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Are you cyber ready?

Australian legal leaders' views on the cyber risk landscape and outlook

Senior in-house lawyers shared their views on the state of cyber risk across Australian organisations. In its fourth year, our 2026 survey points to real progress, set against a threat environment that continues to move faster than the organisations working to manage it.

Risk landscape



71%

of respondents cited **third-party risk** as their organisation's top cyber concern

Supply chain exposure remains the dominant risk, with visibility into fourth-party relationships the key challenge.



62%

of respondents were **impacted** by a third-party **cyber incident** in the past 12 months

The lived reality of supply chain risk is being felt across sectors.



94%

of respondents have taken steps to **review data management practices** in the past 12 months

Review activity is near-universal, but only 31% of organisations are satisfied with their data risk management practices.

Preparedness



69%

of respondents rated their Boards **cyber maturity** as *high or very high*

Respondents describe their Board's cyber risk maturity positively, but gaps remain.



50%

of respondent Boards participated in a **cyber simulation** in the past 12 months

While Board participation has increased in comparison to previous years, tested readiness remains a key gap.



97%

of respondents are aware of how AI is changing the **cyber threat landscape**

Only 20% report having a detailed understanding of those risks.

Top 3

Top 3 cyber concerns



- 1 Third-party risk
- 2 Technology-related risks, including AI
- 3 People-related risk

Top 3 cyber investment priorities



- 1 Uplifting and/or testing IT security infrastructure and systems
- 2 Addressing AI-related cyber security risks
- 3 Updating security posture/strategy

Top 3 pain points in cyber resilience programs



- 1 Addressing AI-related cyber risks
- 2 Implementing effective third-party risk management strategies
- 3 Implementing appropriate data risk management strategies

Response and regulation



59%

of respondents believe it would take a **cyber incident** to meaningfully drive greater focus on **data risk management**

A reactive posture persists, with many organisations waiting for a catalyst before prioritising data governance.



72%

of respondents regulated by the SOCI Act said that the SOCI regime had a **moderate or minor influence** on their cyber risk management strategy, while 28% reported **significant influence**

As reforms progress, regulatory impact on cyber strategy is expected to deepen.

AI: The defining story of 2026

Top AI-specific concerns



Deepfakes/executive impersonation



AI lowering the barrier to entry for criminal threat actors



AI accelerating vulnerability detection and exploitation



AI-enhanced phishing attacks



Survey designed and run by Herbert Smith Freehills Kramer, with responses from general counsel, divisional general counsel and senior legal counsel across corporate Australia. Financial institutions accounted for 35% of respondents; energy, health, consumer goods and retail, and infrastructure also featured prominently. Survey is anonymous.

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Read the full report



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Are you cyber ready?

How we can help

Contact us any time and day of the year. With a 'follow the sun' model, we will immediately assemble the right team to be by your side in the crucial first hours and days of a crisis.



Cyber risk management and advisory

- incident response plans and playbooks, cyber simulations, privacy advice, Board training, third-party risk reviews, insurance advisory, SOCI Act advice



Incident response - breach coach, legal and regulatory advice, extortion negotiation, communications advice, forensic investigation management



Post-incident response

- breach notification, post-incident reviews, insurance claim management, litigation support including class actions, regulatory engagement

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Our simulation offerings

The evolving cyber threat landscape has materially changed the way that organisations look at cyber risk. That's why organisations are turning to HSF Kramer as their trusted adviser to educate and stress test their crisis management response. These are designed to test an organisation's crisis management response at a management, C-suite and Board level.

To help you prepare, we offer a broad range of exercises ranging from simple education sessions, to bespoke tabletop exercises, workshops blending education with simulation, and multi-day real-life simulations.

Key contacts



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...this was the best, most detailed, well thought through and executed simulation I have ever been a part of..."

ASX TOP 10 CYBER SECURITY EXECUTIVE



...a seamless and tailored exercise which highlighted our strengths as well as some of the gaps in our existing processes."

**CRISIS MANAGEMENT LEADER,
ASX TOP 50 COMPANY**



HSF Kramer is head and shoulders above the competition when it comes to delivering cyber simulations."

GLOBAL HOSPITALITY COMPANY



On behalf of the Board please accept our thanks... it really was first class. ...I had the HSFK team's words of advice uppermost in my mind... it sets a high benchmark of a helpful and pragmatic approach"

CHAIR, ASX TOP 50 BOARD



Cross Examining Cyber Conversations with cyber leaders



In this podcast series, we explore all things cyber, including the legal, regulatory and policy developments that impact corporate Australia. We speak to those people who are shaping the Australian legal and regulatory environment and those on the front line, protecting Australian companies from cyber incidents.

Recent guests include Ciaran Martin, Charles Karmakal, Andy Penn, Dr Vikram Sharma, Catherine Brenner, John Mullen, Anne Templeman-Jones and David Moffatt.

Streaming now.