

Winter 2023

# TruStage<sup>™</sup> report

Evolving to meet consumers' changing needs



Over the past six months, I've had a chance to meet hundreds of credit union leaders in every corner of the country, all bringing different perspectives and experiences, and representing membership bases as diverse as our country.

These leaders deal with remarkably different circumstances on a daily basis, but a commonality shines through: credit unions are an invaluable ally for middle-market consumers.

In an era of rising income disparity, at a time of tremendous economic pressure on household budgets, credit unions keep one eye on the present and one on the future – helping members navigate life's daily challenges while anticipating tomorrow's needs.

At TruStage<sup>TM</sup>, we've been a proud partner with credit unions in this work for nearly a century, and we'll continue to be there for you. We've got a workforce that's passionate about helping you and your members succeed. We walk alongside you in the commitment to build a more inclusive financial system and for the cause of betterment within our communities.

I'm a firm believer in the Power of We – recognizing and channeling our collective impact for good. My optimism for what we can accomplish together is boundless.

#### Commitment to relevance

As I onboarded into my role at TruStage, credit union leaders often told me TruStage has earned a reputation as a trusted partner and has credibility as a key driver in the movement – perhaps the key driver.

That's an enviable position and it comes with great responsibility.

I admire and appreciate companies that celebrate their heritage – that's one of the primary factors that drew me

here. I'm also a firm believer that organizations must evolve if they want to stand the test of time. What's the key to maintaining relevance and expanding impact? Evolving to meet members' ever-changing needs.

### The next chapter

Earlier this year, we unified our insurance, investment and technology solutions under the TruStage brand. Now, we're working toward providing a unified and seamless customer experience.

Additionally, TruStage is going to help credit unions grow their digital capabilities to meet member demands. We're also going to provide our expertise in diversity, equity and inclusion, touting it as a business differentiator and cultural advantage.

To help expand our collective impact, TruStage will:

- Leverage our financial strength to invest in digital capabilities.
- Make investments in emerging companies to provide innovative financial solutions.
- Advocate for a more inclusive financial services system that allows credit unions maximum latitude to meet the needs of their members.
- Show up in our communities with intention contributing millions to create a more equitable society.
- Look for opportunities to partner, buy or build solutions that enable us to diversify and strengthen the portfolio of solutions we offer to you.

Thank you for your continued partnership. I look forward to meeting – and working with – many more of you in the coming weeks, months and years.

# Discovery2023

Discover. Learn. Explore.

## Access On-Demand sessions from top industry experts

Our one-of-a-kind annual Discovery Conference brings today's top experts to thousands of credit union leaders across the country to address top industry trends and top of mind issues for credit unions. Through the on-demand hub, you can still view sessions on a variety of topics like hybrid and future workforce, embedded insurance and the impact of rising interest rates. You access includes the highly rated keynote speakers like our conversation with Steven Wozniak about pioneering innovation and the future of credit unions.

**View On-Demand Sessions** 

# Defend your credit union castle from cyberattacks

Chris Gill, Senior Manager, Risk & Compliance Solutions

Credit unions have embraced technology to enhance their services and streamline operations, but it's not without cost. While this shift has brought numerous benefits, it has also opened the door to a growing array of cyber threats.



Over the years, these threats have evolved. Attackers continually devise new methods to breach organizations – often by exploiting emerging technologies like artificial intelligence (AI) and mobile banking apps. Attacks on thirdand fourth-party service providers are also becoming more problematic. Focus on a thorough understanding of vendor relationships, systems and data shared along with a review of their security practices and any history of breaches or compromise.

Litigation and notification are also becoming more complex. Review your current incident response plans and include reporting time frames and requirements for providing notice to the National Credit Union Administration (NCUA). Additionally, consider incorporating clear standards for assessing and identifying reportable incidents including escalation for notifying credit union management and the NCUA.

Cybersecurity practices have also evolved to be more proactive, integrated and data driven. Credit unions now employ advanced threat detection tools, Al and machine learning algorithms to monitor network traffic and identify anomalies in real-time.

Employees, whether intentionally or unintentionally, are often the weakest links in the security chain. Balancing employee freedom with cybersecurity could be a delicate dance. Employees need access to digital tools and data to perform their jobs efficiently, but this access can also pose security risks. More convenience from software tools brings additional threats. This is especially relevant with remote or hybrid work environments.

**Today, every employee plays a role in maintaining security.**Focus on creating and reinforcing a company culture of safety and security. It's important that the entire staff recognizes that they each play a critical role in securing the credit union network and protecting its assets.

## Establish and enforce progressive education requirements including:

- Routine, simulated phishing attacks
- Engaging training for all employees
- Implementing a "see something, say something" policy
- Gamification testing methods

## Still, many traditional risk mitigation strategies related to cyber hygiene are still effective including:

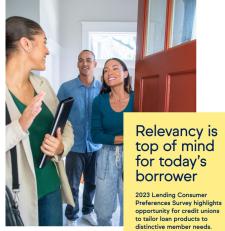
- Routine risk assessments
- Access controls based on role
- Vulnerability testing
- · Inventory of digital assets
- · Education and training
- Mobile device management

Cyber risks and cybersecurity will continue to change and evolve. By embracing advanced technology, fostering a culture of security, and educating employees effectively, credit unions can navigate this dynamic landscape and help protect their operations, data, and the trust of their members.

<u>Learn more</u> about cybersecurity resources available to you.

### New consumer lending white paper available

Staying on top of changes in consumer sentiment, preferences and behaviors is critical to sustaining relevant and competitive financial offerings. That is among the reasons TruStage provides regular, insight-rich reports for credit unions. Our newest report unveils the findings of our 2023 Lending Consumer Preferences survey includes key learnings



and strategic actions for credit unions to consider leveraging for enhanced member lending experience. Insights and recommendations are based on respondents' sentiments around the economy, rising interest rates, inflation and the criticality of insurance coverage.



