



25 October 2005

## **HSBC LAUNCHES SECOND FACTOR AUTHENTICATION FOR RETAIL CUSTOMERS**

HSBC is enhancing the security of its internet banking by giving Australian retail customers a security device to provide second factor authentication for internet banking transactions.

Provided free of charge, the online security device will be rolled out to online HSBC customers from early November 2005. The HSBC Group's deployment of the online security device is the largest in the world.

"We manage security focusing on three key areas – privacy, technology and identification," said HSBC Australia's head of direct banking, Liz Kimber.

"However, we need to reconcile this security with convenience and simplicity for our customers," she said.

"The online security device does that.

"HSBC's online security device is a small digital device customers can carry around the same way they do a keyring and because it's not reliant on a third party's service, it can be used anywhere in the world."

This additional security measure aims to offer HSBC customers additional protection against fraudulent activities such as phishing, keylogger trojans, remote hacking and screen capturing.

According to data from the Australian High Tech Crime Centre, there has been a dramatic increase in phishing emails, rising from 107 emails reported in December 2003 to over 13,000 in February 2005. The number of reported phishing sites supporting these emails has risen to 2,625 over the same period<sup>i</sup>.

This news release is issued by

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**News Release**

## **HSBC launches second factor authentication for Australian retail customers/2**

“Through this simple to use device, HSBC can better protect the confidentiality of our customers’ personal details as they logon, as well as the integrity of their online transactions and financial information,” said Liz Kimber.

To access internet banking HSBC customers will need to provide a one-time security code generated by the online security device. A code will also be required for third party transfers, BPAY transactions and updating customer details.

“Second factor authentication shows our customers that HSBC is committed to protecting their personal information and their finances, and ensuring superior levels of online security.”

HSBC already directs its online customers to free Symantec security checks to test their exposure to online threats and also recommends customers install and maintain software including firewall, anti-virus and anti-spam functionality.

The online security device generates a time-sensitive, single-use 6-digit security code for online HSBC customers to use when logging on and for selected online transactions. Random numbers are generated for each individual security device and each security code can only be used once. This single-use, time-sensitive code will offer additional protection against internet attacks where information disclosed during online transactions is re-used for unauthorised account access.

*Ends/more*

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### **Notes to editors**

#### **Footnotes**

<sup>1</sup> <http://www.aic.gov.au/publications/htcb/htcb009.html>

#### **HSBC in Australia**

In Australia, the HSBC Group offers an extensive range of financial services through a network of 35 branches and offices. These services include personal and commercial financial services, trade finance, non-advisory stockbroking, treasury and financial markets, financial planning and securities custody. Principal HSBC Group members operating in Australia include HSBC Bank Australia Limited, HSBC Precious Metals (Australia) Limited and HSBC Bank plc. HSBC is marketed worldwide as ‘the world’s local bank’.

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