Cybersecurity in Mergers, Acquisitions and Divestitures

Managing cybersecurity risks in mergers, acquisitions and divestitures (MA&D)

Traditionally, MA&D due diligence has focused on Finance, Legal, Business, Operations, Human Resources and IT-related challenges, among others. With the business and technology landscape changing rapidly, reducing risks in transactions has become a top priority for executive leaders, boards of directors and review committees, prompting the evaluation and inclusion of cybersecurity during the MA&D lifecycle. Optiv can support your organization in managing cyber risks throughout the entire process, from transaction readiness and due diligence to transaction execution and post-close transition with a framework intended to identify cyber requirements and mitigate cyber risks.

MA&D Lifecycle

1. TRANSACTION READINESS
   Definition of MA&D strategy to identify and prioritize potential targets
   - Define organizational MA&D strategy
   - Identify and prioritize MA&D targets
   - Develop initial valuations

2. TRANSACTION DUE DILIGENCE
   Screening and analysis of target’s financial and operational health
   - Conduct due diligence
   - Evaluate financial (balance cash flow) and non-financial aspects (culture, security, integrity, operational synergy)

3. TRANSACTION EXECUTION
   Negotiation and execution of the transaction agreement
   - Negotiate transaction agreement with terms
   - Execute the deal and closing procedures
   - Plan for Day 1

4. POST-CLOSE TRANSITION
   Integration or separation planning and implementation activities
   - Perform integration/separation planning
   - Implement and execute integration/separation plans

Example security involvement

- Advise on key risks and potential security impacts
- Build customized MA&D Playbook
- Perform due diligence research and analysis on target
- Support security-specific negotiation requirements
- Prepare for seamless Day 1 security support and transition
- Execute security transition plan
- Support seamless business and IT transition while reducing risk

Optiv Solutions

Leveraging inputs from industry standards, professional insights and extensive experience with cyber solutions, Optiv’s tailored MA&D framework can help you identify the cyber risks involved throughout the MA&D lifecycle, supporting deal value determination based on the risks posed, costs of risk treatment and proactive protection of your business.
Advise on an approach that works for your business, developing an MA&D strategy that is both effective and efficient

Deploy a customized Cybersecurity Playbook and Framework to guide you through the entire MA&D Lifecycle

Operate side-by-side with your team to reduce risk and enable a smooth integration or divestment of your MA&D targets

Our experience, framework and accelerators such as our Cybersecurity MA&D Playbook, Industry Threat Profiles, Cybersecurity Blueprint and MA&D Tracking and Reporting Templates provides a structured and repeatable lens to identify and mitigate potential cyber risks during the MA&D lifecycle, including early and post-close support.

Why Clients Choose Optiv
Implementing the necessary playbook and framework into your MA&D process to effectively identify and mitigate cybersecurity risks can be a challenge when navigating new territories. Optiv’s MA&D team helps your organization develop a tailored cyber MA&D Playbook that enables a consistent process through the entire MA&D lifecycle with established cyber risk requirements and expectations of target entities. Our MA&D team has industry-tested experience advising Fortune 100, Fortune 500 and global private equity firms on their acquisitions and divestiture-related transactions.

Statistics
• **10+ Years** – Average team member’s industry experience
• **Public and Private Industry Expertise** – Federal, State and Local Government, Finance, Technology, Manufacturing, Retail, Critical Infrastructure, Travel and Leisure, Healthcare, Insurers, Communications, Media, Transportation and more
• Our team has had speaking roles on cybersecurity best practices and due diligence at numerous industry conferences, including:
  – The Cloud Security Alliance
  – The RSA Security Conference
  – Speaker tracks at Optiv’s own security conference, OptivCon
  – Support for numerous blogs, articles and white papers

Secure greatness™
Optiv Security is the cyber advisory and solutions leader, delivering strategic and technical expertise to more than 7,000 companies across every major industry. We partner with organizations to advise, deploy and operate complete cybersecurity programs from strategy and managed security services to risk, integration and technology solutions. With clients at the center of our unmatched ecosystem of people, products, partners and programs, we accelerate business progress like no other company can. At Optiv, we manage cyber risk so you can secure your full potential.

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