

Financial Services and Cyberattacks:

Key Stats That Boards Need to Know

A closer look at the true cost of cyberattacks on financial services



257%
growth in attacks on financial services organisations (2022 vs. 2021)¹

67%
of consumers who suffer fraud will switch their bank or credit union as a result²

£4.60 Million
The typical cost of a data breach for financial services (more than \$1 Million above the overall average)³

27.2%
of all phishing attacks are aimed at the financial sector⁴

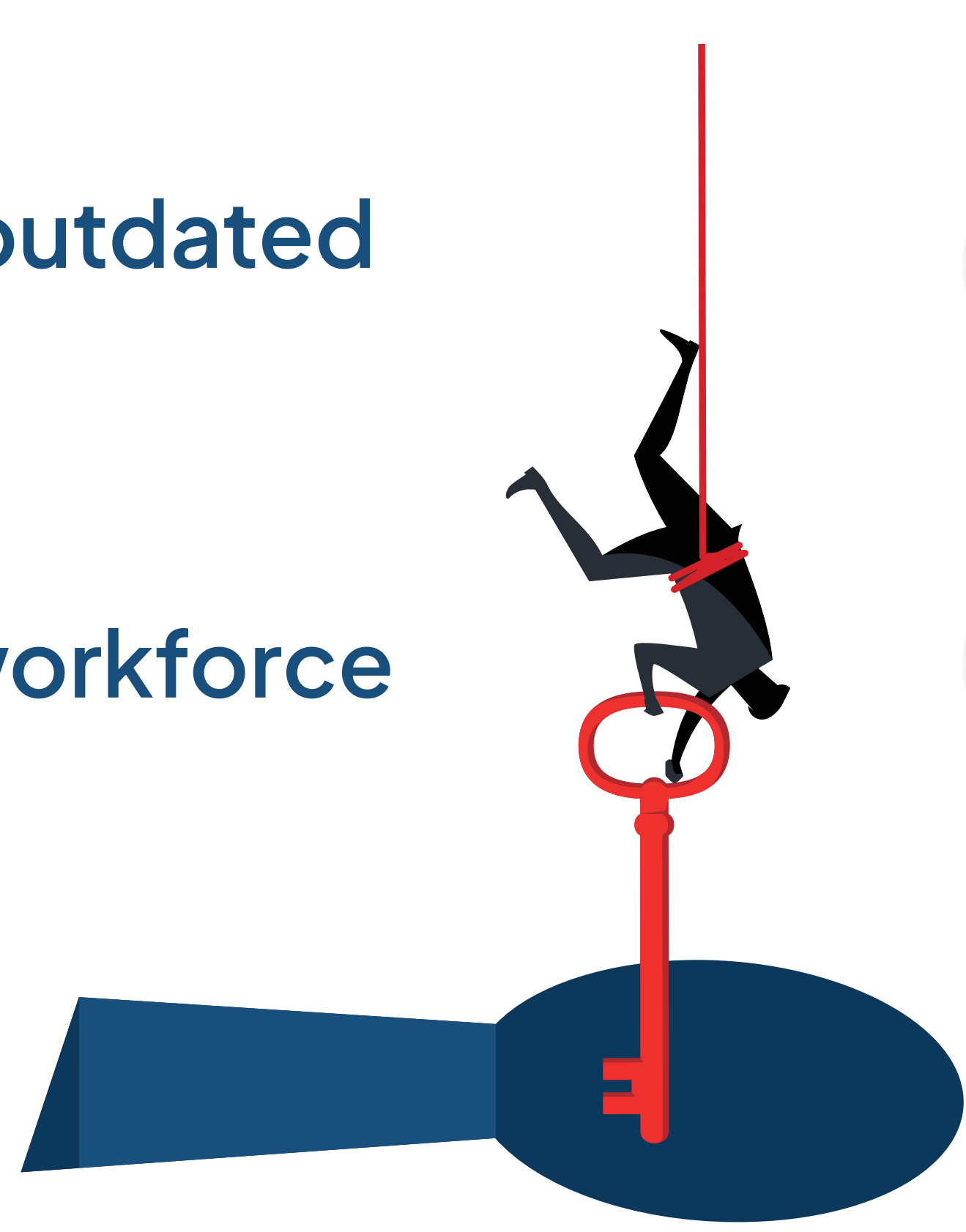
4 Security Challenges Credit Unions Face

1 **Employing outdated technology**

3 **Reporting and responding to incidents**

2 **A strained workforce**

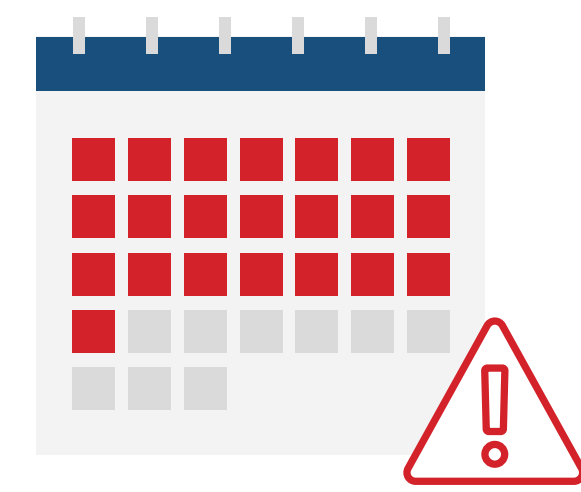
4 **Managing cyber insurance requirements**



Other Impacts on Operations from Cyberattacks

A range of cyber incidents from data breaches to takeover of websites can plague financial services organisations. Consequences are significant and costly, including:

- Financial losses
- Exposing sensitive data
- Reputational damage
- Exposure of members' data
- Loss of members
- Funds have to be used to recover
- Lost revenue from downtime
- Legal and regulatory fines and consequences
- Increased cybersecurity costs post-breach



21 days

Average length of interruption after ransomware attacks⁵

“Staying ahead of [cyber risk] really comes down to you as a board member knowing the right questions to ask.”

Brian Stafford
President & CEO
Diligent

Governance Technology Helps Boards Establish a Sound Cybersecurity Framework

Governance technology helps boards protect sensitive data, as well as prevent, mitigate and respond to cybersecurity threats.

Governance technology brings in a sound cybersecurity framework that provides:

- Controls to limit third-party access
- User-based permissions to protect sensitive information
- Robust data encryption to secure board communication
- Tools to enable new board members to get up to speed quickly on cybersecurity policies



Alongside using governance technology, boards should:

- ✓ **Conduct regular security audits and training on cybersecurity**
- ✓ **Follow good practice in data-management**
- ✓ **Have an emergency preparedness plan**
- ✓ **Have a clear vision of who-does-what after a breach**

¹ <https://www.thebanker.com/Mapping-the-cybersecurity-landscape-1675758991>
² <https://www.ibm.com/reports/data-breach>
³ <https://www.entrust.com/blog/2022/03/90-of-consumers-worry-about-digital-bank-fraud-heres-how-to-mitigate-their-concerns/>
⁴ <https://arcticwolf.com/resources/blog/credit-unions-cybersecurity-challenges/>
⁵ <https://mti.com/blog/2023/01/02/recovering-from-a-cyber-attack/>

See how BoardEffect, a Diligent Brand, can help strengthen your credit union's cyber resilience.

Request a demo today

boardeffect.com | Email: sales@boardeffect.com