

Increase in the cost of data breaches reaches a five-year high for businesses, report says

30 March 2023

< Previous

[Parametric policies – the future of insurance?](#)

Next >

[A rise in strikes, riots and civil commotion set to test businesses](#)

Very rarely does an edition of *The Word* pass by without an article on cyber losses, such is the pace of development in the cyber world.

Recent evidence shows that 39% more businesses experiencing at least one cyber attack in 2022, compared to 2020. Evidence also suggests that the cost of dealing with attacks has also increased.

According to the [Hiscox Cyber Readiness report](#), the financial toll of cyberattacks on businesses is estimated at an average of £15,265 per year. [Although the average IT cyber security spending is 3 times more compared to 2018](#), the report illustrates that cyber-attacks are becoming increasingly more financially detrimental as well as frequent.

Considerations for underwriters

Underwriters should continue to review their cyber wordings and underwriting criteria to ensure their policyholders have appropriate protections in place to guard against attacks.

Contents

[The Word, March 2023](#)



[Assigning your contracts – a timely reminder](#)



[Climate risk capital – a warning to insurers from the Bank of England](#)



[Bombs away – \(another\) case on proximate cause](#)



[Increase to FOS limits](#)



[Parametric policies – the future of insurance?](#)



[Increase in the cost of data breaches reaches a five-year high for businesses, report says](#)



[A rise in strikes, riots and civil commotion set to test businesses](#)



Key contact



Tim Johnson

Partner

tim.johnson@brownejacobson.com

+44 (0)115 976 6557

Related expertise

Brokers

Insurance

Insurers and reinsurers

InsurTech

Lloyd's and London market

Managing General Agents