

# Preventing and protecting against cyber threats and fraud



The cyber threat landscape is ever-evolving. Challenges to individuals, businesses and governments show no sign of slowing.

- Ransomware demand costs could exceed **\$1.4 billion** in the U.S. in 2020<sup>1</sup>
- Average cost of a data breach is **\$3.9 million**; average size of a data breach includes more than 25,000 records<sup>2</sup>
- Human error accounts for **21%** of breaches<sup>3</sup>

At AIG Retirement Services, we are committed to staying ahead of possible threats and fraud practices to protect plan sponsors and their employees. We have adopted a risk-centric approach to information security. In simple terms, **we focus on (i) protecting your information and (ii) ensuring the availability and security of your data.**

## Our approach

Threat intelligence plays a crucial role in our strategic business planning – with informed investments in security, our capabilities are aligned to counter the evolving threat landscape. A unique aspect of our approach is our use of advanced defense methods that are designed to help detect, isolate and eradicate threats. We implement security monitoring coupled with data security analytics to help identify and respond to malicious behavior.

## Global cybersecurity center

The Information Security Office has a central secure facility with monitoring and response capabilities, 24/7/365 on-site security, biometric authentication, redundant power and monitored critical systems. The center is stocked with former government and private sector practitioners who have first-hand experience remediating high-profile cybersecurity threats and have access to information sharing networks within the industry and intelligence communities thus allowing AIG to obtain intelligence and identify threats ideally before they impact AIG.

## Fraud prevention

We offer participants numerous ways to access their accounts and information safely as well as deploy security features to help us identify possible threats.

- **Multi-factor authentication:** Your employees will receive a security code via text or email when engaging our digital tools or call center to verify who is accessing the account.

<sup>1</sup> Emisoft

<sup>2</sup> Ponemon

<sup>3</sup> Verizon 2019 DBIR

## Preventing and protecting against cyber threats and fraud

- **App securities:** Both finger and facial print biometrics are available on our mobile app to help your employees quickly and securely access account information from their personal devices.
- **Voice biometrics:** Recognition technology helps us easily identify callers to help decrease the verification process while protecting personal client information.
- **Elder and Vulnerable Client Care Center (EVCC):** Our employees are an important line of defense to recognize and report on suspicious activity. We educate our financial advisors and call centers on how to identify and escalate possible fraud attempts through our Elder and Vulnerability Client Care Portal.

In 2019:

- **493** cases were reported to the EVCC
- **267** involved concerns of financial exploitation or unauthorized changes to the account
- **109** cases warranted escalation to state agencies
- **In 56% of cases reported,** the suspected exploiter was someone the client knew

### Account protection responsibility

Account protection is a partnership. We believe participants have a role to play in the protection of their accounts by taking appropriate actions and use safe practices to defend against cyber and fraud attempts. In the event assets are taken from an account, under no fault of their own, we will replace the full value to make the accounts whole. Not taking advantage of these safety features may affect the replacement of assets, see account protection responsibility terms and conditions for details.

At AIG Retirement Services we are committed to helping prevent, protect and partner with you to defend against cyber and fraud attempts. To learn more about our security features and our account protection responsibility, please visit: [valic.com/aig-security-center](https://valic.com/aig-security-center)

### Envision **MORE** with AIG

**CALL 1-888-478-7020**   **CLICK [aig.com/RetirementServices](https://aig.com/RetirementServices)**

Securities and investment advisory services offered through VALIC Financial Advisors, Inc. (VFA), member FINRA, SIPC and an SEC-registered investment adviser.

Annuities are issued by The Variable Annuity Life Insurance Company (VALIC), Houston, TX. Variable annuities are distributed by its affiliate, AIG Capital Services, Inc. (ACS), member FINRA.

AIG Retirement Services represents AIG member companies — The Variable Annuity Life Insurance Company (VALIC) and its subsidiaries, VALIC Financial Advisors, Inc. (VFA) and VALIC Retirement Services Company (VRSCO). All are members of American International Group, Inc. (AIG).

