

Transcript: Shaq Johnson, ABC The Conversation Hour

Richelle Hunt: Shaq Johnson is the head of fraud operations at ANZ, welcome to the programme Shaq.

Shaq Johnson: Thanks for having me.

Richelle Hunt: So, you've just been listening there to some of the more sort of sophisticated schemes. You as a bank organisation obviously encounter these sort of things with people losing large amounts of money to scams. What's the process? Can the bank come back with the money every time?

Shaq Johnson: Well, Richelle it all depends. So, we've heard about how sophisticated these scammers are, and they often know how to paint a story that is quite believable to those victims. So, we often find that by the time the victims recognise that they've been scammed, it's a little too late. It all depends when the money got transferred and it all depends where the money goes. What we find is if the money is going to a crypto wallet it becomes incredibly difficult to trace and recover those funds.

Richelle Hunt: So long term, what are the plans of our big banks? Because scams aren't going anywhere, they're getting worse and more sophisticated, and unfortunately, we're losing more and more money. At what point do the banks start to wipe their hands of this?

Shaq Johnson: We've invested millions of dollars over the last two to three years in new technologies aimed and designed to detect scams, particularly those that have behavioural profiling capabilities. There is a behavioural biometrics solution that we've invested in, and the reason why the bank and many other banks have invested in this capability is because we recognise that traditional fraud controls are not entirely fit for purpose. So, we have to really pivot and adapt to what we're seeing at the moment from a scams perspective. The challenge we face is that a lot of those victims are coached on what to say to their banks. So even if we detect a suspicious transaction and we call some of those victims, they have been coached by the scammers on what to say to us. And sometimes it's incredibly hard for us to read between the lines and even those that we encourage not to proceed with the transaction, particularly in the investment scams space, are quite adamant to proceed with those transactions. So, that's one of the challenges that we're facing at the moment, those conversations are really challenging. Our dedicated scams teams spend hours talking to some of those victims, and I'm sure David Lacey would have mentioned some of those conversations that his team has with those victims as well.

Richelle Hunt: Well, Judy is in Mount Eliza, she sent a message saying the ANZ fraud department has actually alerted her three times to unauthorised transactions, they have very much been on the ball. So, Judy is happy with the work that you're doing. But I actually wonder too whether people believe when someone says, 'oh hi, I'm calling from the ANZ bank, just letting you know that there have been some dodgy transactions on your account,' would you be thinking, 'really, are you really from the bank,' like do you even find that people don't know whether or not to believe that they are from ANZ.

Shaq Johnson: Look, as I mentioned, the scammers are getting incredibly sophisticated. They would copy the manner in which we contact our customers. So, they will read our policy statement and they will use the hold music that the banks use. They know exactly how to speak to their victims. But I think the customers need to listen carefully to what they've been asked to do. So if the bank is calling you and saying there was a suspicious transaction, or your account is not safe, we will never ask you to move your funds. We will never open an account on your behalf and transfer or ask you to transfer those funds to that account. If we think that your account or profile is compromised, then we've got measures we can put in place to protect it. We most certainly will never ask you to transfer funds to a crypto wallet, for example. So, I think that's the thing that sometimes when customers are

contacted by those scammers, I think if the conversation goes down the path of 'give me your details,' or 'we need to make your money safe,' 'we need you to transfer the money,' 'we need to send your money to crypto.' That's when alarm bells should be ringing.

Richelle Hunt: What sort of reputational damage is this doing to banks? You guys have a vested interest in making sure that your own brand is protected because, of course, with banks, scammers are using ANZ, Bendigo, NAB, all of them as just ways to scam people. And it's certainly not coming from the banks. So how do you protect your own reputation as not being that bank that is kind of popping up all the time?

Shaq Johnson: That's a really good point. That's why we've got a number of dedicated cyber crime experts that are always on the lookout. They scan the dark web for those fishing and fake websites, and we shut down hundreds of these websites on a monthly basis. So, we do recognise that our brand is being used to commit fraud or scams against our customers and other customers, so we are actively looking and scanning the dark web to ensure that those sites are taken down in a timely fashion.

Richelle Hunt: Shaq Johnson, thanks so much for your time. Head of fraud operations at ANZ.

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For media enquiries contact:

Nick Higginbottom +61 403 936 262