Demographics

Figure 16. Current position within the organization



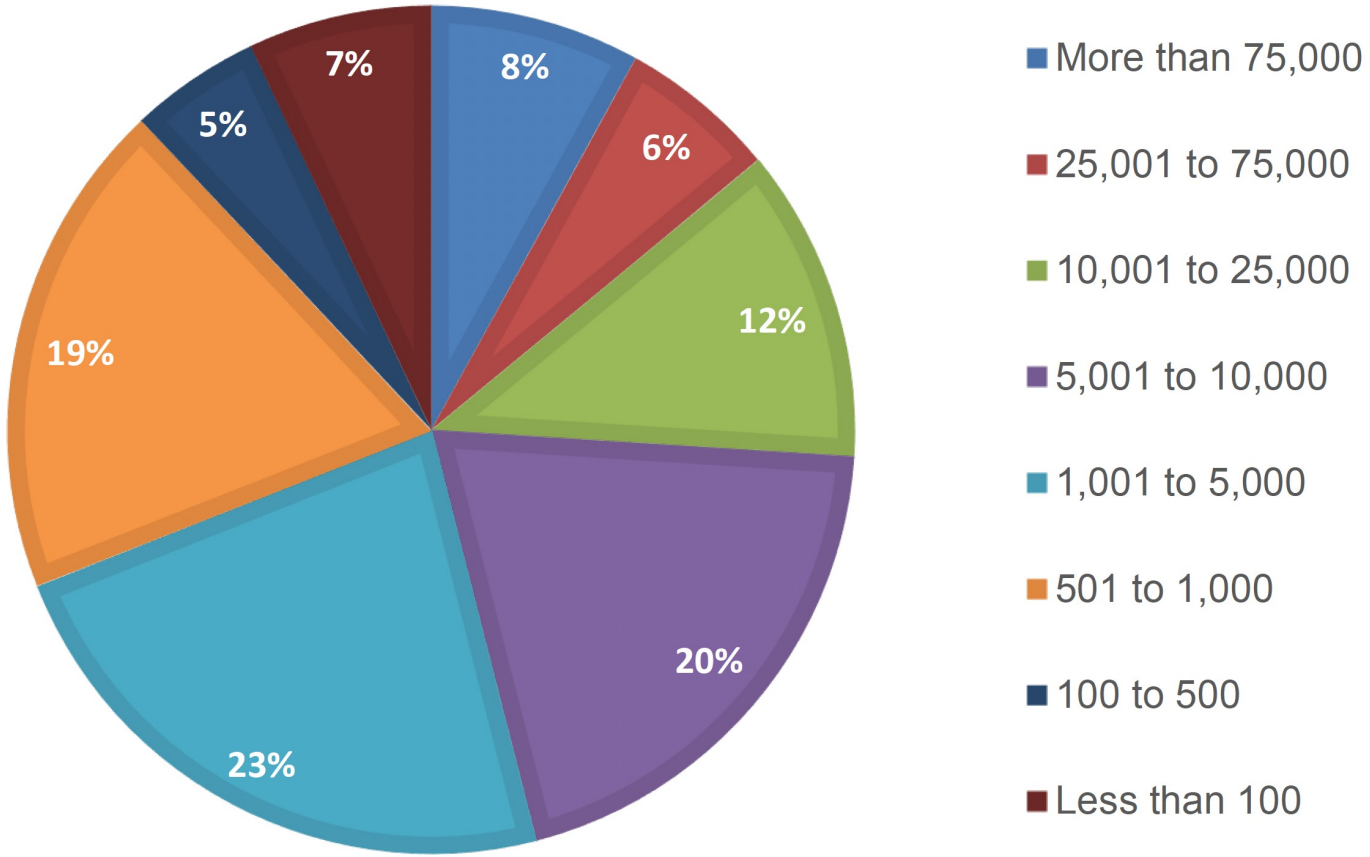
Survey Demographics

Figure 17. Primary industry focus



Survey Demographics

Figure 18. Global full-time headcount



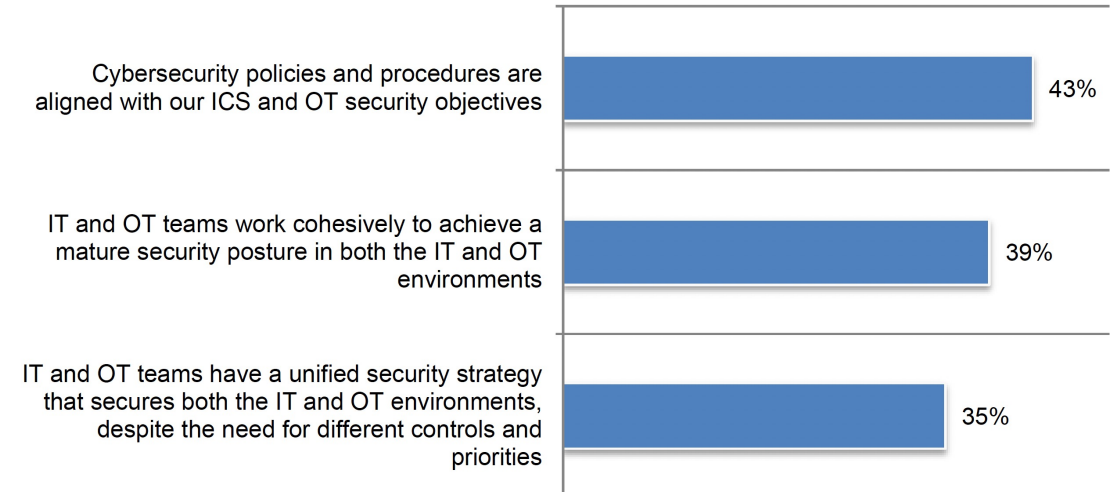
AUDIENCE POLL:
OT MATURITY

IT and OT Alignment

Key Findings

- 50% of respondents are optimistic about the future of their ICS/OT cybersecurity program
- However, only 21% say their ICS/OT program activities have achieved full maturity and emerging threats drive priority actions

Figure 1. Perceptions about IT and OT alignment
Strongly agree and Agree responses combined



Key Findings

- **Cultural** and **technical** differences between IT and OT cause conflicts between the two functions, e.g.:
  - patch management (50%),
  - unique requirements of ICS vendors (44%)
- Organizations effective in **discovering** and **maintaining** an inventory of all devices attached on the OT network: 45%
- Organizations effective in **gathering intelligence** about threats to the ICS/OT environment: 46%

Key Findings

- Respondent organizations who had an ICS/OT cybersecurity incident in the past two years: 63%
- Average cost per cybersecurity incident: $2,989,550
- By far the VP of Engineering is most accountable for the security of the ICS/OT program (25%), vs CISOs (12%)
- Those reporting a lack of clear “ownership” on industrial cyber risk: 43%

Our guest panelists

Shon Gerber
Chief Information Security Officer, INVISTA

Paul Reyes
Chief Information Security Officer, Vistra

Doug Short
Chief Information Officer, Trinity River Authority of Texas

Steve Applegate
Chief Information Security Officer, Dragos

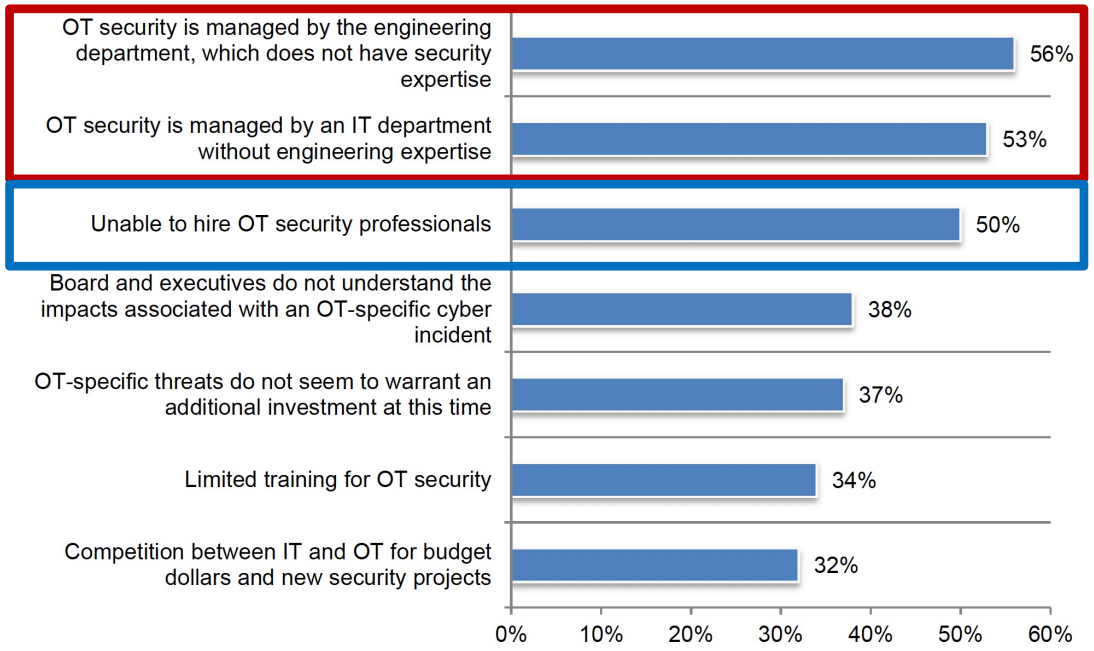
DRAGOS

Survey Spotlight

ICS/OT Investment Blockers

- Do Engineering/Operations departments have cyber expertise?
- Does IT have enough understanding of operations?
- Are both departments working together?

Figure 13. What are the primary blockers for investing in ICS and OT cybersecurity?
Three responses permitted

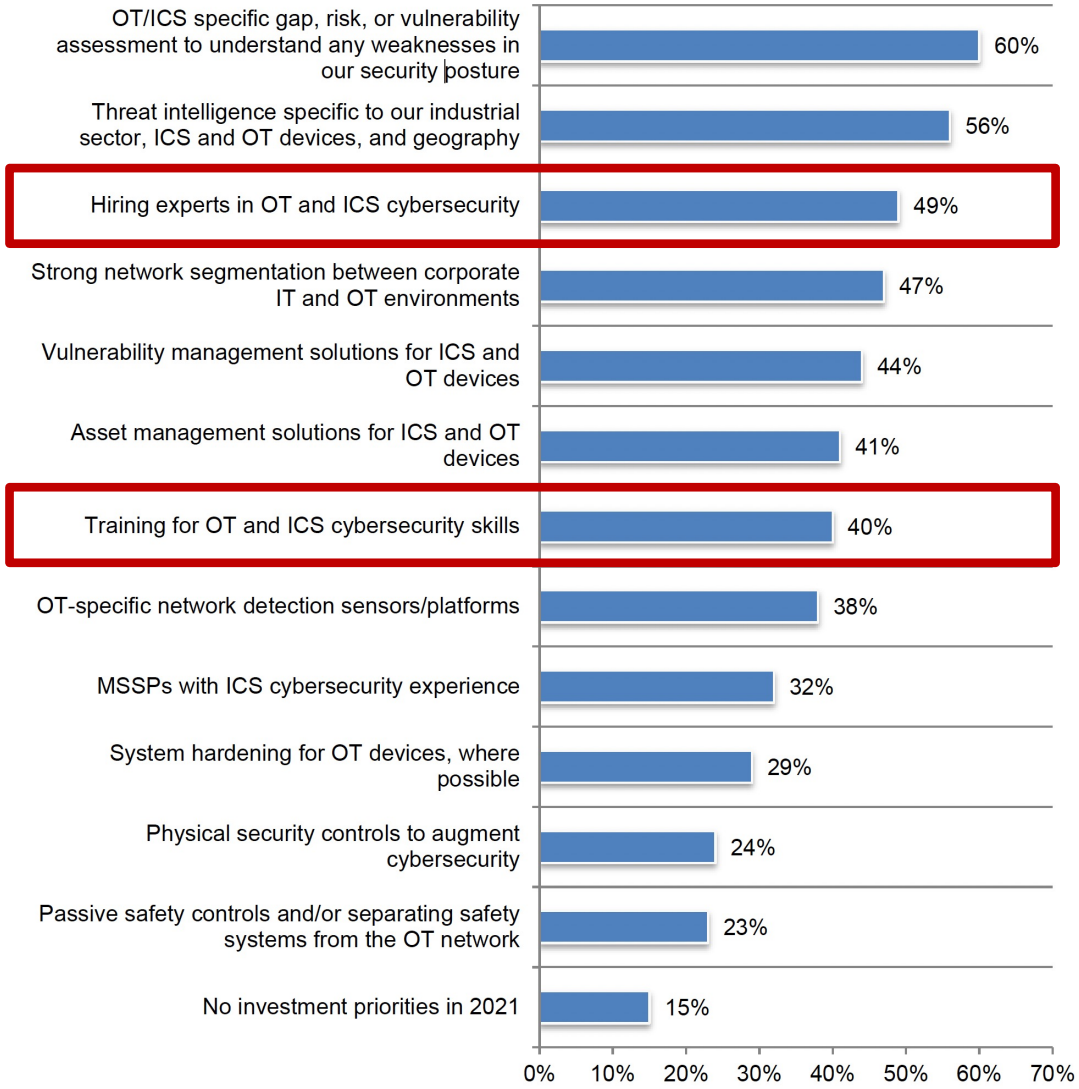


Survey Spotlight

The Talent Crunch

- Finding, attracting and retaining ICS/OT cyber talent
- Training existing personnel to expand or move into cybersecurity responsibilities

Figure 14. What are your organization's top three investment priorities for ICS and OT cybersecurity in 2021?
More than one response permitted



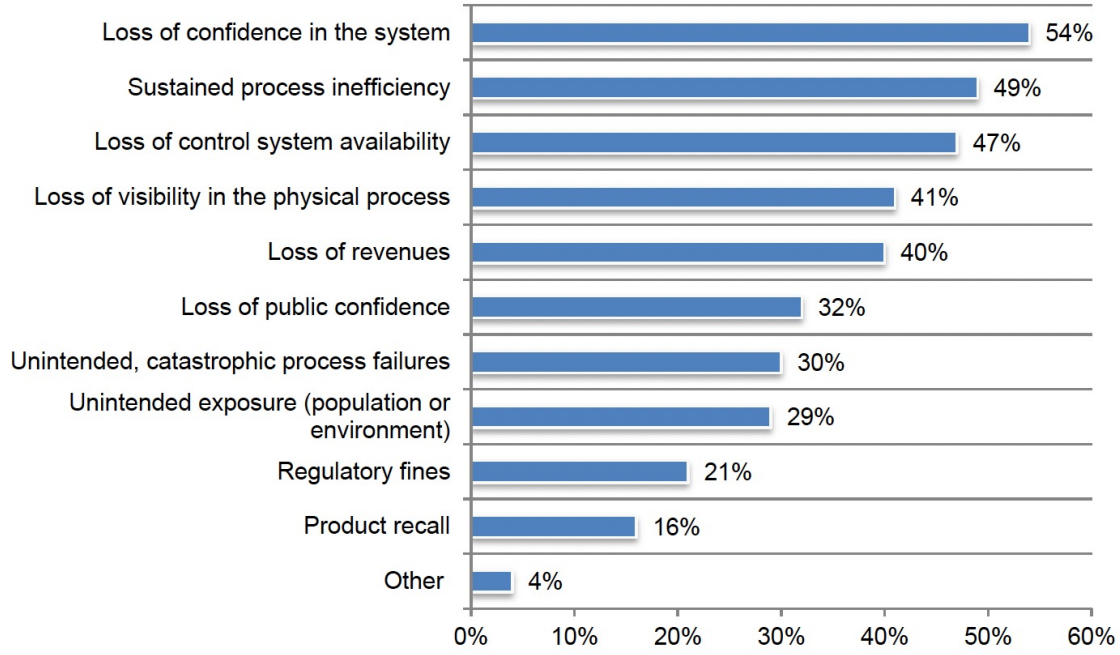
DRAGOS

Survey Spotlight

Cyber Incidents and Ransomware

- 63% - respondents whose organizations had an ICS/OT cyber incident in the past 2 yrs
- 29% - say their organization experienced a ransomware attack in the past two years
- 51% - of these say their organizations paid an average ransom of more than $500k

Figure 16. What were the consequences of the cybersecurity incident?
More than one response permitted



DRAGOS

Survey Spotlight

How much does the Board know?

- 25% of organizations do not report ICS/OT initiatives to their Board
- Of the 75% that do, popular topics include:
  - Risk assessment results
  - Changes in threat landscape
  - IT/OT vulnerabilities

Figure 5. How are IT and OT cybersecurity initiatives reported to the board of directors?

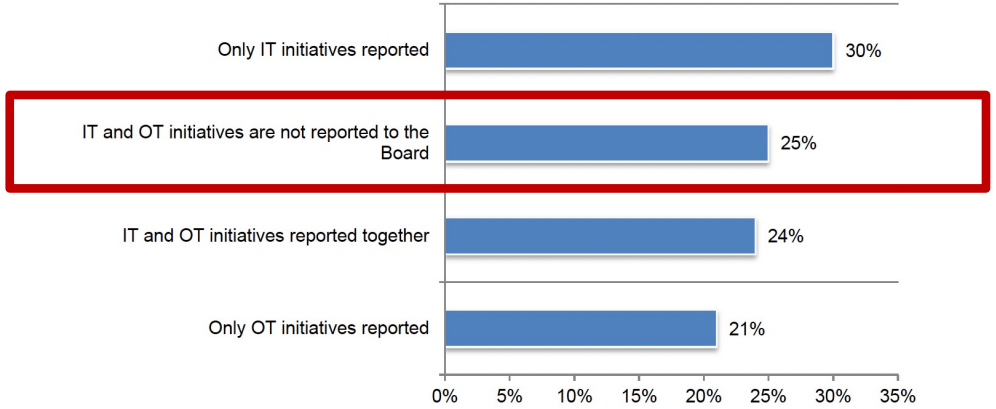
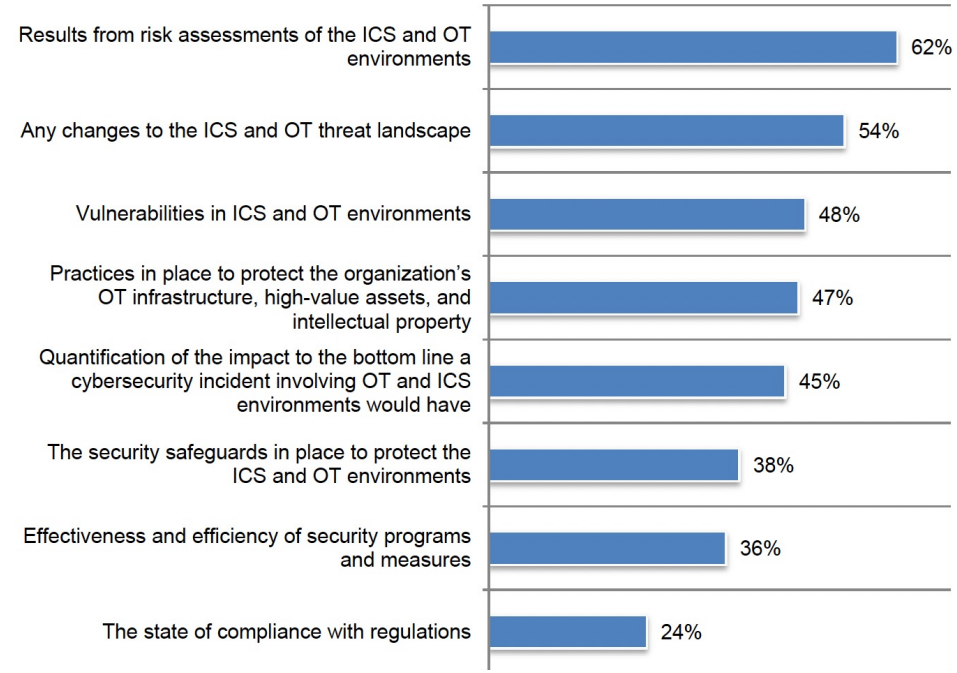


Figure 6. What topics are covered during the board meetings?
More than one response permitted



DRAGOS

Conclusions and Recommendations

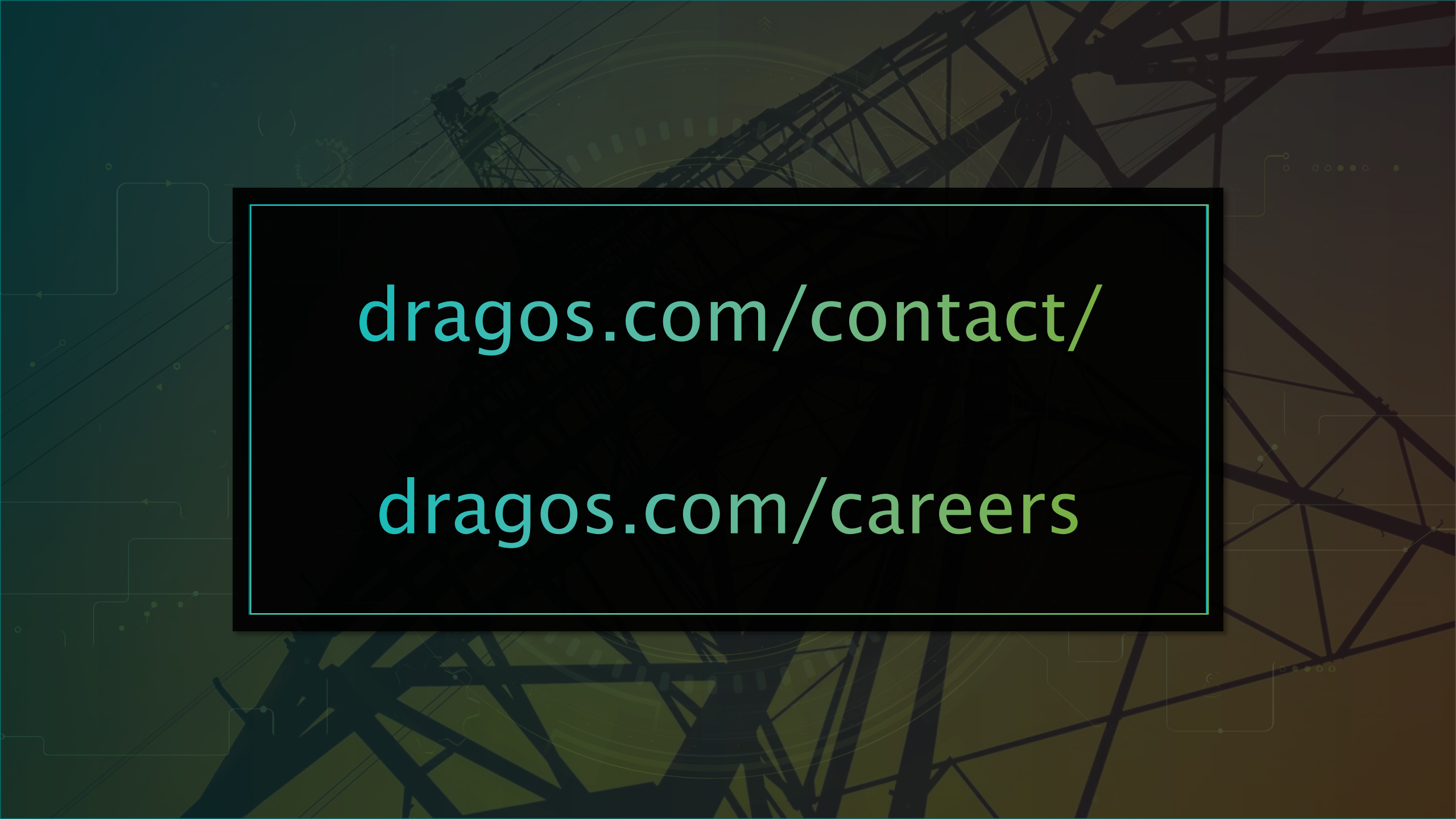
1. **Create cross-functional teams** of IT and OT SMEs to bridge the cultural divide

2. **Regular board meetings** to discuss security safeguards, and bottom line impact

3. **Ensure enough budget and personnel** to improve visibility and detection of threats and vulnerabilities across all environments

4. **Map out** threat-driven and consequence-driven scenarios most likely to impact high-priority assets.

5. **Leverage partners and 3rd parties** to bridge internal gaps (e.g. with rapid incident response retainer) and tie it to the business problem.


dragos.com/contact/
dragos.com/careers

THANK YOU