



A photograph of a woman with long hair, wearing a beanie and a jacket, standing in a field of tall grass at sunset. She is pointing her right hand towards the horizon. The background shows a bright sun setting behind clouds, casting a warm glow over the scene.

# Cyber Protection Gap & Navigating the Cyber Risks

Win-Li Toh, President  
Actuaries Institute

13 November 2025

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# Win-Li Toh

Win-Li is an experienced actuarial advisor and commentator on critical issues affecting insurance in Australia and abroad.

Focusing on themes that transcend borders and industries, she brings an international mindset to problem solving, backed by more than 25 years partnering with insurers, self-insurers and government across the globe.

As lead author on the Actuaries Institute report, *Cyber Risk and the Role of Insurance*, she provided crucial evidence for the industry to enhance its cyber resilience efforts. In 2023, she was awarded Insurance Leader of the Year by the Australian and New Zealand Institute of Insurance and Finance.

Today, through her proactive industry presence and several Appointed Actuary roles, she continues to bring solutions-focused insight and facilitate open dialogue between the private and public sectors amid an ever-evolving threat landscape.

Win-Li is a principal at actuarial and analytics consultancy Taylor Fry, where she leads the general insurance practice. She is the Actuaries Institute 2025 President.



## Cyber Insurance: A Timeline

1997 2000s 2010s 2015 2017 2018 2020 2022 2024 2025

Lloyd's launches first stand-alone cyber liability policy in US

2002: Landmark amendments requiring privacy of personal information, spurring growth of US cyber market

2000s: Cyber insurers began offering first-party expense coverage

PwC ranked standalone cyber market estimated at \$1.7 billion in GWP

EU's GDPR comes into effect

NotPetya incident tests cyber war coverage

APRA begins data release for cyber insurance

Cyber insurance premiums make mainstream headlines in Australia



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# Corporate Australia's Wake-Up Call

## September 2022

- Optus: 10M customers affected

## November 2022

- Medibank: 9.7M people, sensitive medical data published on dark web

## March 2023

- Latitude: 14M customers exposed

## May 2024

- Medisure: 12.9M people's prescription data compromised

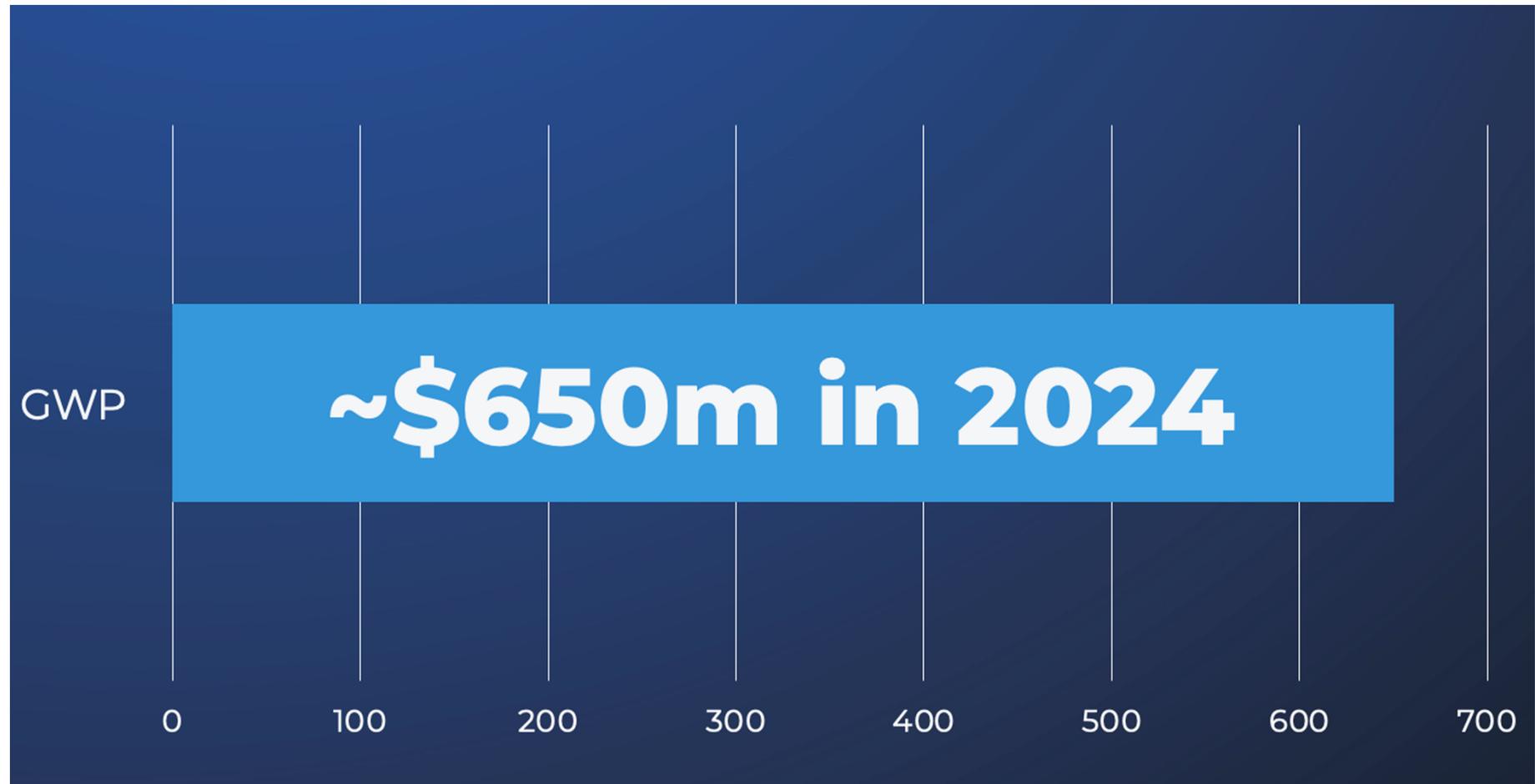
## October 2025

- Qantas: 5.7M people's personal data leaked on dark web

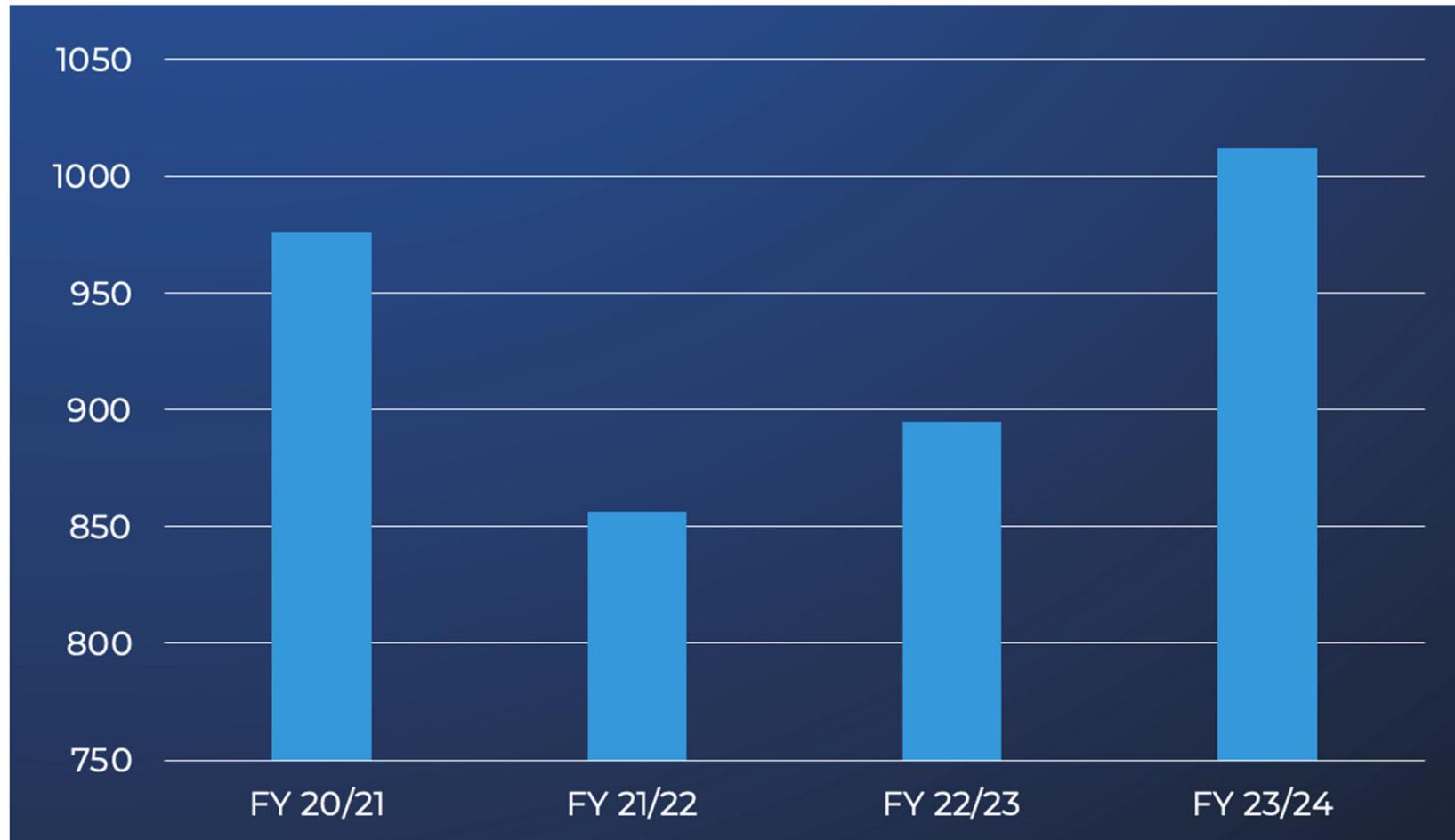
## Result

84,700 cybercrime reports to Australian Signals Directorate in FY2024/25 — **one every 6 minutes**

# The Size of the Australian Cyber Insurance Market



# Data Breaches under the NDB Scheme



Source: Office of the Australian Information Commissioner



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# Average Cost of a Data Breach



Source: IBM Cost of a Data Breach Report 2024 (USD)



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# Cost of a Data Breach by Country or Region (2024)

#	Country	USD
1	United States	\$9.36m
2	Middle East	\$8.75m
3	Benelux	\$5.90m
4	Germany	\$5.31m
5	Italy	\$4.73m
6	Canada	\$4.66m
7	United Kingdom	\$4.53m
8	<b>Japan</b>	<b>\$4.19m</b>
9	France	\$4.17m
10	Latin America	\$4.16m
11	<b>South Korea</b>	<b>\$3.62m</b>
12	<b>ASEAN</b>	<b>\$3.23m</b>
13	<b>Australia</b>	<b>\$2.78m</b>

# Medibank Cyber Breach – Case Study

Medibank says all customers' personal data compromised by cyber attack

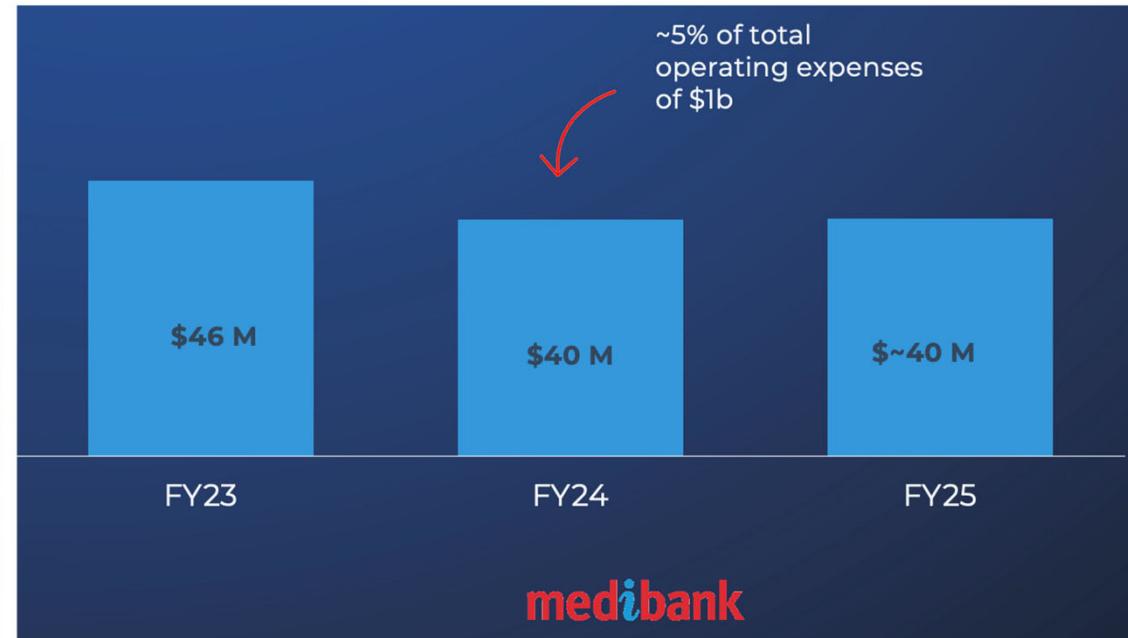
By business reporters Emilia Terzoni and Samuel Yang

Cyber Crime

Wed 26 Oct 2022



Medibank says the criminal behind the attack has supplied sample records of 100 policies they believe are from their system. (AAP)



# Medibank – additional costs



**5**

Separate legal actions being defended by Medibank



APRA

↑ 50%

Increase to regulatory capital



Australian Government  
Office of the Australian  
Information Commissioner

**\$21.5T**

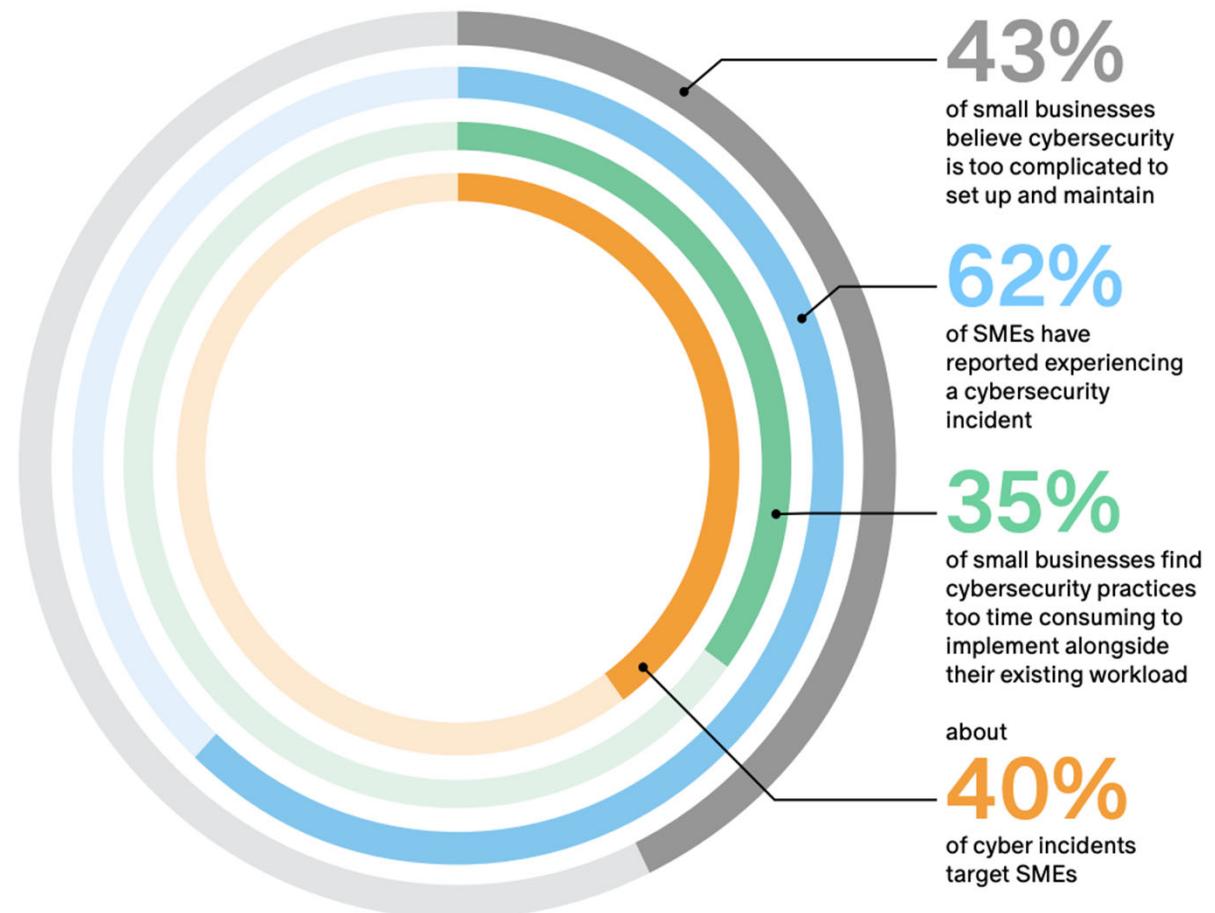
Maximum penalty under the Privacy Act



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# The technical nature of cyber and IT means it can be easy to “put your head in the sand”...

- Many small businesses put cyber in the “too hard basket”, feeling it is full of technical jargon and they do not know where to start
- More than 4 in 10 small businesses believe cybersecurity is too complicated to set up and maintain
- Australian small businesses report at a higher rate than their international peers, that their biggest barrier to online protection is understanding how to implement cybersecurity measures



# Why SMEs Are Falling Behind

## Key barriers to cyber resilience

### Resource Constraints

43% of SMEs failed to make a profit in 2023

31% reduced cybersecurity budgets

35% find cyber practices too time-consuming

### Knowledge Gap

- High technical jargon creates confusion
- Only 35% feel vulnerable to attack
- False belief they are “too small to target”



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# The Cyber Insurance Problem

## Low uptake despite high value

**10-25% of SMEs hold cyber insurance**

### What's included:

- Incident response services
- Legal support & PR assistance
- IT investigation & remediation
- Free Cybersecurity training
- Vulnerability assessments

### Why the low uptake?

- Cost barriers (from \$700+/year)
- Complexity and confusion
- Lack of awareness of benefits
- Perceived as expensive vs traditional



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# Government Actions and Initiatives in Australia to Help Build Cyber Resilience



Established **National Office of Cyber Security**



**Cyber Wardens Program** – training 50,000 wardens across 15,000 businesses



**\$102M** allocated over 5 years for cybersecurity uplift



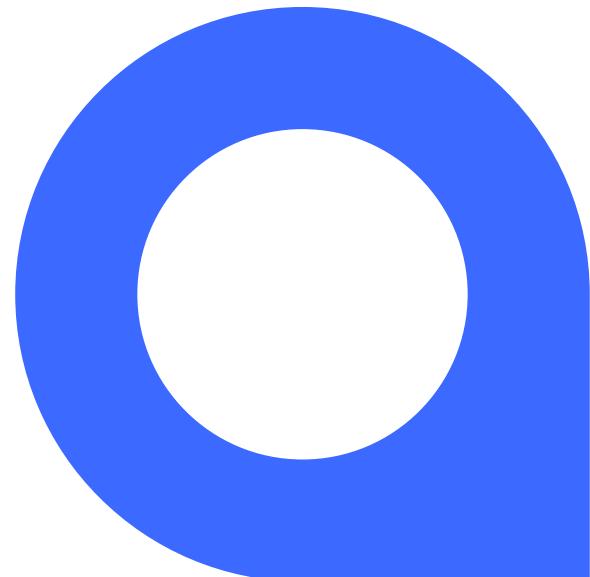
Penalties increased to **\$50M** for *Privacy Act* breaches



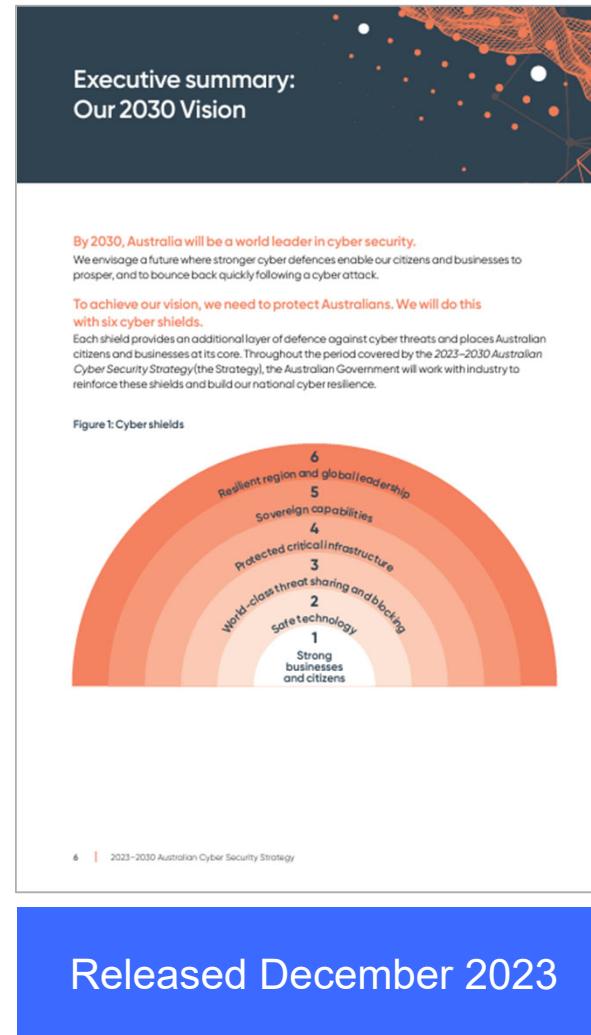
Small Business Cyber Security Guide in **25+ languages**



New **National Cyber Security Strategy** (2023-2030)



# Australian Cyber Security Strategy



# Closing the Protection Gap

## Recommendations for Action

**Strengthen national defences** – Make Australia harder to attack

**Scale up education** – Evaluate & expand Cyber Wardens program

**Simplify certifications** – Create achievable cyber standards for SMEs

**Support Privacy Act compliance** – Help SMEs transition if exemption removed

**Keep dialogue open** – Ongoing collaboration between government, insurers, and SMEs

**SMEs are vital to Australia's economy (5.1M jobs, 42% of apprentices)** – protecting them requires relentless collaboration

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# Thank you

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