ISE® WEST EXECUTIVE FORUM

Nominee Showcase Presentation

Charles Schwab

Realigning the Core: Creating Security Consciousness throughout Your Organization
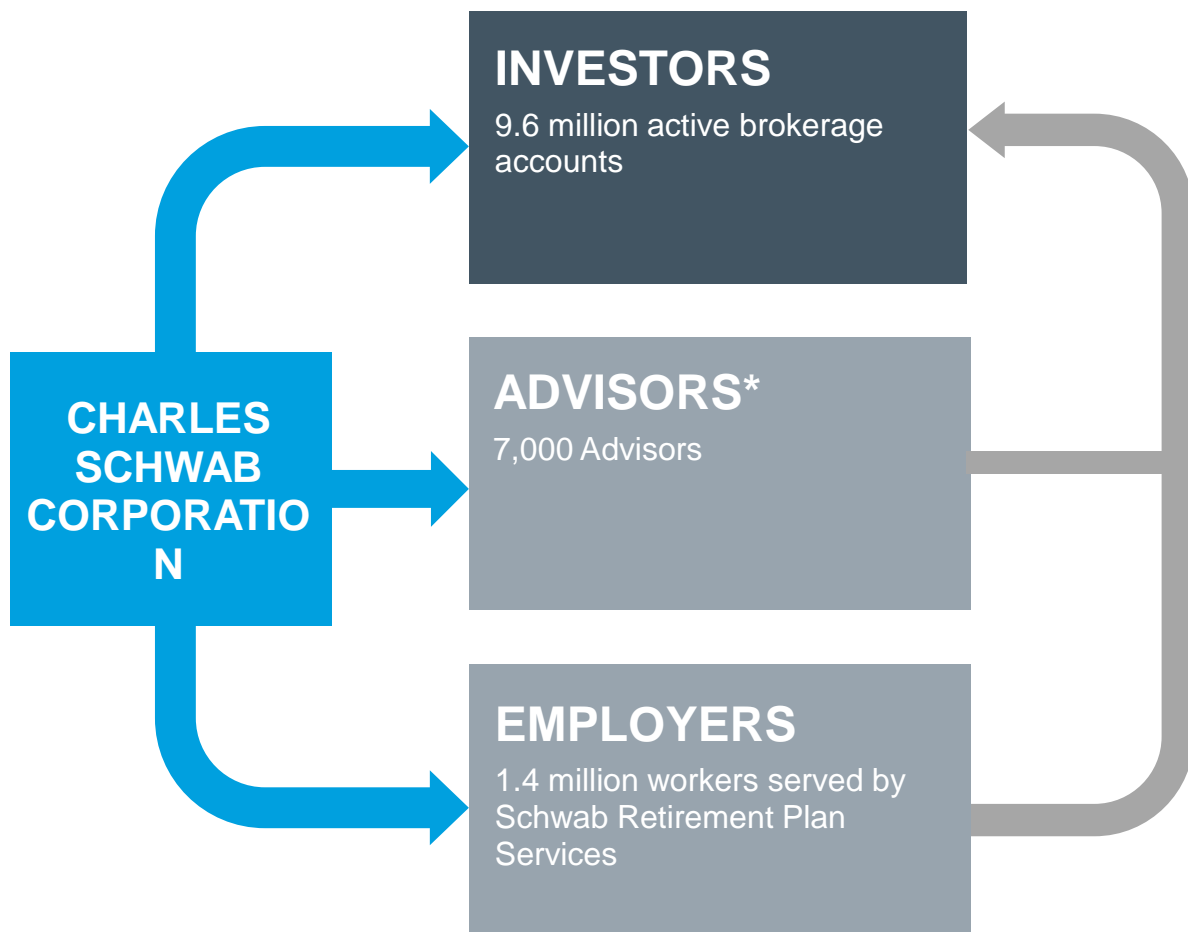
Jason Lish

SVP, Security Technology & Operations

Company Overview

CHARLES SCHWAB CORPORATION

INVESTORS
9.6 million active brokerage accounts

ADVISORS*
7,000 Advisors

EMPLOYERS
1.4 million workers served by Schwab Retirement Plan Services

$2.58 trillion
in client assets
Largest publically traded US brokerage firm & 14 largest bank

Fortune 500 company with annual revenues of $6 billion
and market cap of $37 billion

325 branch offices in
45 states and
4 countries*

Headquartered in San Francisco with 8 service and operational centers around the country

14,900
full-time employees

Presentation Overview

- Joined Schwab in 2011 to rebuild and transform security

- Many driving forces influencing the need for transformation (regulatory, growth, dissatisfaction)

- Tripled staff from 50 to 170 since 2012 while transforming security into a value add service org

  - Focused on organizational alignment, talent acquisition, and strategic partnerships

  - Created a culture of security consciousness throughout the company

  - Implemented advanced technology and process capabilities

- Transformation yielded many benefits such as increased engagement, board level recognition, and a reduction of critical issues

Organization Transformation Summary

Upon Arrival

Current State

- Security viewed as a Checkbox and not built in
- Limited partnerships and business outreach with no well defined mission/vision
- Very little automation, and limited technology capabilities
- Responding and reacting

- Rapidly creating and brokering new services
- Security is embedded & more ownership within technology groups
- Real-time insight & response
- Highly talented and engaged team

Reactive & Responding

Integrated Partner with Positive Business Outcomes

Progression of positive change

Lessons Learned/Best Practices

- Focus on attracting and retaining the right level of talent (create followership)
- Find unique talent pipelines, reward/recognition, rotational opportunities (internal/external)
- Establish a consistent vision/mission that aligns to the company goals with continuous reminders

- Establish initial metrics and benchmark capabilities to measure progress overtime
- Leverage improvements to market investment payoffs and areas of opportunities for investment requests
- Advertise & celebrate wins

- Establish organization personas and a risk based methodology that allows the businesses to make choices
- Identify strategic partnerships across the organization and empathize with their needs when establish your program
- Embed security goals into performance reviews to shift culture of ownership

- Establish enterprise security awareness with various delivery mechanisms to create buzz
- Embed security goals into performance reviews to shift culture of ownership
- Offer incentives to recognize "security conscious" behavior

Quick Examples

Example of Followership
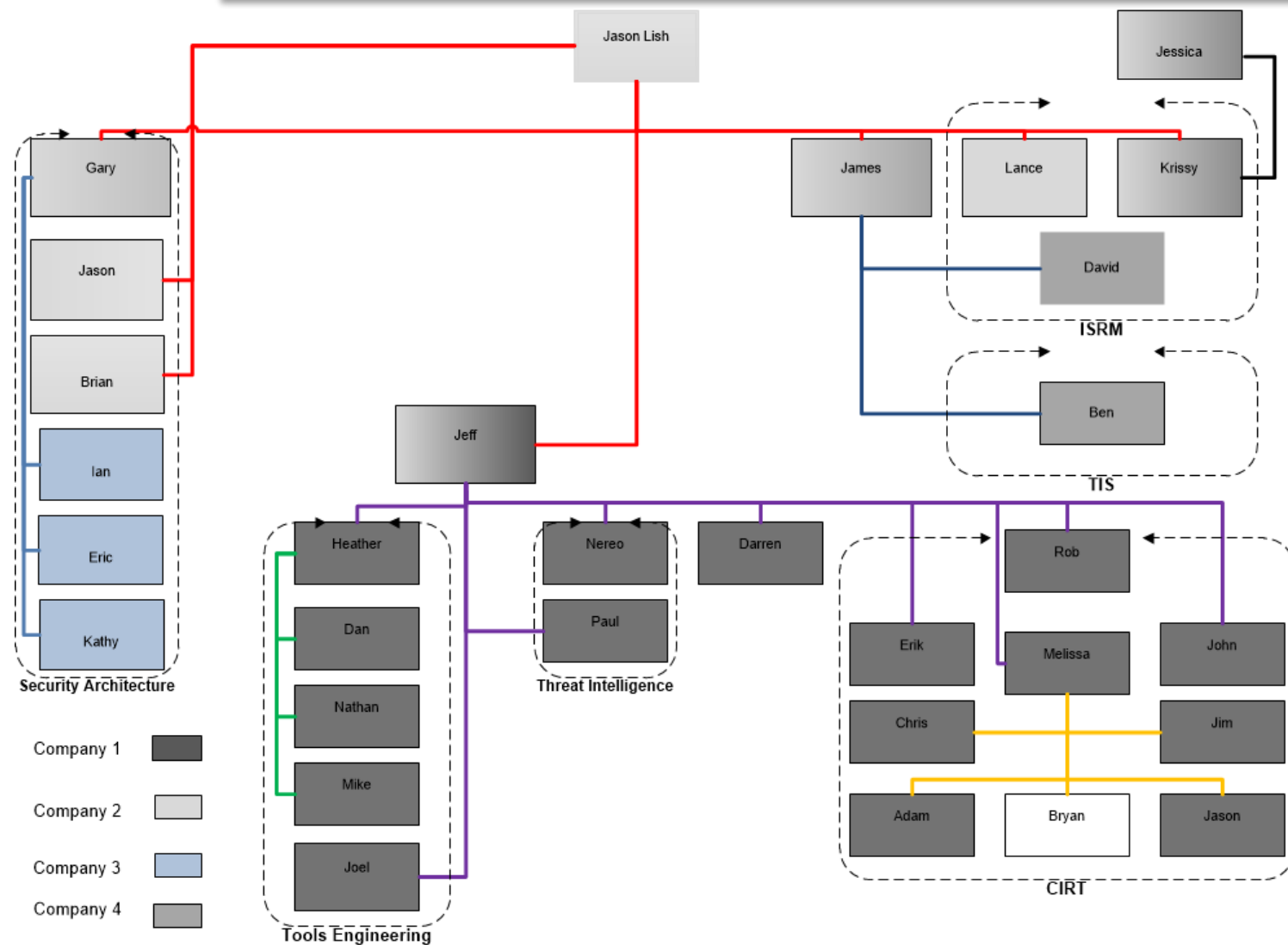
- Out of the 90+ external hires, 40% were from previous working relationships

- Demonstrated leadership that others wanted to follow

- Established a positive brand in the community

- Sought out talent that had the same followership traits

Example of Strategic Security Framework
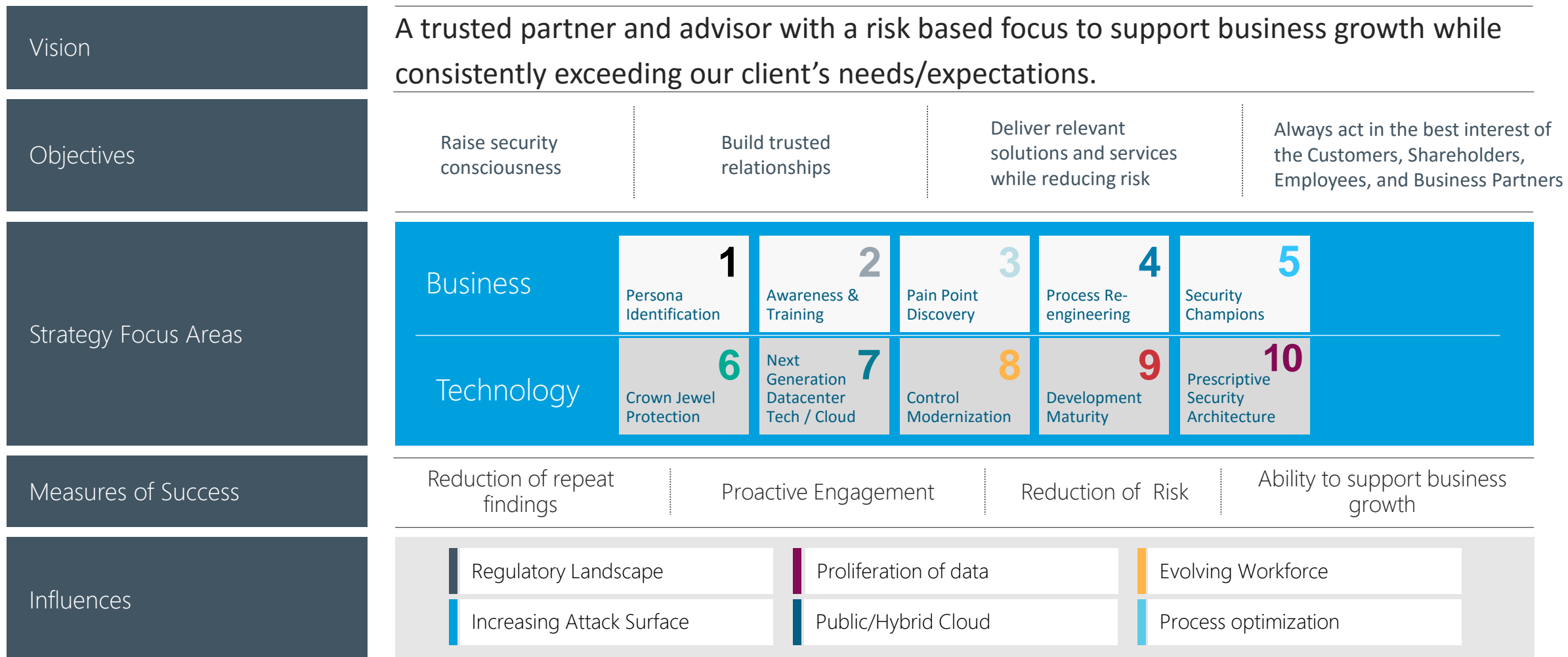## Focus on the business goals by protecting the brand, people, shareholders, & data

Vision	A trusted partner and advisor with a risk based focus to support business growth while consistently exceeding our client's needs/expectations.

Objectives	Raise security consciousness	Build trusted relationships	Deliver relevant solutions and services while reducing risk	Always act in the best interest of the Customers, Shareholders, Employees, and Business Partners

Strategy Focus Areas

Business

1	2	3	4	5
Persona Identification	Awareness & Training	Pain Point Discovery	Process Re-engineering	Security Champions

Technology

6	7	8	9	10
Crown Jewel Protection	Next Generation Datacenter Tech / Cloud	Control Modernization	Development Maturity	Prescriptive Security Architecture

Measures of Success	Reduction of repeat findings	Proactive Engagement	Reduction of Risk	Ability to support business growth

Influences

Regulatory Landscape	Proliferation of data	Evolving Workforce
Increasing Attack Surface	Public/Hybrid Cloud	Process optimization

Example: Security Goal Alignment

charles SCHWAB

5yr Goal #1	5yr Goal #2	5yr Goal #3	5yr Goal #4	5yr Goal #5
Continue to be the premier asset gatherer in the brokerage industry	Offer innovative client solutions that meet the needs of target client segments & create profitable relationships for Schwab	Maintain lifetime client relationships and harness the power of Schwab promoters	Drive operating leverage and increase profitability through our unique business model	Maintain a strong balance sheet and be good stewards of stockholder value

Schwab Technology Services

Business Alignment & Delivery	Innovation	Security	Availability	Capacity	Operational Effectiveness
Foster communication, trust and alignment with business partners in support of quality, effective business delivery	Cultivate and foster innovation throughout the org to drive a continuously improving, word-class technology experience for clients and employees	Accelerate the hardening of internal systems and promote a culture of security consciousness to improve our defensive posture and meet our regulatory obligations	Deliver improved levels of availability for all critical channels and services by adopting modern frameworks, processes and organizational models, in partnership with business leaders	Proactively mitigate capacity constraints, reduce performance bottlenecks, and improve our scalability in a cost effective manner using analytics and emerging technologies	Continuously improve outcomes related to quality, control and efficiency

Data Protection	IT Risk	Development Maturity	Modernization	Identity & Access
Data is identified and appropriately protected	IT Risks are known, measured and managed	Developers are trained, and have the tools to ensure that protection is built in from the start	Tooling is modern and enforces secure behaviors	Access is appropriate, effective and managed

Lastly… Have Fun!

Thank you and Questions

Questions?

Contact Info:
- (602) 977 8289
- Jason.Lish@schwab.com