



NZI and UpGuard help New Zealand SMEs fight cyber crime

As instances of phishing, fraud and unauthorised access by cyber criminals become increasingly more commonplace in New Zealand, a newly-launched tool is assisting small and medium businesses in New Zealand with a way to fight back, with free access to a cyber security rating that shows how secure – or not secure – their operations are, at any given point in time.

NZI – IAG’s intermediated business in New Zealand – is now offering a first-of-its-kind tool that gives small and medium businesses across New Zealand free access to a cyber security rating that shows how secure – or not secure – their operations are, at any given time. The tool has been created in partnership with IAG Firemark Ventures investment partner UpGuard. IAG Firemark Ventures strategically partners and invests in businesses with the capacity to reinvent the insurance experience.

NZI cyber insurance specialist Andrew Beven says NZI is offering this through a partnership between IAG (NZI is part of IAG - New Zealand’s largest general insurer) and international cyber security leader UpGuard, to ensure that small and medium businesses around the country are not padlocking their cyber front doors, while accidentally leaving their back doors unlocked and wide open.

“Local businesses have been transitioning to online with great vigour over the last few years, but with COVID-19, we are seeing that businesses are having to transition very quickly and unexpectedly to online platforms for business continuation, meaning more businesses than ever are susceptible.”

New Zealand’s Computer Emergency Response Team (CERT) has reported that incidents were up 38% between 2018 and 2019, with the top three attacks being phishing and credential harvesting, scams and fraud, and unauthorised access.

Mr Beven said: “It’s imperative SMEs treat their cyber security with the same seriousness as they would their shopfront security. It is not an option for businesses to do nothing and gamble on being safe. It’s important they get on the phone to their broker as soon as possible to gain access to this tool.”

How does the tool help fight cyber crime?

The partnership helps users identify and prepare for cyber risk through two steps:

- **Cyber assurance:** a free cyber safety risk technical assessment that provides a cyber risk vulnerability score, identifies potential risks and vulnerabilities with insights and steps to help the small business customer mitigate these risks.
- **Cyber insurance:** to protect the customer’s data against the unexpected – like a cyber risk incident or data breach.

Once activated, the 'Always On' technology behind UpGuard continually scans the customer's internet presence for vulnerabilities, so that at any point in time it can give an accurate reading of its overall cyber risk.

The 'Always On' factor means that, unlike other similar offerings that are clunky and often have a manual component, UpGuard is automated and constantly monitoring.

The tool is normally only accessible by big business and it was a natural choice for the insurer to partner with UpGuard for small and medium businesses.

"Insurance isn't just about remedying after the fact – we actively invest in tools that help our customers to better protect themselves before cyber attacks become an issue, which is always preferable to remedying after the fact.

Being able to generate a score at any point gives greater transparency over the likely risks, and therefore makes cover decisions much clearer and in line with those risks."

Vice President of Cyber Research for UpGuard, Greg Pollock says their 2020 analysis of the New Zealand market shows that the finance, retail, and logistics industries have the lowest security ratings and are therefore more likely to experience a security incident such as a data leak.

"The silver lining is that, when a company is made aware of a vulnerability, most of the time it will take immediate action to address that. That tells us that the gap between cyber protection and vulnerability is whether or not the business is aware – and that's where we step in," says Mr Pollock.

Businesses should speak with their broker for advice on the appropriate NZI cyber cover.

Click [here](#) for more information on how to protect your business online from cyber threats.

About Firemark Ventures

Firemark Ventures is IAG's strategic \$75m venture capital fund. Its purpose is to bring the outside world in to IAG, by strategically partnering with and investing in start-ups that have the capacity to materially alter IAG's business. Firemark Ventures invested in UpGuard in 2016. Other investments include Airtasker, Arturo, Life360, HyperAnna, BlueDot and ActivePipe.

About IAG

IAG is the parent company of a general insurance group (the Group) with controlled operations in Australia and New Zealand. The Group's businesses underwrite over \$12 billion of premium per annum, selling insurance under many leading brands, including: NRMA Insurance, CGU, SGIO, SGIC, Swann Insurance and WFI (Australia); and NZI, State, AMI and Lumley (New Zealand). IAG also has an interest in a general insurance joint venture in Malaysia. For further information, please visit www.iag.com.au.

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