ALE Calculation for Ransomware Scenario

- Formula: ALE = SLE × ARO
- Given: SLE = $10,000, ARO = 0.2
- Calculation: ALE = $10,000 × 0.2 = $2,000

This means the expected annual loss from a ransomware event, given these inputs, is $2,000.

5x5 Risk Matrix Likelihood vs Impact

To score the ransomware scenario:

- Likelihood: 2 (Unlikely)
- Impact: 3 (Moderate)

	Impact: 1 (Insignificant)	2 (Minor)	3 (Moderate)	4 (Major)	5 (Severe)
5 (Almost Certain)	Medium	High	High	Very High	Very High
4 (Likely)	Medium	Medium	High	High	Very High
3 (Possible)	Low	Medium	Medium	High	High
2 (Unlikely)	Low	Low	Medium	Medium	High
1 (Rare)	Low	Low	Low	Medium	Medium

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  The ransomware scenario (Likelihood = 2, Impact = 3) scores as Medium Risk.