

## **Over 50% Of Crypto Investors Leave Assets Vulnerable By Using Paper Backups For Their Security Keys, Study Finds**

*The results of NGRAVE's annual Crypto Security Self-Audit Survey have been revealed*

**Brussels, Belgium – 31 March 2022** – As cryptocurrency cyber attacks continue to grow in prominence, new research has found that more than half of crypto users (54%) continue to keep their backup on a paper wallet. Furthermore, 50% of respondents stated that if someone were to find their backup, their keys would be compromised.

The research, which focused on analysing attitudes towards asset security in the crypto industry, also found that 62% of respondents store part of their crypto on multiple exchanges, while a third of people store more than 40% of their crypto on a single exchange, leaving them vulnerable to a single point of attack. The study also found that 6 in 10 respondents use a hardware wallet, 1 in 10 own but do not use a hardware wallet, and 3 in 10 do not own a hardware wallet. The use of QR-code based hardware wallets also doubled from 10.4% to 21%.

The study, carried out by [NGRAVE](#), the creators of the most secure consumer crypto hardware wallet, in conjunction with [Efani](#), a secure and private mobile service, and [Unstoppable Domains](#), a provider of NFT domains on the blockchain, surveyed more than 2,000 people across 87 countries.

Ruben Merre, CEO and Co-founder of NGRAVE, said, “The results of our annual Security Self-Audit show that there are glaring gaps in the methods investors are using to ensure the security of their assets, especially at a time when high-profile and high-value breaches are becoming increasingly common. It is clear that there is much to be done to secure the crypto assets of investors the world over, if the industry is to avoid the hacks that we have seen in recent months.”

### **Other key findings from the study:**

- The industry's gender imbalance was spotlighted with crypto ownership overwhelmingly male dominated (95.4%).
- Almost 1 out of 2 investors joined the industry after 2019, with adoption peaking in 2021.
- When it comes to portfolio size and wealth distribution:
  - The 80/20 rule is also a reality in the crypto retail market with 20% of investors holding more than 80% of the wealth;
  - One in five respondents holds more than \$100k, while half of respondents hold portfolios of less than \$20k.
- Compliance continues to be a hot topic with the number of users claiming they verify their identity through KYC rising from 85% to 93%.

- The number of users that do a test transaction has remained stable at approximately 6 out of 10, as well as the number that whitelists addresses at 7 out of 10.

Despite more than half of crypto investors opting to use paper backups for their security keys, this was a fall on the previous year (67%). Merre added, “This trend speaks in favour of the use of metal backups, which grew significantly from 15.8% to 25% over the course of the last 12 months. Other backup options such as social backups through Shamir Secret Sharing (SSS), or keeping a backup on one’s computer, have each remained stable. If the crypto industry is to achieve mass adoption, investors need to be able to trust that their assets will remain safe and secure. We are proud to be leading the way towards a more secure, trustworthy, and innovative crypto landscape.”

To see the full results of the survey, click [here](#) or visit [ngrave.io](https://ngrave.io).

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*Ruben Merre, CEO and Co-founder of NGRAVE, is available for interview*

### **Methodology:**

In February 2022, NGRAVE published a survey for crypto investors, which was available [here](#), to provide a personal assessment of respondents’ portfolio security measures. Over 2000 answers were collected from 87 countries. These answers form the basis for the data analysis and graphical representations provided.

### **About NGRAVE**

Founded in 2018, NGRAVE is a digital asset security provider offering user-friendly maximum security solutions for blockchain and crypto use cases. Its flagship product — crypto hardware wallet “NGRAVE ZERO” — is the only financial product in the world that features the highest security certification: EAL7. NGRAVE is partnered with the world’s top tier in nano- and chip technology, cryptography and hardware security, and counts among its advisors several blockchain pioneers such as Jean-Jacques Quisquater, famous cryptography professor and second reference of the bitcoin paper.

NGRAVE’s product suite is a 3-tier solution. ZERO, the offline touch-screen hardware wallet allows users to securely store and transact their crypto. GRAPHENE, the stainless steel encrypted backup solution ensures that users never lose their keys. It is not only made to withstand extreme conditions, but also designed to be recoverable in the event of loss. Last but not least, LIQUID is the convenient mobile app that connects users real-time to the blockchain without ever exposing their private keys.

### **Media Contact**

Eleanor McGovern

Senior Consultant, Wachsman  
E: [ngrave@wachsman.com](mailto:ngrave@wachsman.com)  
T: +353 87 933 7769