

Cyber Security – is your organisation ready to communicate?

Organisations are facing escalating challenges with cyber attacks, an increase in catastrophic events, the lightning speed with which damaging corporate information can be shared online and rising geopolitical tensions amongst the many issues to manage.

The impacts can be critical and long-lasting, resulting in disruption to operations, reputation damage and mounting, and often unplanned, financial costs.

How an organisation communicates with its stakeholders in response can play a vital role in minimising these impacts.

Cybercrime – the number one issue keeping directors awake

Of all crises directors highlighted cybercrime and data security as the number one issue keeping them up at night, up from 37% to 50% in the first half of 2023¹.

This can be put down to the heavy weight of responsibility for ensuring their organisations adequately protect the security and privacy of the data they hold and the reputation damage and financial implications resulting across all stakeholder groups if this data is breached.

1. Director Sentiment Index 1st Half 2023

Communication Services EVERYTHING YOU NEED

- Crisis communications strategy
- 24/7 Crisis incident support
- Crisis communications review and audit
- Crisis simulation workshops
- Media training, management & monitoring
- Crisis & reputation research tools
- Market & shareholder communications

Financial implications by stakeholder

Regulator(s)

- Recent privacy legislation² amendments have increased maximum penalties for serious or repeated privacy breaches. Companies now face penalties to the greater of **\$50 million**, **3 times** the value of any benefit obtained through the misuse of information, or **30 per cent** of a company's adjusted turnover in the relevant period.
- Regulators have warned, boards and directors will be made increasingly accountable through penalties (fines and disqualifications) for failing to disclose material cyber-attacks.

Investors

- Once investors discover a company has been 'successfully' cyberattacked market value declines an average of **5% to 25%** - sources vary by breach.
- Downgrades in ratings following an attack, such as credit and ESG, can result in loss of capital.

2. [Privacy Legislation Amendment \(Enforcement and Other Measures\) Bill 2022](#)

How can organisations minimise risk?

Having the right partners in place is critical.

We have unrivalled depth of expertise in managing issues and crises. Our expert team support organisations to communicate with stakeholders in a timely, clear and strategic manner minimising reputation damage and aligning with regulatory requirements.

We support clients at every stage of the crisis management cycle from crisis **preparation** and **prevention** to **response** and **recovery**. We do this in partnership with experts across the technology and legal sectors to offer a one stop service. This includes partnering on penetration testing and assurance, threat detection and response, and tabletop simulations.

Our success is built on trusted relationships and professional excellence working with organisations across most sectors and of all sizes. Our work demands we handle sensitive information with integrity and are agile in our response.

ABOUT US

Citadel Magnus is part of Morrow Sodali, a leading global provider of strategic advice and stakeholder services. Around the world we are a trusted partner to corporate boards and executives.

We serve more than 2,000 clients in 70 countries, including many of the world's largest multinational corporations. Our clients include listed and private companies, financial institutions, mutual funds, ETFs, stock exchanges and membership associations.

Customers

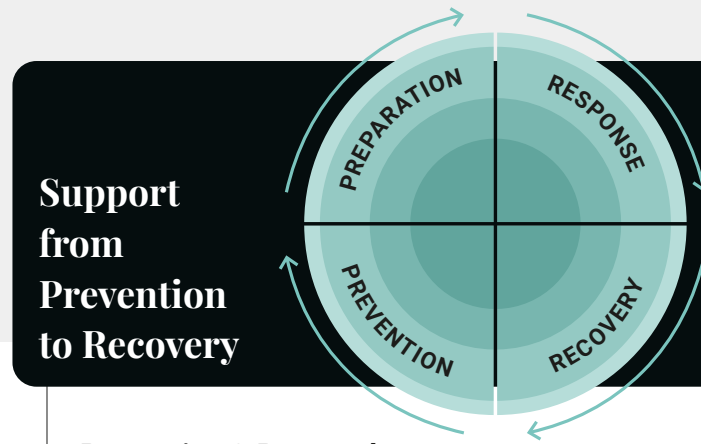
Loss of current and prospective clients / customers means reduced revenue.

Employees

Reputation damage can force companies to have to pay higher to attract and retain talent.

Suppliers

Reputation damage can lead to loss of partnerships or higher supplier prices. In the case of insurance, increased premiums.



Prevention & Preparedness

While it's impossible to predict exactly when and how a crisis will arise there are processes and plans that once in place fast track an organisation's ability to respond. We empower organisations through establishing a streamlined response process, preparing draft materials and training teams. This provides confidence when you need it most.

Response

In the event of a live crisis, we can provide a specialist team to support your organisation 24/7. Our experts span communications, media, and investor relations. Our first-class research capability helps guide the response and drive accurate decision making.

Recovery

The recovery phase is important in preparing for future events by adopting the lessons learned. We recommend organisations conduct regular reviews to ensure skills and plans are up to date.

FIND OUT MORE



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