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CEOS AND DIRECTORS NEED TO TACKLE CYBER SECURITY THREATS THAT COST BUSINESS UPWARDS OF £100 BILLION EACH YEAR

Report Highlights New Security Environment and Critical Steps for CEOs to Protect their Business

London and Washington, 12 December, 2007 – CEOs must make cyber security a top priority or their businesses could fall victim to industrial espionage, which it is estimated is costing business worldwide over £100 billion each year. That is the conclusion of the report *Cyber Attack: A Risk Management Primer for CEOs and Directors* released today by the British-North American Committee (BNAC).

“The unique identifiers and domain name system coordinated by the Internet Corporation for Assigned Names and Numbers (ICANN) serve as the Internet’s foundation – and make possible the £1.5 billion in global e-commerce that flowed over the Internet last year. As commerce increases, so does the temptation for increasingly sophisticated criminals to try to hijack that commercial activity,” said Dr. Paul Twomey, ICANN’s President and CEO and the key author of the report. “The message of this report is clear – if corporations want to continue to tap into the unlimited commercial potentials of the Internet, CEOs need to become vigilant about cyber security.”

“Global investors, CEOs and board directors, while measuring risks to the corporate bottom line, will have to know what they are doing to prevent data compromises. CEOs are not IT experts and they do not have to be. This report is a quick comprehensive reference list of things that every chief executive should know and do,” said William Mayer, founder of Park Avenue Equity Partners and chairman of the BNAC Cyber Security and Business working group.

“We live in a completely different environment wherein people and businesses are dependent on technology and the Internet and while this helps us run our companies better, we need to realise that there are corresponding risks and threats. Cyber security is therefore critical to the success of every enterprise,” said Sir Paul Judge, British Co-chairman of the BNAC and Chairman of Teachers TV. “It must be an integral part of every CEO and directors thinking and planning.”

The report calls on CEOs and corporate directors to take actions to protect their businesses and organisations from cyber attacks. It identifies information security threats, and most commonly made mistakes in data security and provides recommendations for business and corporate leaders to manage cyber security risks.

“This report is a timely reminder to all organisations - large and small, public and private - of the need to keep up with best data security practices. The risks are very real but help is at hand,” said Clive Mather, until recently president and CEO of Shell Canada and a BNAC member.

Among its recommendations, the report urges CEOs and directors to:

- Establish a comprehensive information security policy, implemented by senior management;
- Hold a company-wide security audit to expose vulnerabilities and strengths and give a complete picture of an organisation’s security requirements;
- Underpin a robust security culture with frequent and rigorous testing; and
- Prioritise keeping abreast of changes in security technology and best practices, including through participation in relevant international information security organisations.

The report further provides a comprehensible information security checklist of recommendations chief executives and directors must follow to protect their corporations against industry espionage. Endorsed by members of the British-North American Committee, a group of distinguished business, academic, and labour leaders from the United Kingdom, the United States and Canada, the report is available online at http://www.acus.org/docs/071212_Cyber_Attack_Report.pdf There is also a web cast available on the issues raised at www.acus.org

About the British-North American Committee:

Launched in 1969, the British-North American Committee (BNAC) is a group of leaders from business, labour, and academia in Canada, the United Kingdom and the United States committed to harmonious, constructive relations among the three countries and their citizens. BNAC is sponsored by three nonprofit research organisations - the British-North American Research Association in London, the Atlantic Council in Washington, and the C.D. Howe Institute in Toronto. Alan R. Griffith, formerly of the Bank of New York, and Sir Paul Judge, chairman of Teachers TV, are, respectively, the North American and British co-chairmen. Professor Thomas H.B. Symons, C.C. is chairman of the Executive Committee.

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