

A Smarter Approach to 3rd and 4th Party Supplier Risk



EnergySec Webinar
November 2, 2016

Presented By:

Brad Keller

Sr. Director 3rd Party Strategy - Prevalent Inc.

It's Interactive



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Meet Your Speaker



Brad Keller has been developing and leading risk management programs for more than 25 years. During this time Brad has developed and implemented vendor and business risk management programs at several financial institutions that have substantially improved risk management while also passing federal regulatory scrutiny.

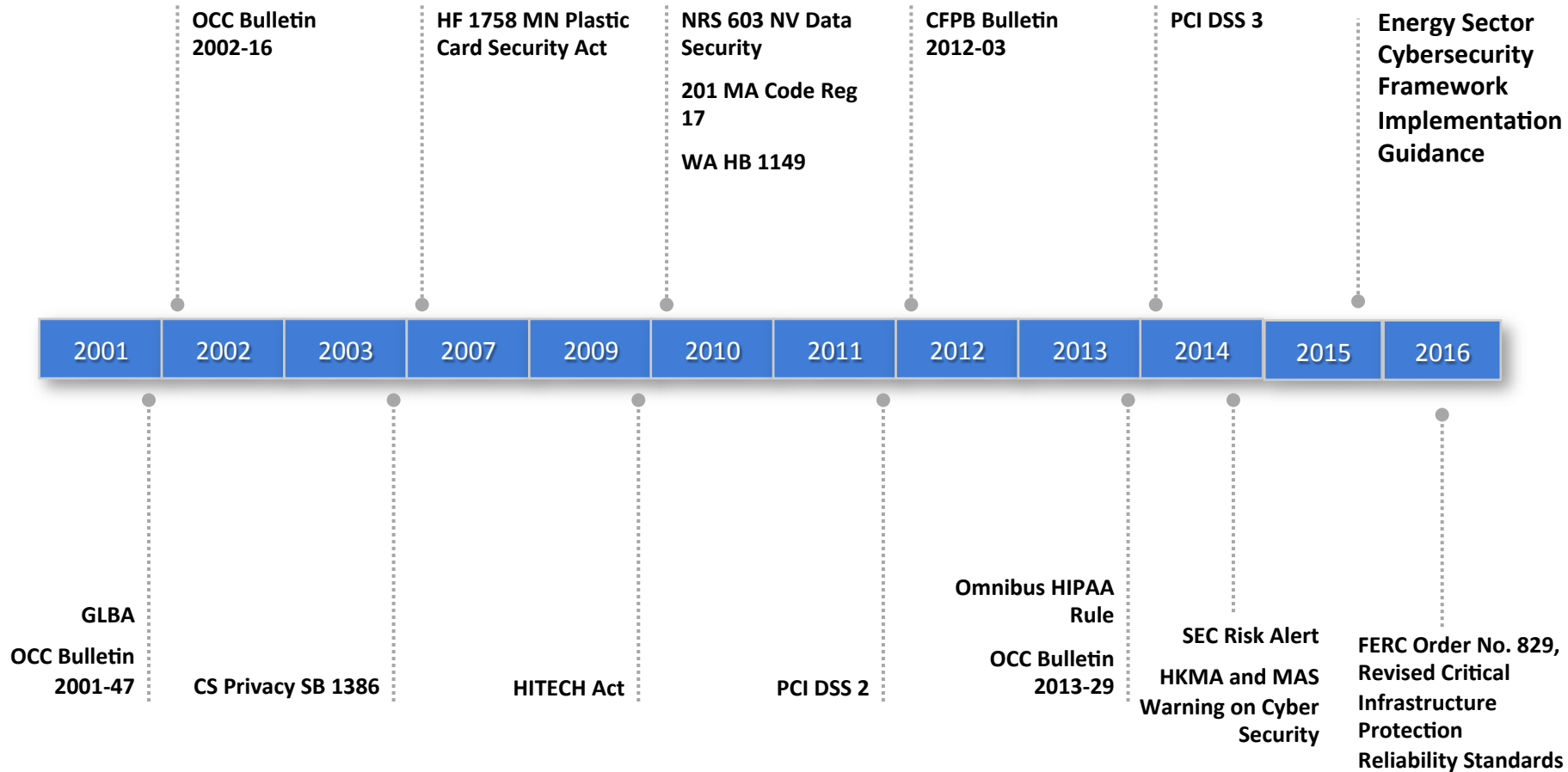
He has implemented leading edge programs for assessing 3rd party risk, and the identification and mitigation of identity theft and online fraud. He has testified on behalf of the financial services industry at Congressional hearings on customer privacy issues; and, is a frequent member of industry led initiatives that address issues related to risk management, anti-phishing, online fraud, customer privacy, and authentication issues. Today Brad is the Senior Director of Third-Party Strategy at Prevalent, where he focuses on the delivery of Prevalent's third party risk management and assessment solutions.

Prior to joining Prevalent, he was a Senior Vice President with The Santa Fe Group focusing on the management of the Shared Assessments Program. At Shared Assessments he led the development of Shared Assessments tools, training, and the risk management professional certification program.

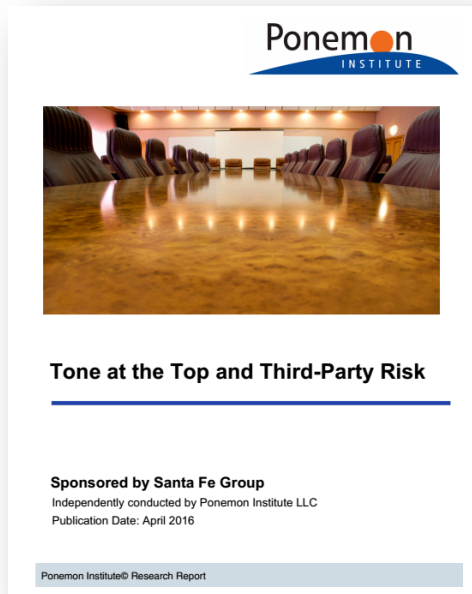
Brad graduated with honors from the University of Missouri with a B.S. degree in Finance and received his J.D. with honors from St. Louis University School of Law. He is admitted to practice law in Oklahoma.



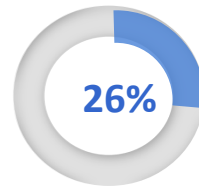
Regulatory Pressure Increasing



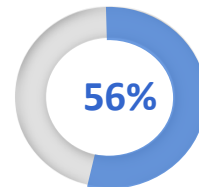
2016 Poneman Study – 3rd Party Risk Landscape



Ponemon Institute. *Tone at the Top and Third-Party Risk*.
April 2016



Only 26% of respondents say the process they use to assess third party risk is effective.



56% of respondents say they do NOT know what IP and other high value "crown jewels" are in the hands of third parties

75% of respondents consider 3rd Party Risk serious & increasing, while **70%** say that 3rd Party Risk is **SIGNIFICANTLY INCREASING**



Current Industry Pain Points



- Extending internal risk management cybersecurity guidelines to supply chain
 - Prioritizing suppliers and associated risks
 - Determining if supplier controls satisfy internal requirements and relevant standards
- Assessments only provide a static viewpoint
 - Suppliers are not monitored on a real-time and on-going basis
 - Supplier assessments quickly become stale
- Current IT threat intelligence solutions are not relevant and lack business context
 - Threat intelligence is not correlated to a supplier relationship



The Solution – A Unified Platform



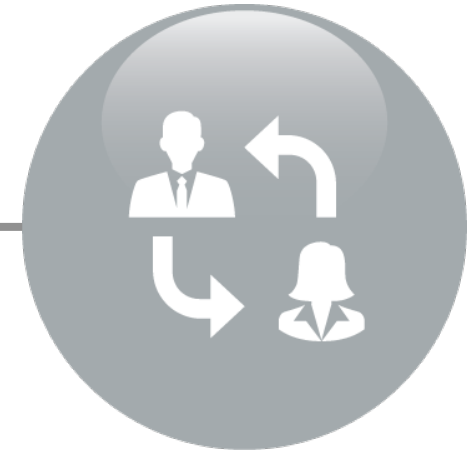
Supply Chain Assessment, Threat Intelligence, & Collaboration



ASSESSMENT



**THREAT
INTELLIGENCE**



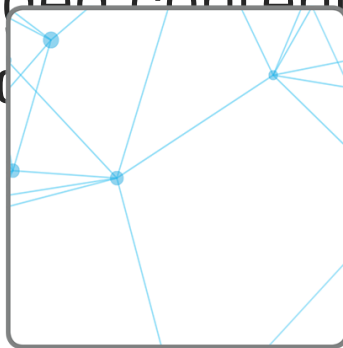
COLLABORATION



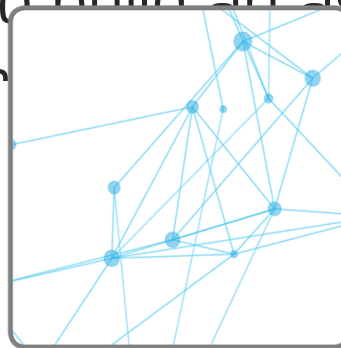
The Synapse Approach



- Current methods focus on a one-to-one relationship model
- Synapse approach focuses on scale, automation, and leveraged content to build an assessment ecosystem that connects groups



0 Months



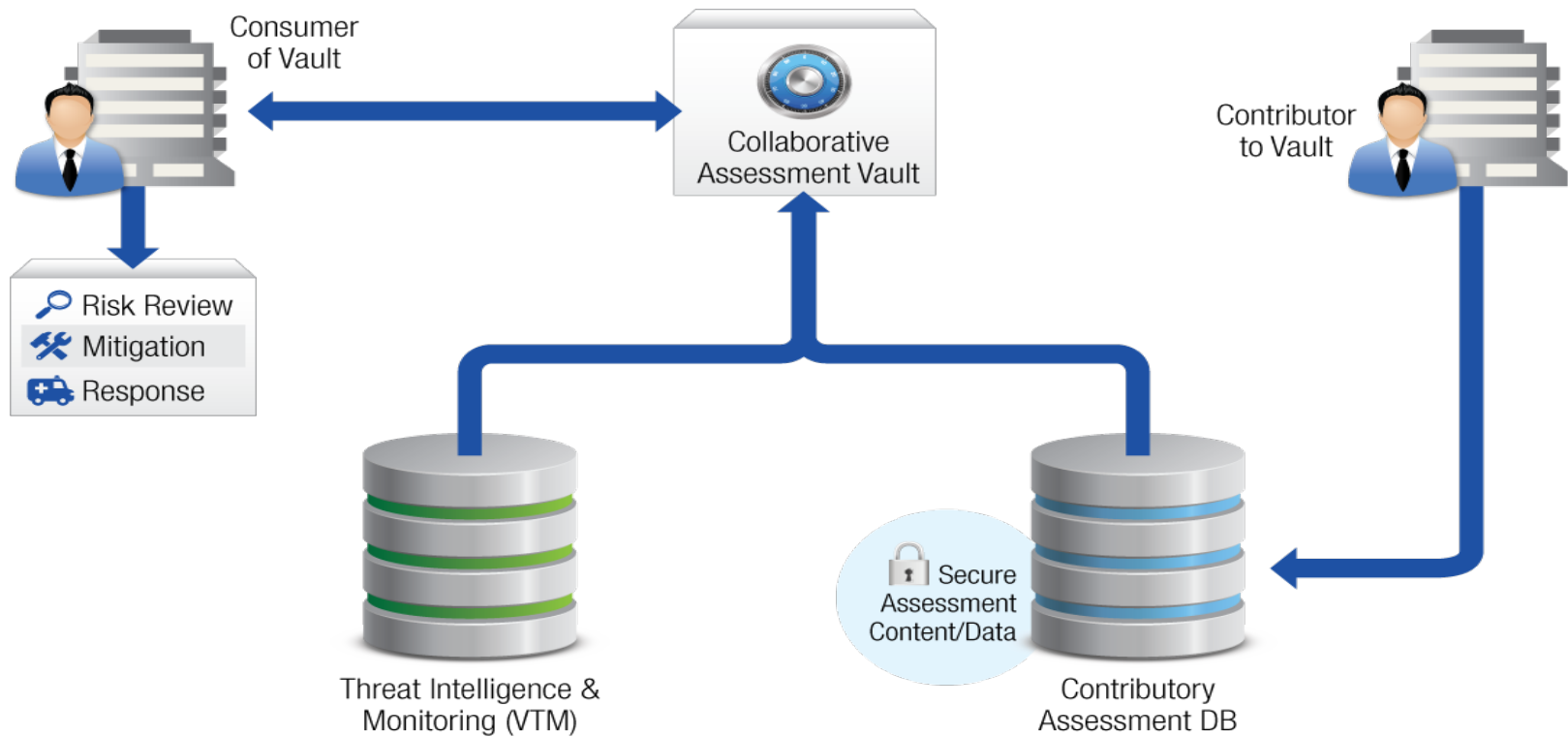
1 Month



3 Months



Synapse Architecture



Synapse Use Cases



1

Enterprise Networks

- **Example: PayPal** - automate processes, reduce costs & scale to a large number of global vendors using the Synapse approach

2

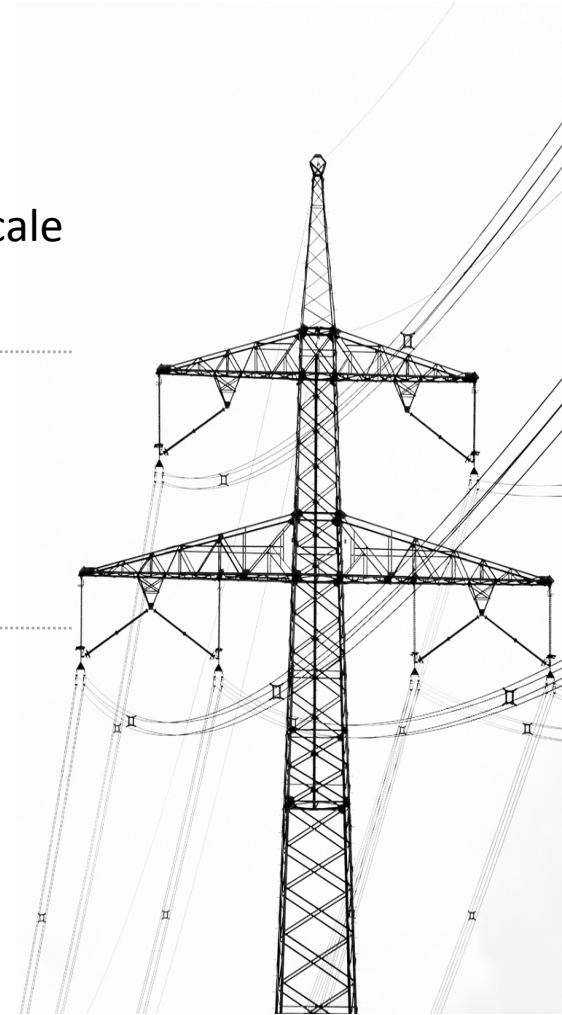
Vertical Networks

- **Example: Legal** - top global law firms have standardized assessment & continuous monitoring using the Synapse approach

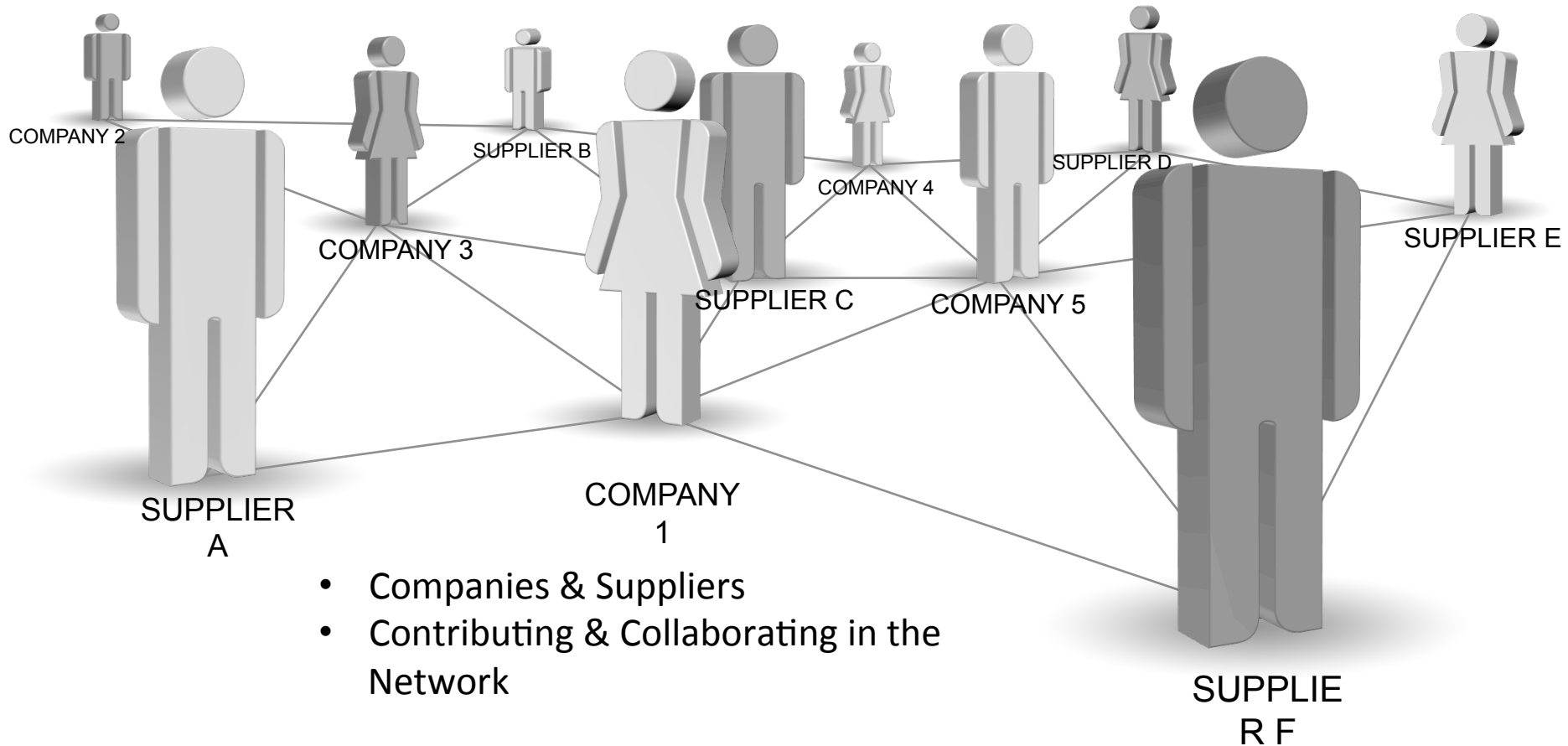
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Service Provider Networks

- **Example: Ellie Mae** – enabling Ellie Mae vendors and partners to provide 3rd and 4th party visibility to clients



Vertical Network - Example



Questions



Thank You



Brad Keller

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Strategy

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