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RHB Bank steps up effort to combat online financial scams, fraud

KUCHING: Post-pandemic, whether it is for work or a simple cashless transaction at a supermarket, more Malaysians are increasingly relying on digital technology for various activities in their everyday lives.

With our increased online presence, we become more susceptible to cybercrimes as more of our data are used for all these online activities.

Just last week, there have been reports of an alleged breach involving the personal data of 13 million Malaysians on an online social media platform, with information allegedly leaked from major institutions here.

While this matter is still under investigation, it opens up questions on how safe are our data online and how can we better protect ourselves should our personal data be unknowingly used for unscrupulous activities such as scams and frauds.

Last year, Bank Negara Malaysia (BNM) has also stepped up its effort in protecting consumers by introducing five additional security measures to be taken by financial institutions to strengthen safeguards against financial scams, especially online ones.

In an exclusive interview, The Borneo Post asks RHB Bank Bhd's chief information security officer Shamsul Baharin, and head of Business Risk and Fraud Management Sukdev Singh, on financial frauds and scams and how can we better protect ourselves especially when performing financial transactions online.

Question: Why is it important for the public to understand how scams and fraud work?

Sukdev: Scammers may impersonate trusted persons or businesses, such as bank officers, retailers



Sukdev Singh

or even governmental or law enforcement organisations using emails, phone calls and texts that look and sound genuine. Therefore, it is important to continuously educate and create awareness surrounding this topic to better prepare the public, and this includes providing tips on identifying suspicious activity.

As awareness grows and people start to understand that scams can happen to anyone, customers will be more vigilant and adopt the stance - Stop, Think and Block (Awat, Fikir, Blok) hence protecting them from becoming victims of scams and fraud.

Note: 'Awat, Fikir, Blok' - 'ingat 3 saat OK' is a newly launched scam awareness campaign by the banking industry represented by the Association of Banks in Malaysia and other related financial institutions.

Shamsul: Fraudsters leverage on 'people' to perpetrate their scams, and use common psychological techniques to trick victims.

This preys on human nature, such as feeling obligated to return a good deed, following the crowd in taking a certain action, and the fear of missing out on the next big thing.

Fraudsters take advantage of this and therefore, it is important for the public to be informed of the modus operandi to ensure they are able to stay vigilant, identify the tell-tale signs, and respond accordingly.

Question: What are the latest



Shamsul Baharin

types of scams, how do they work, and why are so many people falling victim?

Sukdev: Currently, the 'Macau Scam' records the highest number of incidents. However, we have seen a rise of 'Android Package Kit' (APK) scams, which are also known as malware scams, where customer's personal devices such as mobile phones and tablets are infected with malware after being tricked by scammers to download the APK file.

This allows scammers the ability to intercept incoming SMSes sent by their bank; OTP (One Time Password) and Post Notifications of transactions, and thereby taking over their online banking accounts.

This usually happens when customers download APK files from untrusted sources that is primarily related to online shopping or bargain deals by fake retailers through social media advertisements that seemingly look legitimate.

Question: What should we do if we think we have been scammed / defrauded?

Sukdev: If customers suspect that they have been a victim of a scam, they need to immediately call RHB Customer Contact Centre at 03-9206-8118 or email to customer.service@rhbgroupp.com.

Alternatively, they may call National Scam Response Centre (NSRC) at 977 (8am to 8pm daily).

Shamsul: While we may be well informed and educated on scams and fraud, our close

contacts such as our parents, spouse and children may not be, making them more vulnerable potential targets.

As such, victims should also share their experience with their family members and friends. Sharing of personal experiences is a powerful tool in creating awareness especially amongst people we know personally.

Question: Is online/mobile banking safe?

Shamsul: RHB's online and mobile banking systems comply with all requirements set by the regulators and other relevant industry standards.

Before these services are made available to customers, we conduct numerous security tests by both internal and external cyber security experts.

Thereafter, these systems are continually reviewed and tested, where any potential threats are identified and addressed to ensure customer safety.

Question: What are RHB's plans to improve security, defend against threats and reduce financial scams?

Sukdev: As a custodian of public monies, we view fraudulent activities and financial scams very seriously, and have put in place various initiatives to safeguard our customers.

Some of the key initiatives that we have undertaken include:

Continued efforts to increase fraud awareness through the RHB Corporate Website as well as making available fraud awareness content on RHB's Social Media channels.

Customers may also obtain information and tips regarding fraud and scams via the RHB Group WhatsApp Chatbot.

In addition to this, we also send out e-mails as well as SMS messages targeted at vulnerable customers to help them avoid potential threats, in both Bahasa Malaysia and

English.

We have put in place a dedicated 24/7 Monitoring and Detection Team where we monitor suspicious transactions and perform call-out verification with customers.

We also seek to understand and identify common fraud demographic and trends through the use of Data Analytics, and have in place a 2-Way SMS system to inform customers on suspicious or abnormal transaction behavior relating to their accounts. Our ability to identify fraudulent activity is further strengthened through the optimisation of detection parameters and fraud rules and fine-tuning of transaction thresholds that are based on existing and new fraud trends and methods.

RHB is continuously identifying, detecting, and taking down fake social media profiles, mobile apps, and phishing websites which is also important in reducing the overall threat of financial scams and fraud to our customers.

Question: What should the public expect moving forward when it comes to scams and fraud?

Sukdev: RHB continuously monitors latest developments and reinforces its platforms and product features. We have also mobilised various awareness initiatives for our customers to Stop, Think and Block (Awat, Fikir, Blok) against scams and fraud.

In September 2022, BNM had announced several key counter-measures to be implemented by all Financial Institutions to combat financial scams.

These measures include migrating from SMS One Time Password (OTP) to a more secure authentication method, verification and cooling-off period as well as restricting authentication of electronic banking transactions to one mobile device or secure device

per account holder, amongst others.

This industry-wide effort is made more prominent through the formation of the National Scam Response Center (NSRC) in October 2022 which is a joint effort among the police, BNM, Malaysian Communications and Multimedia Commission (MCMC) and financial institutions that attempts to recover funds of victims through a rapid and coordinated response.

Naturally, RHB is supportive of these initiatives as they are crucial for the continued safety and security of banking customers.

These counter-measures to combat financial scams and fraud serve as a collective effort amongst banks in progressing towards a common goal in the fight against scams and fraud.

Question: How do we protect ourselves?

Sukdev: Customers should keep themselves informed on the latest trends and stay updated with information on scams and fraud.

This information is made readily available on RHB's corporate website, and through other communications such as SMS notifications and electronic direct mailers (EDM).

It is important that customers take these preventive measures:

- Do not entertain calls from 'Unknown' callers / persons
- Do not divulge Personal Banking Details such as Account No. or Debit / Credit Card No. to a third party
- Never share your OTP/TAC number to a third party
- Do not click on any links or open any attachments from 'Unknown' sources
- Only download mobile apps from trusted/recognised source (such as Google or Apple stores)
- Check with the PDRM semak mule portal before making any online transactions to an unknown party/beneficiary