

Engaging Malaysians

Our policies and actions affect individuals and businesses in Malaysia. We adapted our communications for the public to understand our mandates and role.

Introduction

With the transition to endemicity in 2022, we re-introduced in-person engagements after having most of our interactions done virtually during the COVID-19 pandemic period. Throughout the year, there were increased interests on various issues related to the economy, financial sector and other matters under our purview. Not only did we engage more, we also further diversified our content and the channels used to reach a wider range of audiences. Our goal was to explain more and to explain more simply.

Explaining the Economy

2022 was an eventful year for the Malaysian economy. We spent a large part of our time explaining economic developments and our policy responses. Our senior management gave interviews to several media outlets with wide readership and listenership bases. This was complemented by frequent engagements with the media, in particular before the release of our major publications. We conducted two media workshops for journalists to deepen their understanding of important economic concepts, emerging issues and to address queries of public interest.

On the digital front, we introduced several new outputs to enhance public understanding on our key policy areas. For monetary policy, we introduced snapshots of our Monetary Policy Statements and responses to Frequently Asked Questions on our

website. We also started a new series called 'BNM Explains' on our social media platforms to better address trending queries, correct misconceptions, and reinforce our intended messages.

Financial market players are also an important audience. In 2022, we conducted seven bilateral engagements with international and local fund managers. We also conducted six engagements with economic and banking analysts to share our assessment on the economy and financial sector.

Fighting Financial Scams

Financial scams have been on the rise since the pandemic. We increased collaboration with other Ministries, regulators, law enforcement agencies and industry players to address this issue more effectively. In conjunction with the launch of the Financial Crimes Exhibition in September 2022, we announced five additional measures that the banks are required to undertake to better protect consumers from scams. These efforts were further complemented with the establishment of the National Scam Response Centre (NSRC) in October 2022. Further reading on NSRC can be found in Chapter 1.7: Maintaining Financial Integrity.

We also increased our efforts to improve financial scam awareness and empower individuals to better protect themselves. *Amaran Scam Facebook* continues to be our focal point for scams-related matters on social media. Our followers have increased by 20,000 to 60,000 followers by the end of 2022. We continued with our regular weekly scam awareness postings ("Amaran Scam") on our social media but with some notable changes, including more short-form videos for more effective audience engagement. For example, we created "Kak Pah", embodying your-next-door-neighbour persona who fronts most of our scam awareness messages. Our data shows that video-based content performed better compared to our static-design public service announcements.

Engaging Malaysians



Periodic media engagements to improve understanding of technical concepts and to address queries of public interest



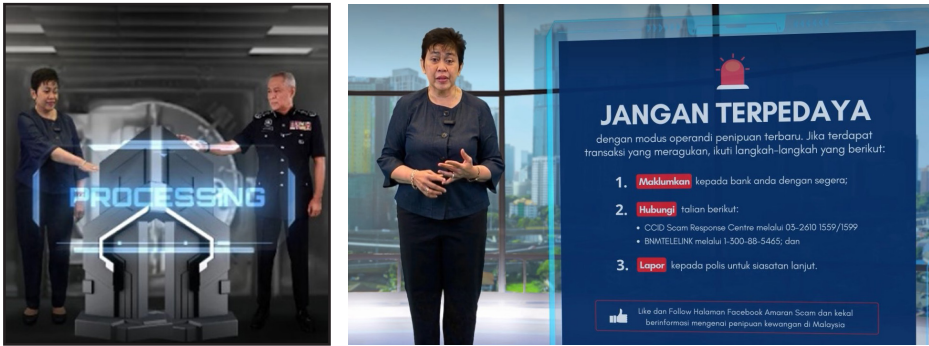
Regular bilateral meetings with analysts and fund managers to exchange insights



Exclusive interviews by our senior management to explain economic issues to the general public



New outputs to enhance public understanding on the Overnight Policy Rate

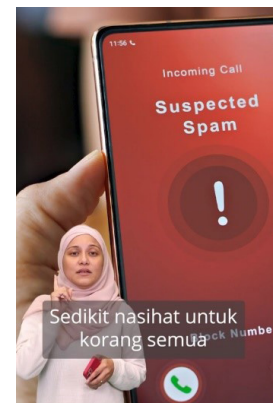


Governor Shamsiah and the Inspector-General of Police at the virtual launch of the "Financial Crime: Scan Before You're Scammed" exhibition



The fight to combat financial scams is a joint responsibility between the public sector, industry and the public. The NSRC is a joint effort between the National Anti-Financial Crime Centre (NFCC), Polis Diraja Malaysia (PDRM), the Malaysian Communications and Multimedia Commission (MCMC) and Bank Negara Malaysia, together with the banking and telecommunication industries to share relevant resources and information to take quicker action on online financial scams and prevent further financial losses

One of our 'Kak Pah' scam awareness posts on APK malware app scam recorded a reach of close to 5% of the Malaysian population. We also increased our messaging to focus on the latest modus operandi employed by scammers in hopes to better deter these ever-evolving threats. To broaden our reach, we published our scam awareness messages and conducted webinars in other vernacular languages such as Mandarin and Tamil.



The launch of the banking industry's National Scam Awareness Campaign in October 2022



We introduced a "Kak Pah" persona to make our scam alerts more relatable



Amaran Scam postings every Friday



Increased outputs in vernacular languages to reach a wider audience on issues of high public interest

Effective financial scam responses require a 'whole-of-nation approach'. Following this, the financial industry launched its National Scam Awareness Campaign in September. We also incorporated cybersecurity educational elements in our e-Duit awareness campaign launch during the Financial Literacy Month Exhibition to encourage the public to adopt e-payments, and to do so safely.

Enhancing Financial Literacy

As part of the Financial Education Network (FEN), we hold regular engagements with wide-ranging stakeholders to raise awareness and promote conversations on financial literacy.

The Financial Capability and Inclusion Demand Side (FCI) Survey 2021¹ found improvements in Malaysians' financial literacy rates from 2018. Although the result showed significant improvements in financial knowledge, the survey also revealed complex layers to respondents' financial attitudes and behaviours such as significant shift in the adoption of digital financial products and services. However, further assessment during the focus group discussions and a supplementary survey revealed that Malaysians have relatively low levels of digital financial literacy. For example, 37% of Malaysians surveyed share passwords and/or PIN of bank accounts with close friends². These insights have informed FEN on their engagement approach to help individuals adapt to these changes. Consequently, we shifted our focus towards promoting digital financial literacy to enhance Malaysians' ability to use digital financial services safely and confidently.

One of FEN's signature events is the Financial Literacy Month (FLM) which is held annually in October. FLM2022 reached more than an estimated 3.2 million³ people through exhibitions, workshops, and webinars across various communities. (See Diagram 1).

Guided by the results of the FCI Survey 2021, one of our initiatives during FLM2022 was a nationwide campaign to address low levels of digital financial literacy. Together with our FEN partners, we deployed a mobile coach that travelled to 61 locations (See Diagram 2) across the country to conduct a nationwide roadshow and directly engaged with more than 20,000 people. As part of this roadshow, we undertook a digital financial literacy survey involving 5,000 respondents from various life stages. Key insights are summarised in Diagram 3.

The roadshow ended with the FLM2022 Exhibition, which was held on 29-30 October 2022. The exhibition which showcased the safe usage and benefits of digital financial services as part of the e-Duit initiatives was well-attended. The visitors gained a better understanding of the advantages of digital financial services and enhanced their digital financial literacy. The e-Duit initiative is further elaborated in Chapter 1.5: Promoting Safe and Efficient Payment and Remittance Services.

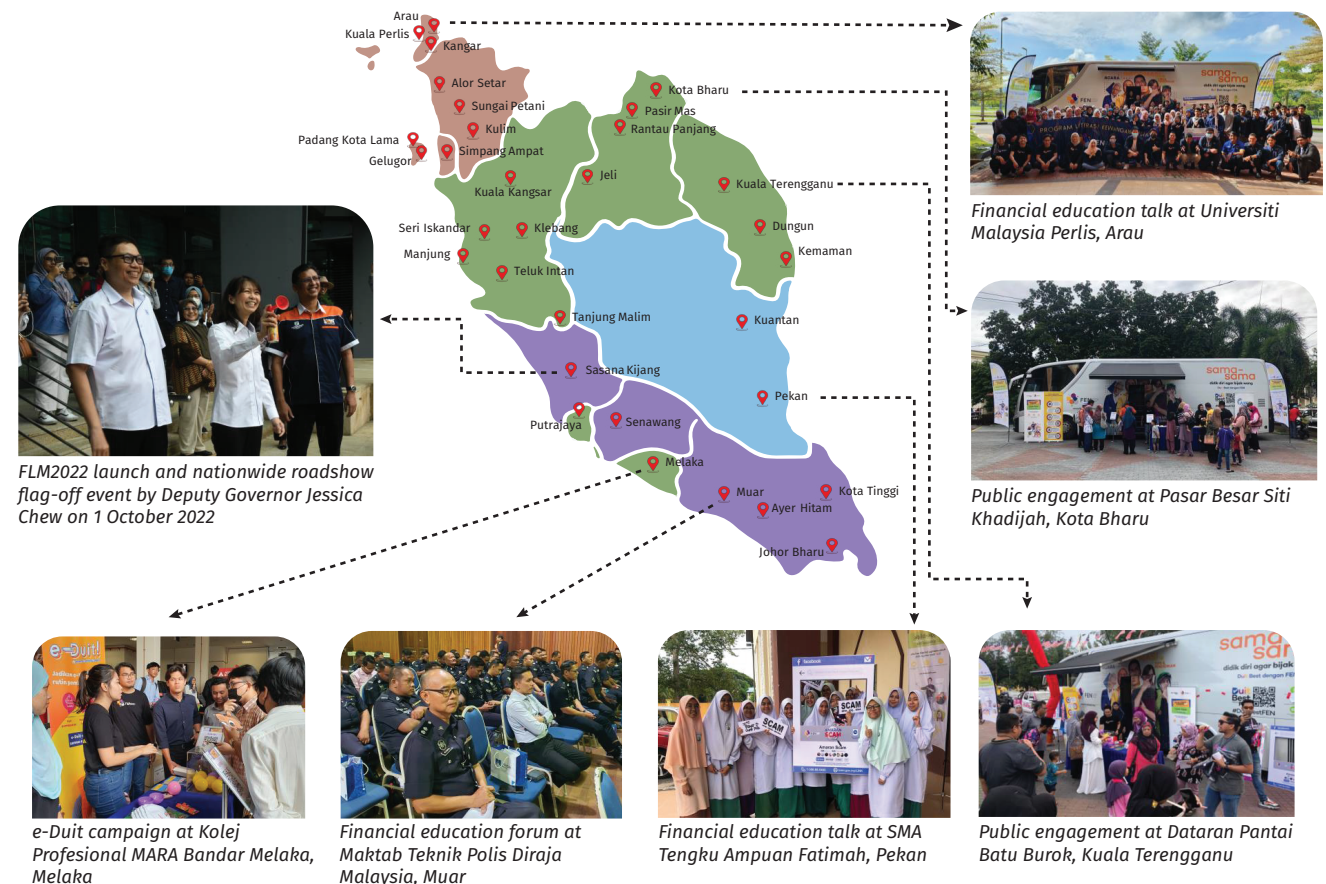
¹ The FCI Survey 2021 results were published in the Financial Stability Review First Half 2022
² Source: FCI Survey 2021
³ Refers to interactions through webinars, competitions, financial education talks, quizzes, radio and TV programs, newspaper articles, virtual exhibitions and social media outreach

Diagram 1: Key Financial Education Initiatives and Engagements during FLM2022



Source: Financial Education Network

Diagram 2: FLM2022 Nationwide Roadshow at 61 Locations



Source: Financial Education Network

Diagram 3: Key Insights from FLM2022 Nationwide Roadshow

Financial education talks



Participants' **knowledge on financial education topics** including scams and personal financial management **improved by 22%***

Mule accounts



Many especially youths have no knowledge of **mule accounts** and its consequences

- i. **33% do not know of actions** that will lead them to become a mule
- ii. **Most youths** presented with 'Mule Account' scenarios find the **scheme to be attractive as a means for quick money**
- iii. Do not feel it is a scam as there is no loss of money
- iv. **Unaware that being a mule is an offence**

Cyber hygiene



Awareness on **cyber hygiene**:

- i. **Majority** engaged were **not aware of security features** of payment platforms
- ii. **29% share passwords** with family members and close friends

* Based on pre and post survey on the knowledge gained amongst the participants during the financial education talks held throughout FLM2022

Source: Financial Education Network

We also worked with *Perbadanan Insurans Deposit Malaysia* and the Malaysian Economic Association (MEA) to organise the first annual National Financial Literacy Symposium (NFLS). The NFLS brought together the academic community, policymakers, and industry practitioners to showcase and raise the visibility of multidisciplinary research on financial literacy in Malaysia. The NFLS received 62 research abstract submissions from researchers from Malaysia and abroad. Eleven of the papers presented will be published in MEA's academic journal in the third quarter of 2023.

We also maintained active engagements in the rural areas. This included communities in Pulau Redang and in other areas through mobile banks and during the FLM. These engagements were mostly focused on raising awareness on digital financial literacy as well as affordable insurance and takaful protection via *Perlindungan Tenang* products.

In 2022, through FEN's Facebook and Instagram accounts, we featured more than 200 content postings on financial literacy and financial education, with an estimated reach to over 8.5 million users⁴. In addition, FEN's website offered a range of financial education resources and tools, which were accessed by more than an estimated 55,000 users⁵.

Promoting Financial Sector Development

At the start of the year, we launched the Financial Sector Blueprint 2022-2026 during our second MyFintech Week (MyFW). This blueprint sets out our development priorities for the financial sector over the next five years. Given the caution surrounding COVID-19 then, MyFW was held virtually. That said, this virtual set up allowed us to reach a wider range of speakers and audience (more than 4,000 participants), both domestically and abroad. For more details, please refer to Chapter 1.3: Promoting a Progressive and Inclusive Financial System.

In October 2022, we co-organised the Global Islamic Finance Forum 2022 in partnership with the Association of Islamic Banking and Financial Institutions Malaysia. This biennial event generated an active discourse on the work required to realise the full potential of Islamic Finance. To further recognise individuals who have contributed significantly to the growth of Islamic Finance, we – together with the Securities Commission Malaysia – resumed the conferment of the Royal Award for Islamic Finance (RAIF) that was deferred in 2020 due to the pandemic.

⁴ Estimated based on the number of users who have come across a particular content on FEN's social platforms (FEN Facebook and Instagram) from 1 January – 31 December 2022

⁵ Estimated number based on the FEN website's Google Analytics from the establishment of FEN website on 1 October 2021 until 31 December 2022

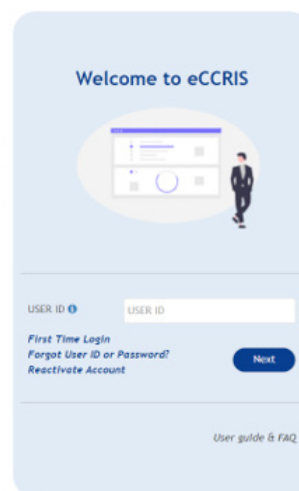
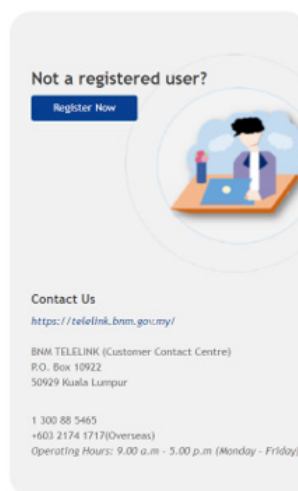
The RAIF 2022 award was bestowed by His Majesty the Yang di-Pertuan Agong to Tan Sri Dr. Mohd Daud Bakar for his contributions to the development of the global Islamic finance industry, particularly in developing the first Shariah standard on gold issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI)



Investing in Digital

Despite resuming physical engagements, we see much upside to continue investing in digital channels as a strong complement to our physical outreach. We introduced several improvements to our website in 2022. To improve public convenience, we introduced a “Live Chat” widget that allows our customer representatives to attend to more queries at a given time. This shortens waiting times for the

public. In the same spirit, we also introduced online registration for new users of our Central Credit Reference Information System (CCRIS). Prior to this, new users could only register in-person. We also introduced a new landing page for key information themes that would be of high relevance for financial consumers. This helps improve user experience by enabling easier accessibility to high-traffic webpages such as our Financial Consumer Alert and updates on our enforcement actions.



The Live Chat widget and eCCRIS online registration improve public accessibility to key services and information

Engaging Malaysians

In addition, we continued to invest in our social media presence. Our social media content is anchored by six signature monthly series. On top of our 'BNM Explains' and 'Amaran Scam' series, our 'Did You Know?' series focuses on providing bite-sized fun facts on our work and policies. The 'Financial Bites' series aims to provide simple and relatable financial advisory to the public, which we typically post closer to payday as a teachable financial literacy moment. We also take snippets of speeches by our senior management and feature it on our 'Quote Series'. The 'Time Travel' series helps inform the general public of our history by evoking a sense of nostalgia among our followers.

Beyond content, we also invested in diversifying the format of our delivery. We spent more effort to produce both short- and longer-form video content

given that platforms are increasingly prioritising this format. Where suitable, we showcased our staff more prominently, especially in our recruitment or public awareness posts.

Besides the metrics of follower growth and impressions, we paid close attention to engagement rates to gauge our social media performance. In 2022, our social media platforms recorded an average follower growth of 25% (Diagram 4), with LinkedIn being our fastest growing platform. Compared to other central banks on a per capita basis, our Facebook, LinkedIn and Instagram are within the ten most followed accounts. Similarly among ministries and public agencies locally, our LinkedIn, Twitter, and Facebook also ranked within five most followed accounts. Our platforms recorded an average engagement rate of 5.4%⁶.

Time Travel



Quote Series



Did You Know?



Financial Bites



Amaran Scam



BNM Explains

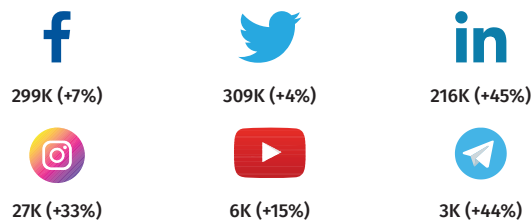


Our social media postings are anchored by these six signature series

⁶ Engagement rate measures the amount of interaction on a post against the total number of people who see it. Engagement rate above 3% is considered high

Diagram 4: Growth in Social Media Followers on BNM Official Platforms

The size of follower base on BNM official social media platforms grew by an average of 25% in 2022



Source: BNM's Social Media Analytics



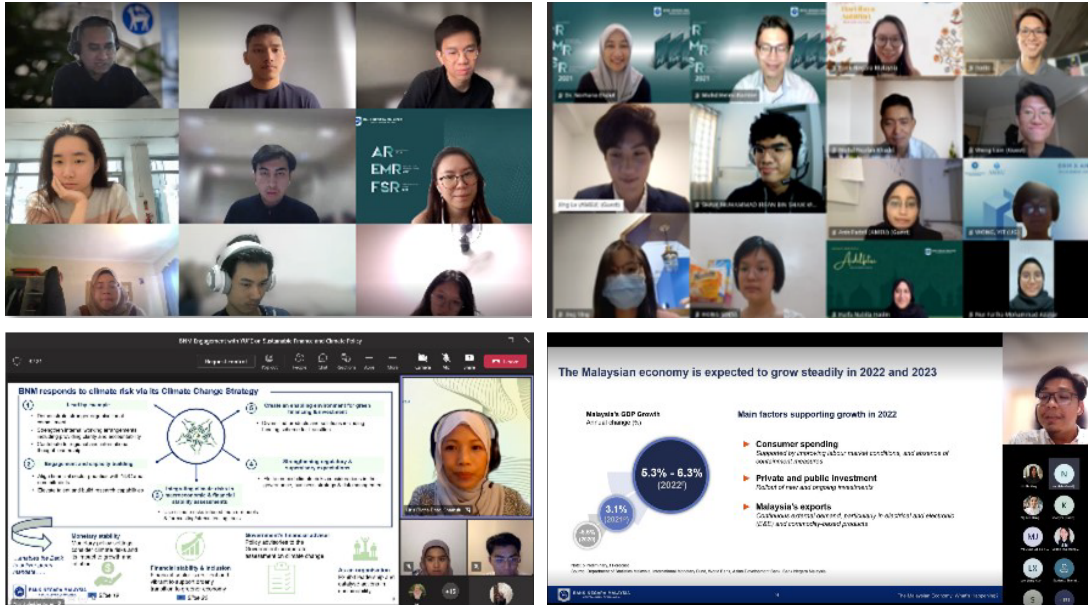
We produced more short- and long-form video content

Engaging Youths

In 2022, we actively engaged youths with the intent of increasing their understanding on our work and the reasoning for our policies. To this end, we engaged six youth groups with differing focus areas. Over the course of the year, we engaged around 700 youths on topics ranging from the economy, sustainability, Central Bank Digital Currency, and digitalisation. Across these engagements, we received an average Net Promoter Score (NPS) of 70⁷. We also saw improved understanding on the topics discussed based on our surveys done before and after the presentation.

Engagement with youths on financial literacy also took place throughout the year. We targeted those who are currently attending higher learning institutions and those not in education, employment, or training. Financial education programmes were conducted for youths in the Malaysian Short-Term Employment (MySTEP) Programme and graduates of Projek Belia Mahir. To raise awareness on insurance and takaful protection among university students and trainee teachers, we launched the #MyDuitStory2 Short Video Competition. It garnered 1.5 million impressions via the MyDuitStory Facebook page.

⁷ NPS is a widely used metric based on a single survey question asking respondents to rate the likelihood of recommending a product or service to others. Anything over 50 is considered a good NPS. 70 or higher is considered excellent



In addition to youth engagements on financial literacy, we also increased engagements on our work and policies

Combining the Best of Both Worlds

Our Bank Negara Malaysia Museum and Art Gallery (BNM MAG) accelerated its public outreach efforts with physical flagship exhibitions and programmes such as Financial LATeracy in Sabah and International Museum Day in Kelantan, as well as the Children’s Festival @ BNM MAG and Art Bazaar. We saw an

increase in physical visits in the second half of the year as we fully re-opened to walk-in visitors in July. In 2022, we recorded 127,779 physical visits that was 16.7% more than visits in 2019 before the pandemic. Nevertheless, given receptiveness to our virtual exhibitions and programmes, BNM MAG will continue to provide hybrid learning experiences and programmes to the general public. This will accord us greater flexibility in customising our outreach to better educate the public on our roles and mandates.

Diagram 5: List of Exhibitions and Activities in 2022

Financial LATERacy in Sabah (physical travelling exhibition)

- The exhibition featured distinctive caricatures by Datuk Lat from 1999 to 2012.
- It is inspired by the **Buku Wang Saku** series that was published by the Bank to inculcate prudent money management from an early age.
- Launched by Yang di-Pertua Negeri Sabah Tuan Yang Terutama Tun Datuk Seri Panglima (Dr.) Haji Juhar bin Datuk Haji Mahiruddin on 12 October 2022 at the **Sabah State Museum**.



Bingkas Berdiri: Naratif Seni COVID-19 (virtual exhibition)



- An **artistic interpretation of COVID-19** after two years of the pandemic.
- This exhibition reflects the artists' own experiences as well as observations of the lives of those surrounding them during the pandemic era - a historic chapter in the 21st century.

Link: [Bingkas Berdiri: Naratif Seni COVID-19 \(bnm.gov.my\)](https://www.bnm.gov.my)

International Museum Day 2022 in Kelantan (physical exhibition)

- BNM MAG emerged champion for **'The Most Creative Exhibition Booth'** at the national level.
- BNM MAG's exhibition booth themed **'The Remarkable Currencies: Evolution of Coins and History of Kelantanese Currencies'**, reached nearly 10,000 locals, tourists, and rural communities through engagements, outreach initiatives and education programmes.
- BNM MAG collaborated with Agensi Kaunseling dan Pengurusan Kredit (AKPK) and Universiti Malaysia Kelantan (UMK) Bachok on activities during the day. This includes talks on currency education and financial crime, personal financial management counselling, and an awareness drive for e-CCRIS registrations.



Children's Festival @ BNM MAG 2022 (physical event)



- Themed **"Sikit-sikit Lama-lama Jadi Bukit"**, the Festival included 32 programmes and activities⁸ with the aim to inculcate the **importance of money management and currency education among children** in conjunction with the World's Children's Day. The festival recorded 2,348 participants.
- BNM MAG also successfully organised a **'Saving-Box Making Event'**. A total of 560 students from 48 schools (including students from Pendidikan Khas school), teachers and members of the general public participated in the event.
- **BNM MAG entered the Malaysia Book of Records for organising the "Most Participants in a Saving-Box Making Event"**.



Art Bazaar 2022 (physical)

- The event aimed to **promote emerging homegrown talents** by showcasing their artworks. 17 emerging artists participated in the event.
- To promote art appreciation and affordability, all items were priced at RM2,500 and below.



⁸ Amongst the fun learning programmes and activities offered during the Festival are Family Drawing & Colouring Competition, Needs & Wants Hunt, Giant Word Search, Cari & Kira Duit Game, Cross-BINGO, Origami Animal Money, Making Greeting Cards from Recycled Materials, Paint Your Own Tabung, Coin Engraving Workshop, Activity Mission Pack, Kijang Masterchef, and more.

Notes: BNM MAG and Museum Shop re-opened to the public with a limited capacity in December 2021. Initially, walk-ins and group visits were not allowed. In July 2022, BNM MAG fully re-opened to walk-in visitors every day from 10.00 am to 5.00 pm (closed between 1.00 pm to 2.00 pm for sanitisation), except Mondays.

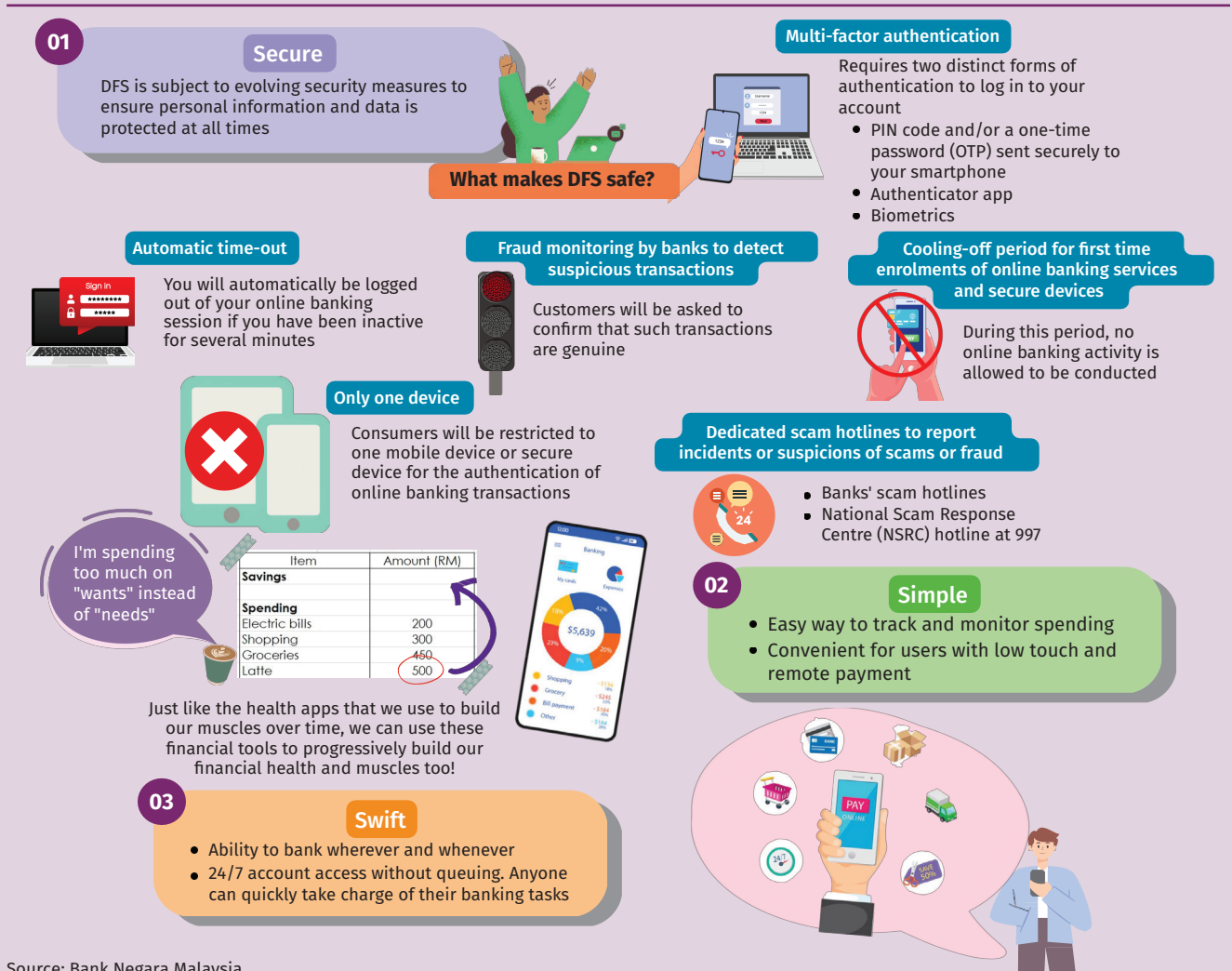
Source: Bank Negara Malaysia

Let's Go Digital Confidently

While digital financial services (DFS)¹ have been around for a while now, the pandemic has accelerated their adoption at an unprecedented pace. Furthermore, there is an increased preference among consumers to choose cashless payment due to the growth in the gig economy, e-commerce² and digital nomads³, as well as the 'low-touch' experiences offered by DFS. The recent Financial Capability and Inclusion Demand Side Survey 2021 (FCI Survey 2021) conducted by the Bank estimated that 74% of Malaysians use DFS. Similar observations by the World Bank's Global Findex Survey 2021 showed that 79% of Malaysian adults use digital payments, of which 42% did so for the first time during the pandemic.

Recognising the potential of digital channels⁴ and consumers' growing desire for convenience and agility, banks have continued to expand their digital offerings to provide integrated solutions that meet consumers changing lifestyle (Diagram 1).

Diagram 1: Features of DFS - Secure, Simple, Swift



Source: Bank Negara Malaysia

¹ Comprise a broad range of financial services accessed and delivered through digital channels, including payments, credit, savings, remittances and insurance. It also includes mobile financial services - Alliance for Financial Inclusion (AFI) Digital Financial Services Working Group <https://www.afi-global.org/working-groups/dfs/>

² Mahadhir Aziz. (23 June 2022). *MDEC Tech Trends: Pandemic-Induced Growth of Digital Payments Propel Malaysia Into Next Fintech Wave*. <https://mdec.my/news/mdec-tech-trends-pandemic-induced-growth-of-digital-payments-propel-malaysia-into-next-fintech-wave/>

³ People who perform their work online from anywhere (e.g. cafe, co-working spaces, or other countries) rather than at a fixed office or business location

⁴ *Majority of Malaysians can go without cash for more than a week as digital payment usage increase - Visa Study* (13 January 2022). <https://www.visa.com.my/about-visa/newsroom/press-releases/majority-of-malaysians-can-go-without-cash-for-more-than-a-week-as-digital-payment-usage-increases-visa-study.html>

Low awareness and trust, confidence and still limited digital financial literacy, however, remain as barriers for some segments of society to adopt and reap the benefits of DFS. This underscores the importance of financial literacy as an important life skill that equips consumers with the knowledge and resources to navigate day-to-day financial activities effectively, responsibly and confidently.

Enhanced financial literacy, including digital financial literacy, ultimately empowers consumers to take better advantage of DFS in managing their day-to-day finances, leading to better lifestyle choices and well-being. For example, there are many digital do-it-yourself apps or tools that can help consumers organise their daily finances. Diagram 2 captures some common ways in which consumers have gone digital with their finances.

Diagram 2(a): Manage Your Finances Digitally

1 Build your savings with simple management tools online



SAVING

Saving money is essential to building wealth. Look out for a **microsaving app** that can integrate savings into your daily life. Some apps also allow you to set your financial goals. You can direct debit the amount from your account to your financial goal account - it is hassle-free!



MICROSAVING APP?

- Helps to save automatically in small and affordable amounts. Your small savings do add up
- Explore this function in banking or financial apps that are regulated by regulatory authorities
- Some have round-up features - allow the transfer of the spare change from your online transactions to a designated saving account or an investment account

Round-ups

Your expenses will be rounded-up to the nearest RM and the spare change will be automatically placed into your savings



2 Use e-wallet for convenience and safer transactions

NO MORE "OOPS, I FORGOT MY WALLET!"



01 Convenient

Whether you shop online, in-store or in an app, your e-wallet stores your information for easy and quick checkouts



02 Secure

- Your information is encrypted and not shared with third-party sources
- If you lose your physical wallet, your cash and cards can easily be stolen as compared to e-wallet

Take extra steps to safeguard your e-wallet

- Protect your phone and e-wallet with password or biometric authentication
- Keep your phone software updated at all times
- Install or enable security features. These can help you:
 - Locate your phone from any computer
 - Lock your phone to restrict access
 - Wipe personal info and e-wallet credentials from your phone



03 Rewarding

- Most e-wallet issuers offer users with extra incentives, exclusive deals or points
- You can save money by utilising the incentives or redeeming the points for your next purchase

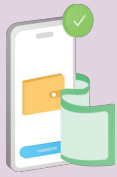


04 Organised

- You can easily track your transactions in e-wallet
- E-wallet can provide an overview of your spending patterns – give insights as to where you could improve your financial management

Source: Bank Negara Malaysia

Diagram 2(b): Manage Your Finances Digitally



3 Look out for online tools and resources to manage your finances



FEN FINANCIAL EDUCATION NETWORK

Financial Education Network (FEN) navigational website
www.fenetwork.my

- Financial literacy tools and resources for all life stages
- Wide range of topics by FEN members and partners

facebook.com/myfenetwork
 instagram.com/myfenetwork
 Financial Education Network
 tiktok.com/myfenetwork



facebook.com/InvestSmartSC/



facebook.com/amaranpenipuan

Source: Bank Negara Malaysia

With significant growth in the number of financial apps and tools, consumers need to be digitally and financially astute to identify suitable digital products and services and use them wisely, including for investment purposes (Diagram 3).

Diagram 3(a): Be a Smart Online Financial Consumer



1 Explore opportunities for online investment that are licensed by the Securities Commission Malaysia

- Do your own research before you invest and understand the products' associated risks
- Be clear on your investment objectives

DIGITAL ASSETS

e.g. cryptocurrencies and stablecoins

- A source of opportunity or loss due to high price fluctuations
- Regulated by the Securities Commission Malaysia



OBSERVATIONS

Malaysians have **unrealistic** expectations on investment returns, which causes them to be susceptible to scammers

86% Claim to understand that high returns relate to high risks



however...

53% View annual return of between 20% - 30% per annum (which is unrealistic) as an acceptable return associated with low to medium risks

Source: "The Financial Capability and Inclusion Demand Side Survey 2021" box article in BNM's Financial Stability Review: First Half 2022



Do not deal with unlicensed or unauthorised entities or individuals to avoid various risks

You may not have access to legal recourse in the event of a dispute

Always verify against:

- Financial Consumer Alert List by Bank Negara Malaysia
 - Entities or schemes wrongly perceived or represented as being licensed or regulated by Bank Negara Malaysia
- Investor Alert List by the Securities Commission Malaysia
 - Unauthorised websites, investment products, companies and individuals

EXPOSES TO RISKS OF



Losing money from investment scams



Breaking the law if involved in mule accounts and become the target of authority and investigation



2 Assess your risk appetite and tolerance level

Risk appetite
The amount of risk you are willing to accept to achieve your investment objectives

Risk tolerance
Acceptable deviation from your risk appetite

Source: Bank Negara Malaysia

Diagram 3(b): Be a Smart Online Financial Consumer

3 Get impartial advice from licensed financial planners, licensed Digital Investment Management (DIM) companies or authorities before you invest

DIM companies aim to replicate many of the key activities performed by traditional fund managers through online access

4 The best defence against scammers is knowledge

Learn to spot investment scams and their common features with T.I.P.U formula by the Securities Commission Malaysia

T	I	P	U
Tidak akan rugi	Indah khabar dari rupa	Peluang hanya sekali	Untung besar
<p>No loss in investment</p> <ul style="list-style-type: none"> Investors are promised that their investments are safe and no losses will be suffered 	<p>Too good to be true</p> <ul style="list-style-type: none"> If it is an unbelievable deal, it is most likely not real 	<p>Offer for a limited time only</p> <ul style="list-style-type: none"> If it is a legitimate scheme, there should not be any rush in making your decision 	<p>Huge returns</p> <ul style="list-style-type: none"> Do not fall for the sweet deals and purportedly big unusual profits on your investment




Source: Bank Negara Malaysia

Despite the more pervasive use of DFS, the recent FCI Survey 2021 findings showed that the level of digital financial literacy among Malaysians is still low. This gap would increase the risks of consumers falling prey to online fraud such as phishing, hacking attacks, unauthorised use of data and being used as 'mule accounts'. Reported cases of victims falling prey to financial fraud and scams point to the compromise of personal information as the dominant risk factor. Taking steps to learn and build good cybersecurity habits to protect personal information, especially when using any digital platform to manage finances, can therefore go a long way to help reduce the chances of becoming a scam victim (Diagram 4).

Diagram 4(a): Take Control of Your Personal Information on Online Platforms

Your account is your responsibility




Do not disclose your financial or security information e.g. username, password, TAC/OTP to anyone (bank or government officials, close friends and family members included)



Use passphrases (instead of passwords) for each login account. Keep it a secret between you and yourself


Password is a combination of letters and symbols. **Passphrase** is created based on meaningful experience using sentence, words and symbols without personal information

Password	Passphrase
At least 8-12 characters	About 20-30 characters
May be meaningful or may not be meaningful	Should always be meaningful
Hard to remember	Easier to remember
Easier to crack	Hard to crack
Exchange letters for numbers and symbols e.g. 'at' with @, S with \$	Random words that make up a phrase or sentence. Can exchange letters for numbers and symbols
Example: S@ra#0708 (approximate crack time: 6 hours)*	Example: lloven@silem@kandte4 (approximate crack time: 148 years)*



Do not save your passphrases (or passwords) in your browsers

they are easy to break into!



Do not allow your account to be used by a third party or share your password, including with your close friends or family members

DID YOU KNOW?

- 4 of 10 Malaysians share passwords and/or PINs of bank accounts with close friends
- 9 of 10 Malaysians did not regularly change online passwords for online shopping and personal finance
- 6 of 10 Malaysians did not pay attention to the security of a website before making an online transaction



*<https://www.useapassphrase.com/>

Source: "The Financial Capability and Inclusion Demand Side Survey 2021" box article in BNM's Financial Stability Review: First Half 2022

Diagram 4(b): Take Control of Your Personal Information on Online Platforms

Be a digitally-savvy consumer

Be alert for phishing websites or malicious apps – do not fall for clickbait



Do not reply to suspicious emails, SMS, WhatsApp, or Telegram, click any link or download any attachment from an untrusted source. It provides easy access for malware to penetrate your devices

DID YOU KNOW?

Malware is a universal term to describe malicious software that can steal your sensitive information e.g. passwords, and view your digital activity



- ONLY download apps from Google Play Store, Huawei AppGallery or Apple App Store
- If you think you have installed a malicious app, immediately uninstall or remove it from your phone



Be suspicious of pop-ups – often disguised as a legitimate part of a website, but too frequent pop-ups could be phishing attempts



Ignore calls from unknown numbers, especially from different area codes and prefixes

WHEN IN DOUBT

Call the official numbers to verify. Banks or government agencies will never ask for your password and PIN, or instruct you to transfer money to another account

Handy tips to perform online transactions



Do not use public Wi-Fi or a shared computer when conducting banking transactions

- If it is really necessary, use a virtual private network (VPN) - this creates a private connection between your devices and the Internet



Log out of your online banking account or apps when you have completed your transactions

Source: Bank Negara Malaysia

Diagram 4(c): Take Control of Your Personal Information on Online Platforms

Follow these tips to be SAFE online

S **SECURE** your personal information
Scammers can easily trick you to get your information and photos to create a fake identity

A **ACT** proactively to protect your device
Activate multi-factor authentication and install the latest anti-virus or anti-malware

F **FOCUS** on the security features of the website or apps. Never conduct banking or online transactions on suspicious websites or apps

E **ESCAPE** from financial scammers. Monitor your bank statements and notifications. Report any suspicious transactions to your bank immediately

Tips to check a secure and trusted website

Step 1: Check for https (not http) and the padlock icon in the URL
The connection between your web browser and the website server is encrypted
Be mindful that a secured connection is not foolproof too! Do look out for other warning signs

Step 2: Hover your mouse over the URL but do not click
What you see may not be where you want to go

Step 3: Look out for bad spelling and/or grammar, and poor design of the websites

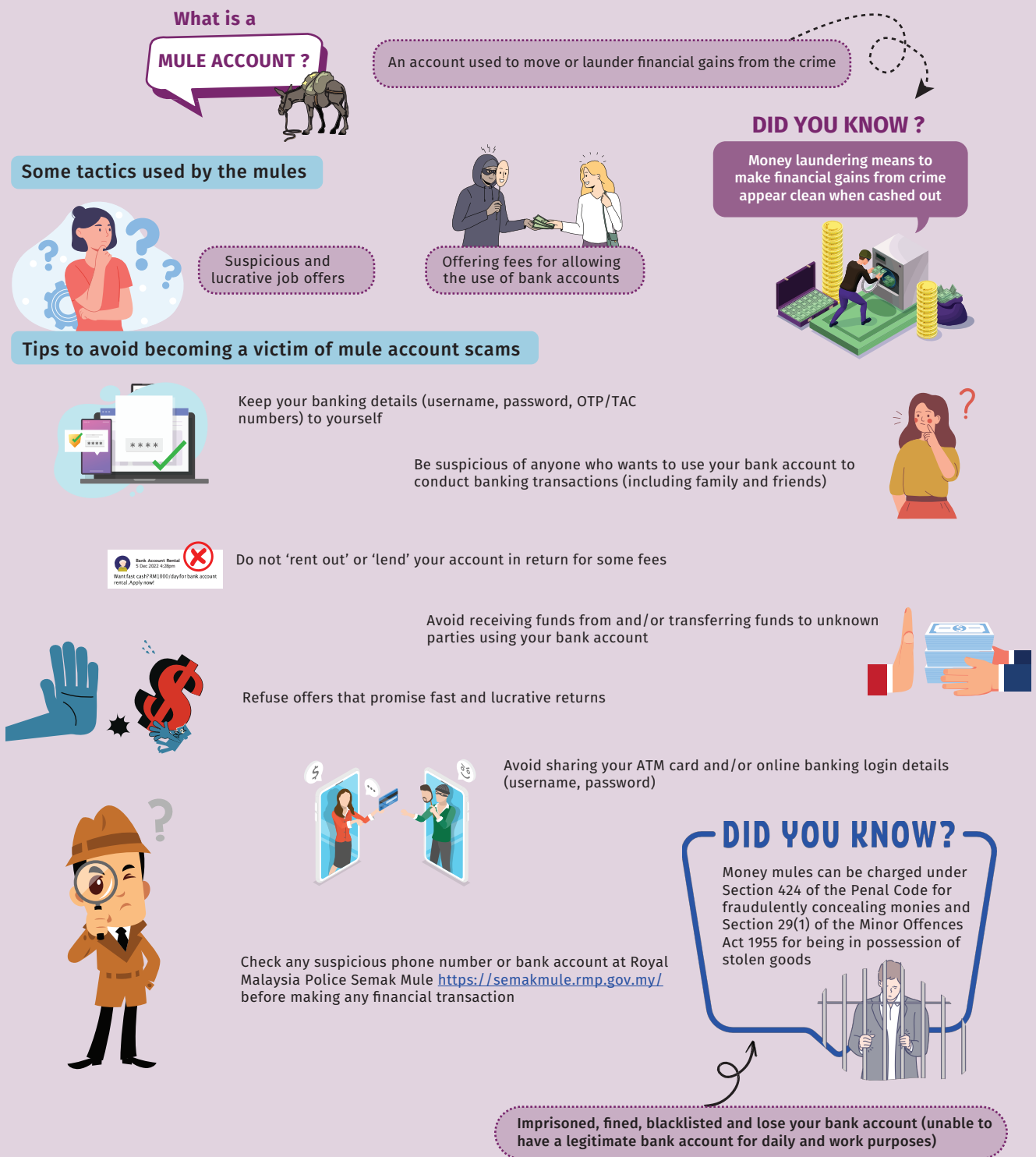
WARNING SIGNS TO LOOK OUT FOR

- domains that are entirely numbers e.g. <http://12.34.912.255>
- ends with a code for a foreign country unless you want to visit a website in a foreign country
- wrong domains within a link e.g., if an address should end in '.my' but ends in '.com'
- have hyphens and symbols in the domain names e.g. www.fenetwork.my is not the same as www.fe-network.my
- destination link looks suspicious and not what you expect

Source: Bank Negara Malaysia

Scammers will always find ways to launder their financial gains (or stolen money). They will likely need to move their proceeds from illegal activities via a bank at some point. The bank account used to launder the money becomes a 'Mule Account', making the account holder a 'Mule' (Diagram 5).

Diagram 5: Do not be a Mule!



Source: Bank Negara Malaysia

Indeed, consumers themselves are the best defence in the battle against scammers. However, in response to the increasing trend of online financial scams, the National Scam Response Centre (NSRC) has been established to enable swift and integrated action to tackle cyber fraud cases. If you have been scammed or think that you are a victim of a scam, take immediate steps to report the incident to your bank or to NSRC (Diagram 6).

Diagram 6: What to do if you have been scammed online?

If you fall prey to a scam or suspect that you may be a victim of a scam

STEP 1



Immediately call your **Bank's scam hotline (24 hours a day, 7 days a week)**. You can find the hotline number at your bank's website or BNM's Financial Sector Participants Directory at <https://www.bnm.gov.my/regulations/fsp-directory>

OR

Call the **National Scam Response Centre (NSRC) at 997** (8:00 a.m. to 8:00 p.m. daily, including public holidays) within 24 hours of the scam incident

Call 997

If you have already reported to your bank, you do not have to make another report to the NSRC

STEP 2



Lodge a **police report** after you have contacted your bank or NSRC to allow authorities to initiate a formal investigation

REMEMBER!

Be prepared to provide these information to your bank and NSRC

- Brief description of the scam incident (e.g. chronology of events)
- Your personal details (name, contact, ID, bank account number)
- Scammer's details (name, contact)
- Transaction details (bank account number(s), amount, time of transfer)
- Evidence to the police (e.g. screenshots of conversations with scammers)



Contact your bank even if the incident happened more than 24 hours to help authorities take action against the criminals

FAQ

Find out more about NSRC at <https://nfcc.jpm.gov.my/index.php/en/soalan/about-nsrc>

Source: Bank Negara Malaysia

While there is no assurance that you can recover your money, it is important to call your bank or the NSRC's 997 hotline immediately once you discover that you have been scammed to facilitate the real-time interception of the stolen money to prevent more financial losses.

If customers have other concerns or are dissatisfied with the services provided by their financial service providers (FSPs), the first course of action is to speak to the FSPs. FSPs regulated by BNM have a dedicated Complaint Unit to resolve customer disputes. If no response is received after 14 days from the timeframe provided by the FSPs or they are dissatisfied with the FSPs' decisions and failed to find an amicable solution, customers may refer to BNMLINK through [eLINK form](#). BNMLINK accepts general enquiries and complaints on matters relating to FSPs that are regulated by BNM. Customers may also refer to the relevant [redress channels](#) to address their complaints. This will depend on the nature of the complaint. For example, a customer can escalate his complaint to the Ombudsman for Financial Services (OFS) which serves as an independent alternative avenue to resolve a monetary dispute involving a licensed bank, insurance company or takaful operator. Its services are free of charge for financial consumers. OFS accepts disputes related to direct financial losses up to RM250,000 or losses caused by unauthorised transactions through the internet or mobile banking, ATM or cheque up to RM25,000. Further information can be obtained at <https://www.ofs.org.my/en/>. If consumers are still not satisfied with the resolution received from the redress channels, the consumers may proceed to seek legal advice.

In short, with the increasing range and importance of DFS, its effective use could help consumers to better manage their finances, take full advantage of the benefits offered, as well as spotting and avoiding scams. In other words, being equipped with digital financial literacy can help consumers to plan their finances, increase financial resilience and well-being, and embrace the digital world confidently.