



### Fraud Prevention Philosophy

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| <p>What is your approach to Fraud Prevention?</p>                  | <ul style="list-style-type: none"> <li>• Protecting and preventing our customer’s falling victim to fraud and scams is of utmost importance to us. In line with our commitment to our values and ethics we strive to educate customers, colleagues and the wider community to help people spot the warning signs of fraud and identify the types of scams that they may be targeted with.</li> <li>• Our approach to fraud prevention involves a risk based system which is designed to protect our customers against fraud, we balance this with the customer’s need to have a frictionless journey when carrying out their day to day banking needs.</li> </ul>   |
| <p>What controls do you have in place / How do we protect you?</p> | <ul style="list-style-type: none"> <li>• Real-time fraud detection system – We use a realtime fraud prevention system for Faster Payments, Credit and Debit card payments. The systems mean that we can hold or decline a payment if the rules within the system identify a suspicious transaction.</li> <li>• Biometric analysis – The fraud systems use behavioural analysis to build a profile of what is normal for customers. This is used in rules to detect suspicious transactions</li> <li>• One-time passwords – The Bank uses one time passcodes through Online Banking for a variety of customer requests. One-time passcodes will be used for strong customer authentication for card payments.</li> <li>• Two factor authentications – Used in Online Banking and Mobile Banking.</li> <li>• Helpful hints – There are dedicated Fraud and Security pages on the Bank website which provide information on fraud protection.</li> <li>• Free anti-virus software – The Bank offers free anti-virus software for Online Banking which is available to all customers</li> </ul> |

## Customer Education & Awareness

What do you do to educate your customers to ensure they are fully aware of the latest fraud trends / advice?

The Bank continuously updates its website to ensure that key fraud trends are visible to customers and that there is access to support and educational resources.

The [website](#) contains key links to information around

- How we protect you
- Common fraud threats
- How to protect yourself
- Latest fraud alerts

We have also updated our online and mobile payments journey to provide tailored warnings to customers depending upon the type of transfer that they want to make.

Our hard copy literature has been updated to include latest fraud and scams awareness with additional specific documentation for business customers.

To help protect our customers we have:

- An annual education plan, which involves a schedule of deliveries to customers via email, letter, social media or via online channels.
- Our branch community are forming partnerships with local law enforcement and other support areas to deliver Fraud Awareness days or events with branch customers.
- We utilise industry experts to support us in delivery to colleagues and customers where possible, for example we have worked in partnership with the National Economic Crime Lead, Trading Standards and Head of Fraud Prevention (DCPCU)
- We have joined forces with local Police Forces to present fraud awareness messages to the wider community including schools and local community groups
- We fully support the Take Five campaigns and voluntary code and brand our literature accordingly.
- Branch literature has been updated to include vinyl posters on cashier points to caution customers who may have been coached with responses to use when talking to the Bank.
- Our Facebook and Twitter pages have regular fraud warnings.
- Colleagues have to complete annual mandatory training which covers a broad spectrum of fraud education.
- There are frequent communications delivered to colleagues raising the awareness of fraud and scams.
- We have utilised external training resource to upskill our frontline colleagues.
- We fully support and adhere to Banking Protocol in branches and are working with industry partners to roll this out across other channels.

## Contact

How and when we would contact our customers.

When fraud is suspected we will contact our customers using email, phone calls and text messages. Customers should always take the necessary precaution to ensure they are talking to who they think they are. We also utilise various security controls and offer guidance for identifying malicious contact on our [website](#). Examples of the controls / guidance we offer include;

**\*One-time passcodes** - When we need to verify who you are, we'll send a unique code to the mobile you have registered with us.

The text will state exactly what the code is for, like creating a new payee. You shouldn't tell anyone what this is, even somebody claiming to be from the Bank. If someone asks for the code but for a different reason than is stated in the text message, you must not answer them.

If you get a one-time passcode message you're not expecting, give us a call on +44(0)3457 212 212.

**Text Alerts** - If we notice something suspicious or need to get in touch with you, we may send you an alert by text message.

**Email Alerts** - If we notice something suspicious or need to get in touch with you, we may send you an alert by email.

**Phone call Alerts** - If we notice something suspicious or need to get in touch with you, we may contact you by phone.

How and when can our customers contact us?

If customers see any suspicious activity or transactions that they don't recognise we ask them to call us on +44(0)3457 212 212 or for credit cards +44(0)345 600 6000.

## How we collaborate with the rest of the industry

### Industry initiatives / collaboration

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- We are members of UK Finance and take an active part in all Industry Fraud initiatives
- We are members of CIFAS – The UK Fraud Prevention Service
- We contribute to the funding of the DCPCU
- We share fraud intelligence to protect our customers
- We have signed up to the Take Five Voluntary Code to provide our customers with up to date advice on fraud prevention.
- We are a participant of the Banking Protocol, which helps our customers from being targeted by fraudsters and rouge traders.
- We work with other banks to quickly recover fraudulent funds for our customers.
- We are a signatory of the Continuous Reimbursement Model voluntary code.

## Summary

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We are committed to provide fraud protection and prevention for our customers and to continue to educate them and raise awareness of the kinds of scams and fraud that they may be targeted with.

Providing support to customers who have fallen victim to fraudsters is of paramount importance to us and we will continue to work with the wider industry on initiatives such as The Banking Protocol and Contingent Reimbursement Model, as we strive to do as much as we can to help our affected customers.