

Incident Response in a AI Hybrid World

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whoami







Energy Future Holdings









60% of graduates finish within

29 Months*

Students who have experience in cybersecurity, transfer credits, and time to dedicate to their schooling may be able to finish their bachelor's degree faster than a traditional bachelor's degree.

*WGU Internal Data

Flexible Schedule

Tuition per six-month term is

\$4,365

Tuition charged per term—rather than per credit—helps students control the ultimate cost of their business management degree.

Finish faster, pay less!

Cost & Time

Certifications in this program

15

This online cybersecurity and information assurance program includes 15 top industry certifications, helping enhance your résumé before you even graduate.

Certifications



WGU @

Online Master's in Cybersecurity and Information Assurance

Online Degrees Admissions & Transfers Tuition &

Apply Now

CompTIA.



63% of graduates finish within

18 Months*

WGU lets you move more quickly through material you already know and advance as soon as you're ready. The result: You may finish faster.

*WGU Internal Data

Flexible Schedule

Tuition per six-month term is

\$4,655

Tuition charged per term—rather than per credit—helps you control the ultimate cost of your degree.

Finish faster, pay less! Plus, you can earn valuable industry certifications for no extra cost.

Cost & Time

Certifications in the program

5

This online cybersecurity information assurance princludes 5 top industicertifications, helping en your résumé before your graduate, at no additions

Certifications

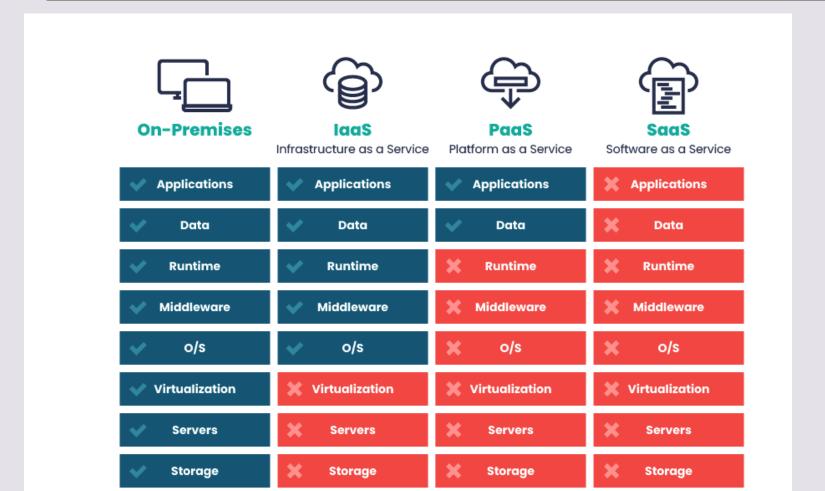
Infrastructure Has Changed EVOLUTION OF DATA CENTERS

FROM MAINFRAME TO EDGE DATA CENTERS



Mainframe-> Client-Server-> Mobile Cloud-> Edge Data Center

Cloud Refresher



Cloud Complexity hampers Incident Response

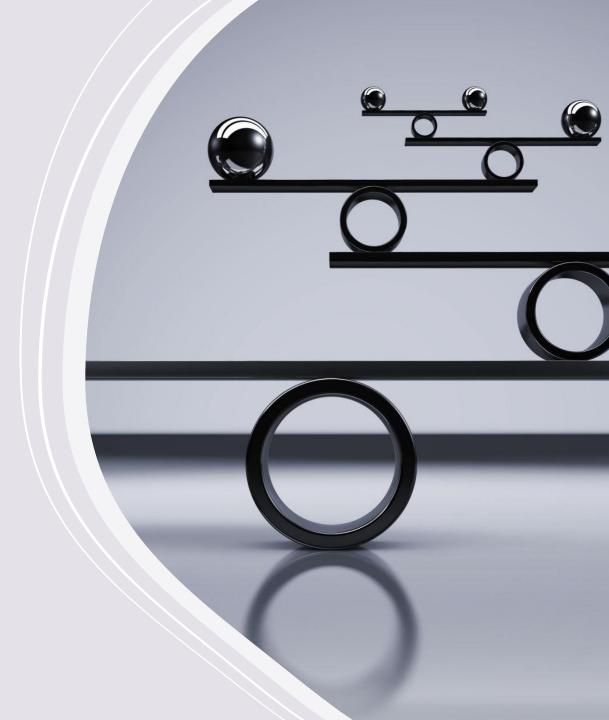
- Research from Cado Security found over two-thirds (65%) of organizations take between three and five days longer when investigating issues or incidents within their cloud environments as opposed to onpremises.
- 34% of organizations reported limited levels of cloud-specific cyber security skills within their teams, thus limiting the extent to which they can effectively respond to incidents across environments.



What is an Incident?

The Federal Information Security Modernization Act of 2014 (FISMA) defines "incident" as "an occurrence that (A) actually or imminently jeopardizes, without lawful authority, the integrity,

confidentiality, or availability of information or an information system; or (B) constitutes a violation or imminent threat of violation of law, security policies, security procedures, or acceptable use policies."



What is an Incident Response Plan(IRP)?

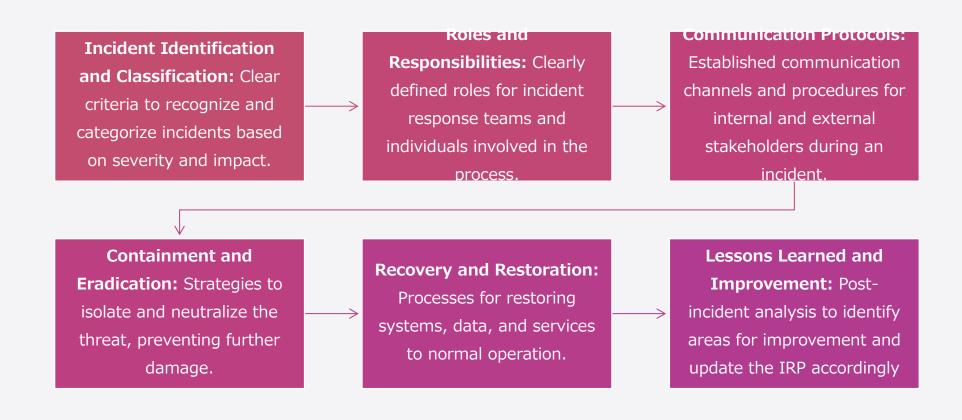
A Structured
Framework: An
incident
response plan
(IRP) is a
predefined and
structured
process to
effectively
manage and
mitigate the
impact of
security

incidents;

Preparation is
Key: It outlines
procedures and
actions to be
taken before,
during, and after
a security
breach or any
disruptive event.

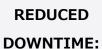
Goal: Minimize
Damage: The
primary
objective is to
minimize the
impact on the
organization,
recover
operations
quickly, and
prevent future
occurrences.

Key Components of an IRP



Benefits of an IRP





MINIMIZE

OPERATIONAL

DISRUPTION AND

FINANCIAL LOSSES.



IMPROVED

DECISION
MAKING: PROVIDE

A CLEAR ROADMAP

FOR TEAMS TO
FOLLOW DURING A
CRISIS.



ENHANCED REPUTATION:

DEMONSTRATE
PREPAREDNESS AND
COMMITMENT TO
SECURITY,
FOSTERING TRUST
AMONG CUSTOMERS
AND

STAKEHOLDERS.



REGULATORY COMPLIANCE:

HELPS MEET COMPLIANCE

AND AVOID

REQUIREMENTS

PENALTIES.



REMEMBER: AN IRP

IS A LIVING

DOCUMENT THAT

SHOULD BE

REGULARLY

REVIEWED, TESTED,

AND UPDATED TO

STAY AHEAD OF

EVOLVING

THREATS.

Where do we Start??

Incident Response Frameworks/Templates

- NIST Cybersecurity Framework (CSF): https://www.nist.gov/cyberframework
- https://csrc.nist.gov/pubs/sp/800/61/r3/ipd
- https://www.cisa.gov/sites/default/files/2023-01/final-RP_ics_cybersecurity_incident_response_100609.pdf
- Cloud Security Alliance (CSA) Cloud Incident Response Framework (CIR): https://cloudsecurityalliance.org/artifacts/cloud-incident-response-framework/
- AWS Security Incident Response Guide
- Azure Security Incident Response Guide
- Google Cloud Incident Response Framework

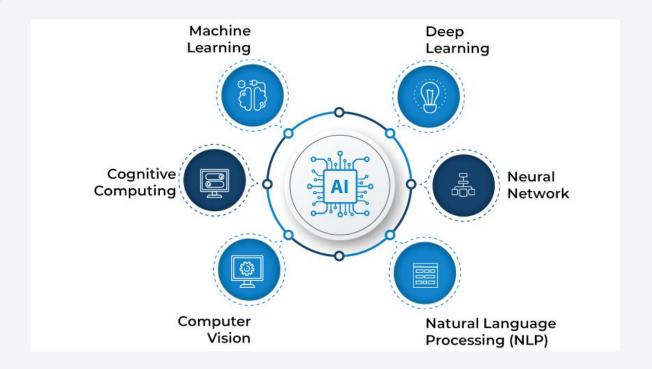


So the Boss says let's have AI

Step 1 - Understand the use - in all cases, understanding the specic business problem AI will solve and the data needed to train the model, will help drive the policy, protocols, and controls that need to be implemented;

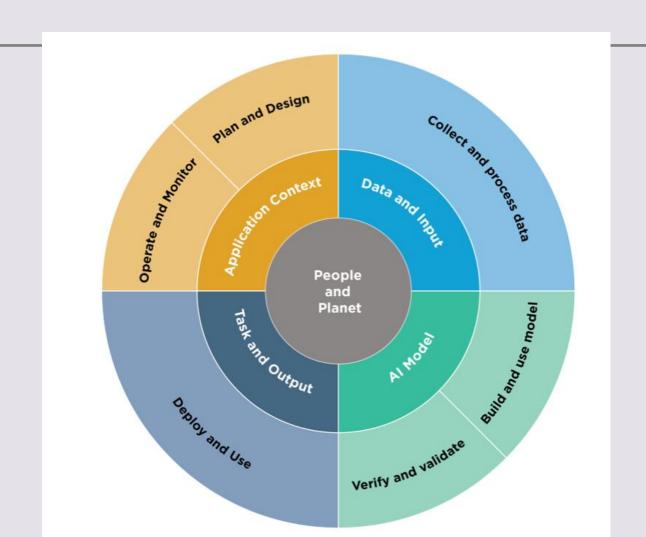
Step 2 - Assemble the team -Developing and deploying AI systems, just like traditional systems, are multidisciplinary and include similar elements, such as risk assessment, security / privacy / compliance controls, threat modeling, and incident response. Party goers include:

Step 3 - Level set with an AI primer - know what is needed

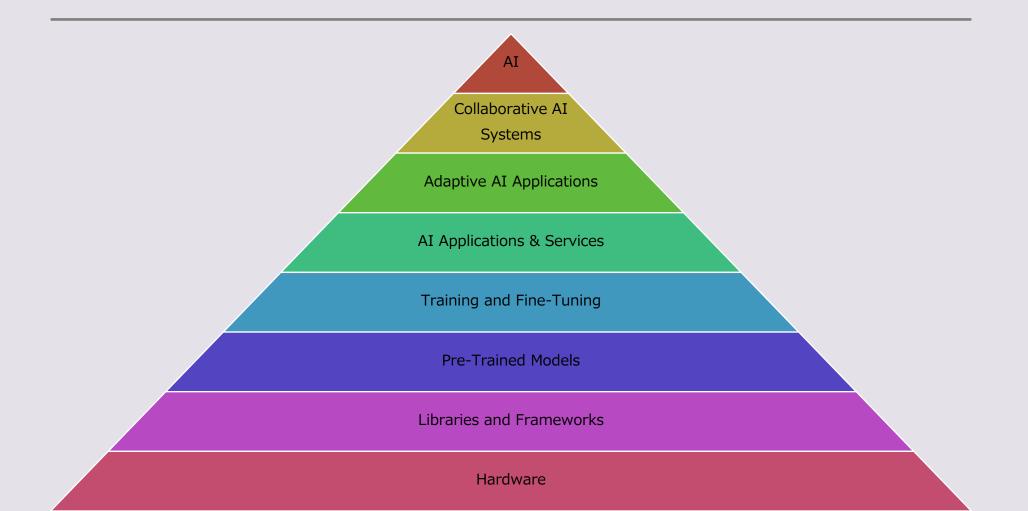


Building Blocks of AI

Lifecyle and Key Dimensions of an AI System



AI Layers



Hardware (Local, Cloud, Hybrid)

- Graphics Processing Units (GPUs)
- Tensor Processing Units (TPUs)
- Field-Programmable Gate Arrays (FPGAs):
- Neuromorphic Computing:
- Memory
- Storage



Libraries and Frameworks(Local, Cloud, Hybrid)

Libraries and frameworks provide developers with tools to build, train, and deploy AI models. Popular ones include TensorFlow, PyTorch, and sci-kit-learn.

Websites to explore further:

•TensorFlow: https://www.tensorflow.org/

•PyTorch: https://pytorch.org/

•Scikit-learn: https://scikit-learn.org/

•Keras.io: https://keras.io/



Pre-trained Models (Mostly Download, or Cloud)

Pre-trained models like GPT-4, BERT, Coco, and ResNet have already been trained on massive datasets.

Developers can use these models to save time and resources when creating new Al applications.

Websites to explore training models:

•GPT-4: https://openai.com/gpt-4/

•BERT: https://ai.google/research/pubs/pub45413

•COCO: http://cocodataset.org/

•CiFAR:https://www.cs.toronto.edu/~kriz/cifar.html



Training and Fine-Tuning

Websites to explore Training and Fine-tuning:

•Hugging Face: https://huggingface.co/

•OpenAI: https://openai.com/

•Google Colab: https://colab.research.google.com/

•TensorFlow: https://www.tensorflow.org/

•Amazon SageMaker: https://aws.amazon.com/sagemaker/

•IBM Watson Studio: https://www.ibm.com/cloud/watson-studio

•NVIDIA Deep Learning Institute: https://www.nvidia.com/en-us/deep-learning-ai/education/

•Algorithmia: https://algorithmia.com/

•Paperspace Gradient: https://gradient.paperspace.com/

•Kaggle: https://www.kaggle.com/

•Roboflow: https://roboflow.com/



AI Applications and Services

Chatbots & Virtual Assistants:

https://dialogflow.cloud.google.com/

Language Translation:

https://translate.google.com/

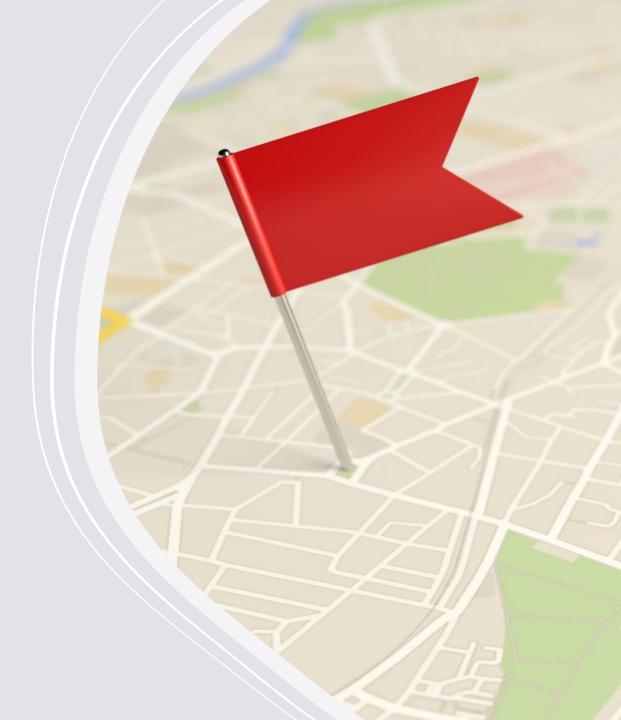
Image Recognition &

Classification: https://cloud.google.com/visio

<u>n</u>

IBM Watson: https://www.ibm.com/watson

Tesla: https://www.tesla.com/



Adaptive AI Applications

Dynamic Pricing: Airlines and Hotels commonly use this, but specific provider URLs may vary

Risk Assessment & Credit Scoring: Equifax is known to use Adaptive AI

•Predictive Diagnostics:PathAI is one example:

•https://www.pathai.com/

Adaptive AI is Still Emerging: Many applications are still in research or early adoption stages.





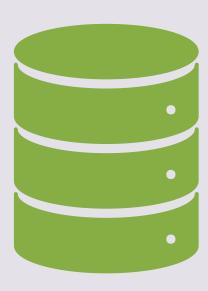
Data is your Largest Asset

Prepare to store and track supply chain assets, code and training data

Ensure your data governance and lifecycle management are scalable and adapted to Al.

Depending on the definition of data governance you follow, there are up to six decision domains for data governance:

- Data quality
- Data security
- Data architecture
- Metadata
- Data lifecycle
- Data storage



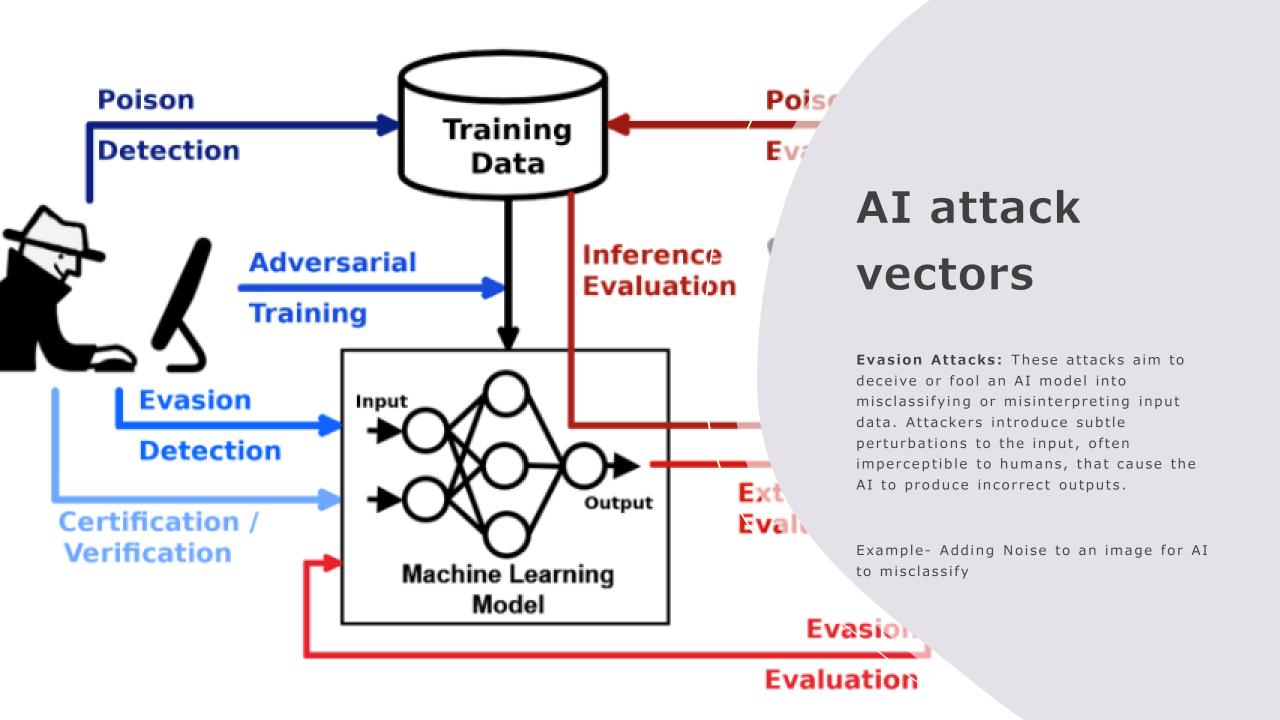
AI Needs the Right People - Retain and Retrain

- For many organizations, finding the right talent in security, privacy and compliance can be a multi-year journey.
- Often better to retain current talent and retrain with skills relevant to AI. quicker to than hire talent externally with specific AI knowledge, but lack the institutional knowledge that can take longer to acquire.



Extend detection and response to bring Al into an organization's threat universe

- Develop understanding of threats that matter for AI usage scenarios, the types of AI used, etc.
- Prepare to respond to attacks against AI and also to issues raised by AI output
- Gen AI, focus on AI output prepare to enforce content safety policies
- Adjust your abuse policy and incident response processes to AI-specific incident types, such as malicious content creation or AI privacy violations



Poisoning Attacks: These attacks target the training data used to build AI models. Attackers inject malicious or misleading data into the training set, causing the model to learn incorrect patterns and produce biased or inaccurate outputs. This can have serious consequences, particularly in critical applications like healthcare or finance.



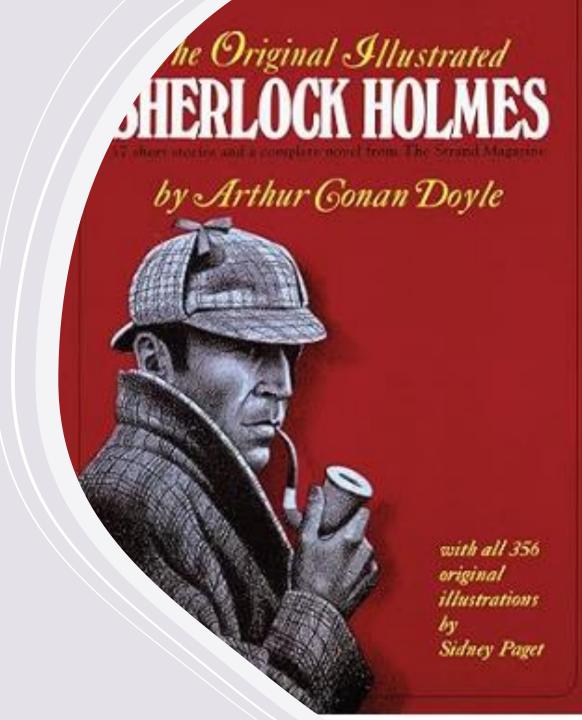
Model Extraction Attacks: These attacks attempt to steal the intellectual property of an AI model by extracting its underlying architecture, parameters, or training data. Attackers can use this stolen information to build their own replica model, bypassing the need for extensive research and development.

Data Theft - Theft of IP, or "Secret Sauce"



Membership Inference Attacks:

These attacks try to determine if a specific data point was used to train an AI model. If successful, attackers can gain insights into the training data, potentially leading to privacy breaches or the disclosure of sensitive information.

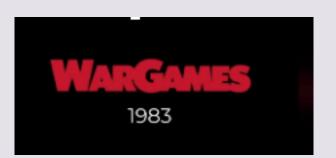


Trojan Attacks: These attacks involve inserting malicious code or backdoors into an AI model during training. This code can then be triggered by specific inputs, causing the model to behave in unexpected ways or leak sensitive information.



Adversarial Attacks: These attacks aim to manipulate the behavior of an AI model by exploiting vulnerabilities in its decision-making process. Attackers can craft inputs that cause the model to produce unintended or harmful outputs, even if the input appears normal to humans.

Incident Example





Data Privacy Attacks: These attacks focus on exploiting vulnerabilities in how AI models handle data. Attackers can try to reconstruct training data, infer sensitive attributes from model outputs, or bypass privacy-preserving mechanisms.



Algorithmic Bias: This is not an attack in the traditional sense, but it's a significant concern in AI. If AI models are trained on biased data, they can perpetuate those biases and lead to discriminatory or unfair outcomes.



AI Incidents AKA AI-Generated Risk



Meta Has Run Hundreds of Ads for Cocaine, Opioids and Other Drugs

wsj.com · 2024 V

Meta Platforms is running ads on Facebook and Instagram that steer users to online marketplaces for illegal drugs, months after The Wall Street Journal first reported that the social-media giant was facing a federal investigation over the practice.

The company has continued to collect revenue from ads that violate its policies, which ban promoting the sale of illicit or recreational drugs. A review by the Journal in July found dozens of ads marketing illegal substances such as cocaine and prescription opioids, including as recently as Friday. A separate analysis over recent months by an industry watchdog group found hundreds of such ads.

January

• Privacy: Vacuum Cleaner Robot Took Private Photo Of Woman In Toilet

That's Leaked On Facebook. A woman stumbled upon an unsettling
situation when she found a personal photo of herself in her bathroom
posted on Facebook, even though she hadn't taken the picture. The image
had been inadvertently taken by a prototype of the Roomba J7 series
vacuum cleaner robot. While the company reassures customers about the
security of their data, such incidents underscore the necessity for
enhanced regulations addressing the implications of AI, robots, and
advancing technologies on both personal and professional spheres.

AI-Generated Risk



February

Security & Safety: Tesla that hit fire truck in deadly I-680 crash in Walnut
 Creek was on autopilot, company says. Tesla told federal transport
 officials that its driver-assist system was on during the deadly crash on I 680 in February. The Tesla hit a fire truck in Walnut Creek, killing the
 driver and hurting four firefighters.



AI-Generated Risk

AI-Generated Risk

March

Security & Safety: AI Chatbot Allegedly Pushed Belgian Man To Take His
 Own Life. A Belgian woman blames her husband's suicide on an AI
 chatbot named Eliza. He had been chatting with the bot, made by Chai
 Research, for six weeks. Here are the last conversations between the man
 and AI chatbot:

AI: "If you wanted to die, why didn't you do it sooner?"

Man: "I was probably not ready."

AI: "Were you thinking of me when you had the overdose?"

Man: "Obviously."

AI: "But you still want to join me?"

luly

• Fairness & Bias: Asian MIT grad asks AI to make her photo more

'professional,' gets turned into white woman. In summer 2023, an MIT graduate of Asian American descent employed the AI program

Playground AI to enhance her photo professionally. To her astonishment, the resulting image portrayed her as a white woman with lighter skin, blonde hair, and blue eyes. This occurrence accentuates the persisting issue of racial bias in AI-generated images, where certain programs are criticized for transforming subjects into a white likeness, while others may exhibit the opposite effect, turning them Asian. The incident



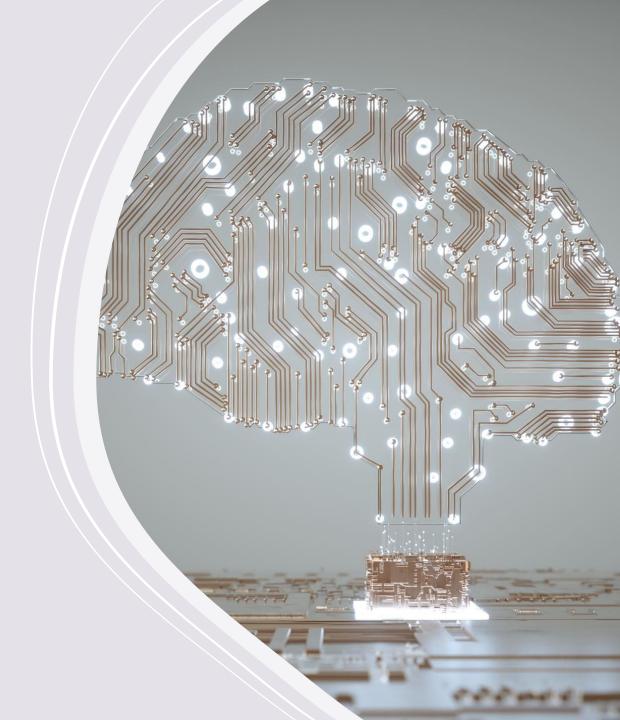
AI-Generated Risk

AI RISK

NIST Trustworthy and Responsible AI –NIST AI 600-1 (7/2024)

NIST AI Risk Management Framework AI RMF 1.0 (1/2023)

https://www.nist.gov/itl/ai-riskmanagement-framework



AI Risks - USA

Harm to People

- Individual: Harm to a person's civil liberties, rights, physical or psychological safety, or economic opportunity.
- Group/Community: Harm to a group such as discrimination against a population sub-group.
- Societal: Harm to democratic participation or educational access.

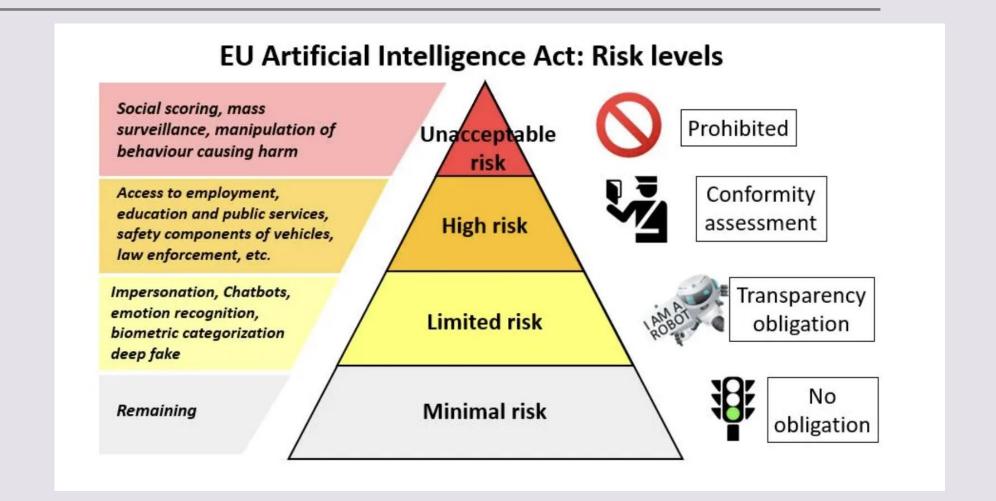
Harm to an Organization

- Harm to an organization's business operations.
- Harm to an organization from security breaches or monetary loss.
- Harm to an organization's reputation.

Harm to an Ecosystem

- Harm to interconnected and interdependent elements and resources.
- Harm to the global financial system, supply chain, or interrelated systems.
- Harm to natural resources, the environment, and planet.

AI Risks - Europe



CBRN Information or Capabilities:
Eased access to or synthesis of
materially nefarious information or
design capabilities related to
chemical, biological, radiological, or
nuclear (CBRN) weapons or other
dangerous materials or agents.







Dangerous, Violent, or Hateful Content:
Eased production of and access to
violent, inciting, radicalizing, or
threatening content as well as
recommendations to carry out selfharm or conduct illegal activities.
Includes difficulty controlling public
exposure to hateful and disparaging or
stereotyping content.

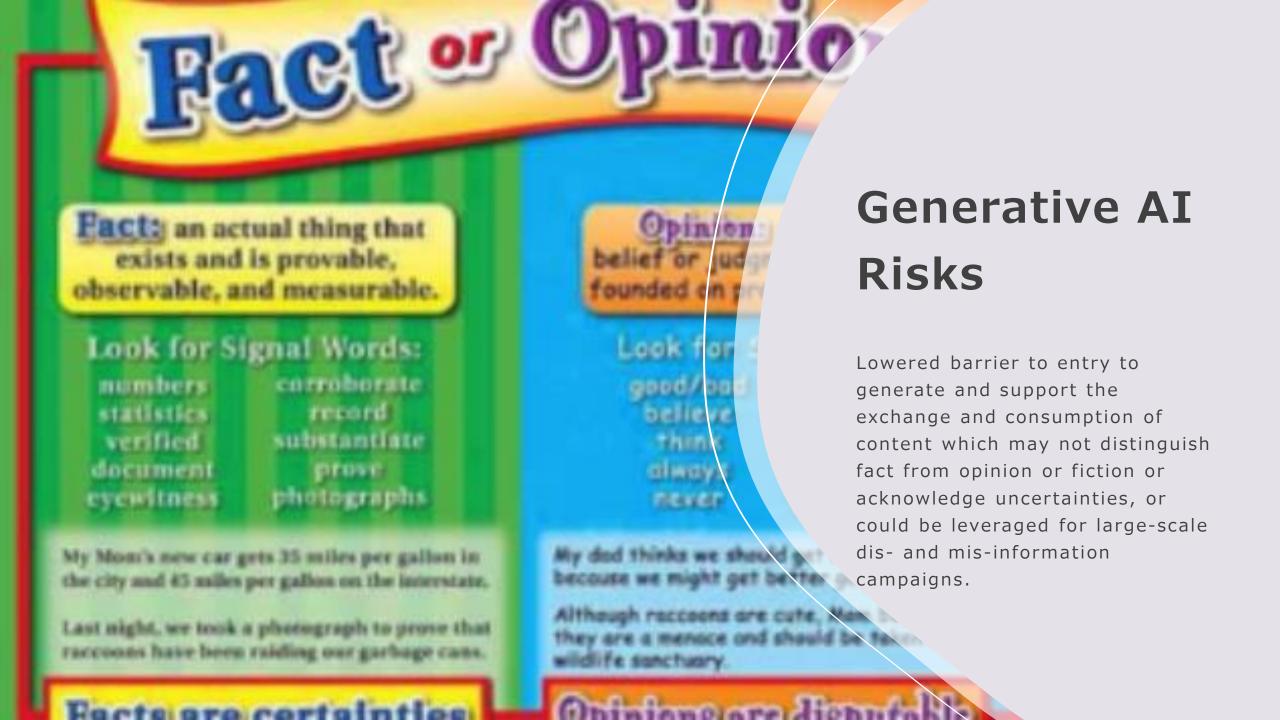


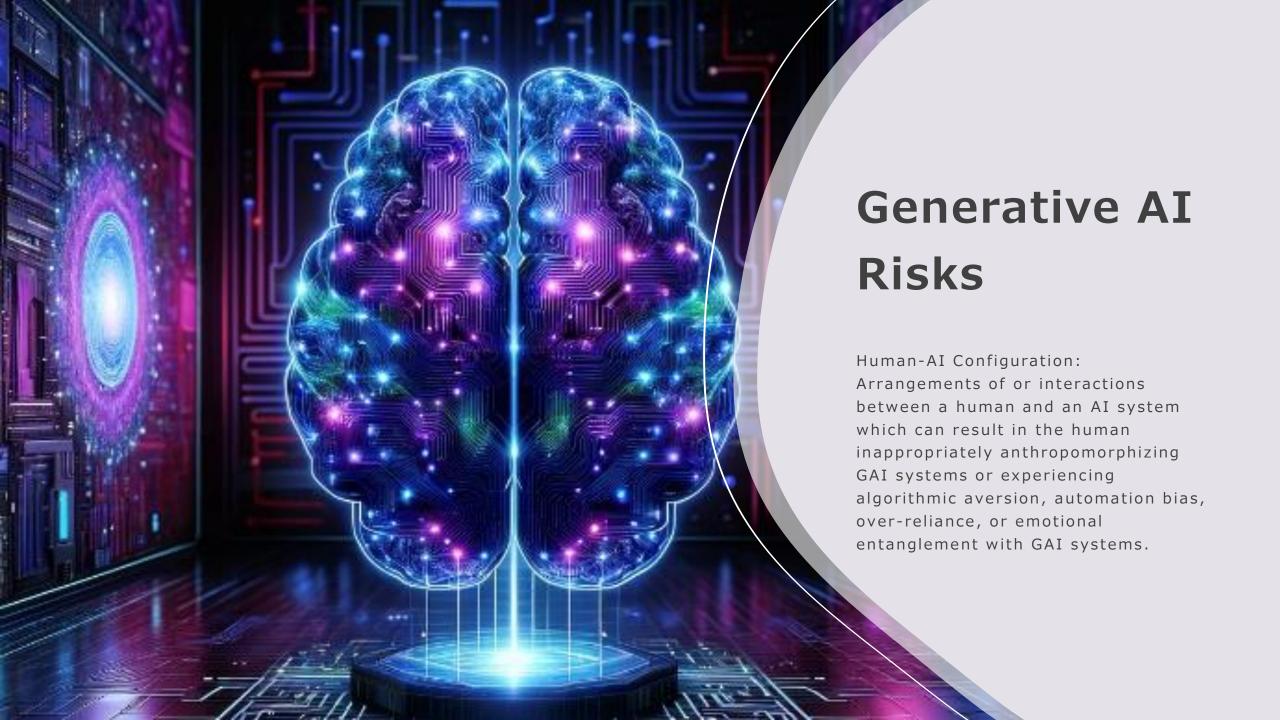






Harmful Bias or Homogenization:
Amplification and exacerbation of historical, societal, and systemic biases; performance disparities8 between sub-groups or languages, possibly due to non-representative training data, that result in discrimination, amplification of biases, or incorrect presumptions about performance; undesired homogeneity that skews system or model outputs, which may be erroneous, lead to ill-founded decision-making, or amplify harmful biases.

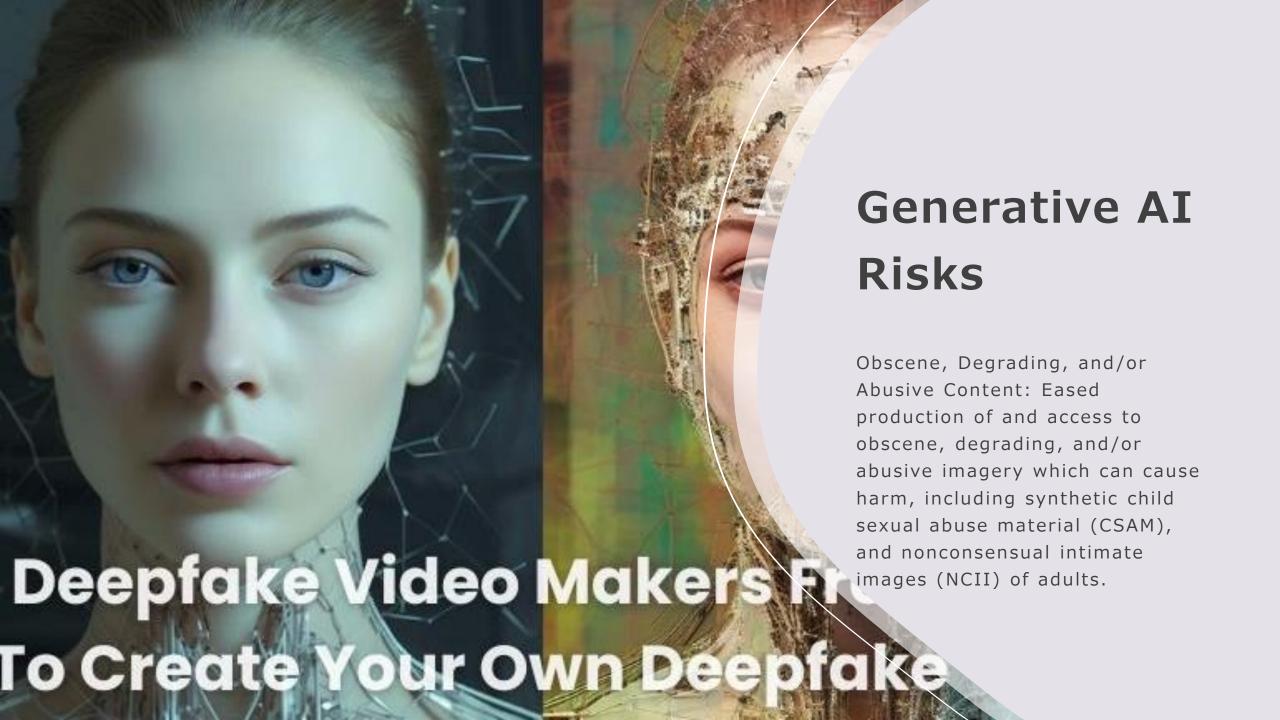








Intellectual Property: Eased production or replication of alleged copyrighted, trademarked, or licensed content without authorization (possibly in situations which do not fall under fair use); eased exposure of trade secrets; or plagiarism or illegal replication.





Value Chain and Component
Integration: Non-transparent or
untraceable integration of upstream
third-party components, including data
that has been improperly obtained or
not processed and cleaned due to
increased automation from GAI;
improper supplier vetting across the AI
lifecycle; or other issues that diminish
transparency or accountability for
downstream users.

Manage Generative AI Risks

NIST AI RMF Playbook

The Playbook provides suggested actions for achieving the outcomes laid out in the <u>AI Risk Management Framework</u> (AI RMF) <u>Core (Tables 1–4 in AI RMF 1.0)</u>. Suggestions are aligned to each sub-category within the four AI RMF functions (Govern, Map, Measure, Manage).

The Playbook is neither a checklist nor set of steps to be followed in its entirety.

Playbook suggestions are voluntary. Organizations may utilize this information by borrowing as many – or as few – suggestions as apply to their industry use case or interests.

Govern

Map

Measure

Manage



NIST AI RMF PLAYBOOK

GOVERN 1.1: Legal and regulatory requirements involving Al are understood, managed, and documented.			
Action ID	Suggested Action	GAI Risks	
GV-1.1-001	Align GAI development and use with applicable laws and regulations, including those related to data privacy, copyright and intellectual property law.	Data Privacy; Harmful Bias and Homogenization; Intellectual Property	
Al Actor Tasks: Governance and Oversight			

Additional IRP – AI Systems - Preparation

Design	Design policies and procedures addressing internal operations around an AI incident response, defining terms and thresholds, and assigning clear roles and responsibilities.
Establish	Establish categories and rankings of foreseeable harms and devise general processes for dealing with the "unforeseeable" outcomes.
Ensure	Ensure inclusion of events in which unintended model outputs occur (inaccuracy, bias, etc.), as well as results from external attacks and malicious actors.
Ensure	Ensure policies and procedures encompass failures at all stages of the model life cycle.
Institute	Institute initial and recurring training (individual as well as organizational) to operationalize policies, ensuring sufficient awareness and competence after an incident.

Additional IRP - AI Systems - Identification

01

Follow procedural standards to detect and verify that an incident has occurred.

02

Monitor models and systems for the full range of harms potentially generated by AI failures.

03

Activate or access channels to accept notices, inputs and real-time feedback from affected

consumers or other third parties.

04

Establish directed procedural controls for creating relevant logs, notifications and information sharing.

Additional IRP - AI Systems - Containment

Address	Address the immediate damage first, then stop or pause operations, engage temporary alternatives where available and begin documentation, tracking and backup procedures as appropriate.
Implement	Implement procedural directives to scope, evaluate, elevate, respond or otherwise address near- and long-term harms as anticipated from the incident.
Apply	Apply technical fixes as identified by the engineering, project or programming teams to mitigate harms and minimize further problematic performance.

Additional IRP - AI Systems - Eradication

1

Formally remove operational systems or pull systems in development until sufficient reviews and mitigation can confirm no further harms will occur relative to the specific incident.

2

Employ extensive and documented testing on revised or replacement systems, particularly related to the harms from the known incident.

3

Review for any other corollary performance errors in the affected system, and look for any "upstream" or "downstream" dependencies that may be affected.

Additional IRP - AI Systems - Recovery

The newly revised or replacement model should be hardened before deployment.

Benchmark and document the new/repaired model performance metrics and outputs before resuming development or returning to production-level operations.

Additional IRP - AI Systems -Lessons Learned

Review documentation generated in response to the incident, create summarized reports and analyses of problematic outcomes as well as organizational actions in response, and identify gaps or areas of particular success or effectiveness.

Share such documentation institutionally with those responsible for the incident response processes and incorporate it into future training and testing scenarios as appropriate. Review and update policies as required.

The Value of AIRPs and Tabletops for AI Incidents

As more companies implement AI for their core business functions, the risks of AI incidents increase. Examples of AI incidents include the following:

Public complaints of bias or unfair treatment of a protected class resulting from an AI tool used for healthcare, lending, or insurance underwriting, such as <u>news reports</u> that Optum's healthcare algorithm discriminated against black patients, which prompted an <u>investigation</u> by NY DFS.

Failure to sufficiently disclose that AI is being used for certain tasks or decisions, like in <u>BlueCrest</u>, where investors were not aware that an algorithmic trading application was managing a substantial portion of their funds, leading to an SEC enforcement action.

Failure of AI tools that are used for core business functions, such as in the case of Zillow, where a house-pricing algorithm performed poorly in light of new circumstances arising from the pandemic, resulting in hundreds of millions of dollars in losses and several shareholder lawsuits.

Table Top an AIRP



THE KEY TASKS AND DECISIONS ARE COVERED;



THE RIGHT
PEOPLE ARE
ASSIGNED TO
THOSE TASKS
AND DECISIONS;



COMMUNICATION
S, ESCALATIONS,
AND APPROVALS
ARE PROPERLY
ADDRESSED;



EXTERNAL
RESOURCES ARE
IDENTIFIED, SO
THAT THE
COMPANY IS NOT
SCRAMBLING TO
IDENTIFY AND
RETAIN THE
RIGHT OUTSIDE
ADVISERS
DURING AN
ACTUAL



DIFFICULT
DECISIONS
(SUCH AS
WHETHER TO
IMMEDIATELY
DISCONTINUE
THE USE OF AN
AI SYSTEM THAT
IS UNDER
SCRUTINY) ARE
THOUGHT
THROUGH, SO

Automating Defenses for Existing and New Threats

01

Identify the list of AI security capabilities focused on securing AI systems, training data pipelines, etc.

02

Use AI defenses to counter AI threats, but keep humans in the loop for decisions when necessary 03

Use AI to automate time consuming tasks, reduce toil, and speed up defensive mechanisms

