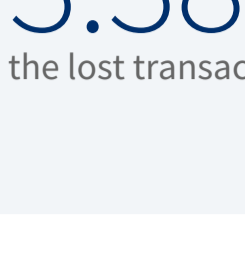


## True Cost of Fraud UAE Focus

Explore insights from the LexisNexis® True Cost of Fraud™ Study

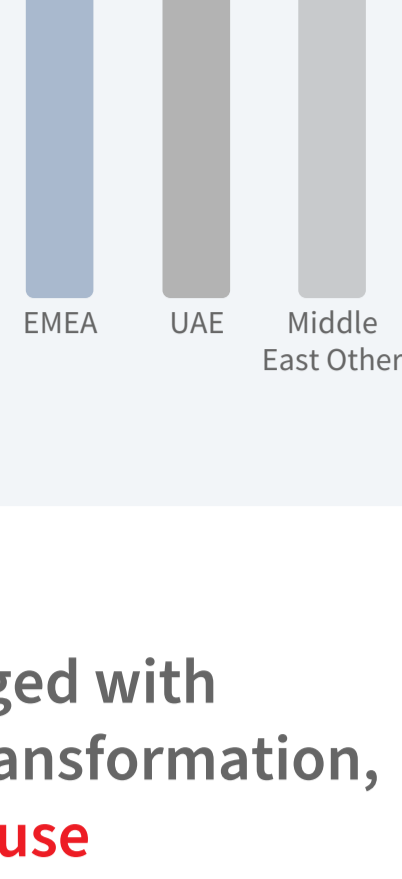
As digital transformation continues apace in financial services and retailing the latest LexisNexis® True Cost of Fraud™ report reveals that cybercriminals are attacking a wider set of payment methods and driving up the cost of fraud to new highs.

### The 2021 LexisNexis® Fraud Multiplier™ for UAE is lower than other countries in Middle East



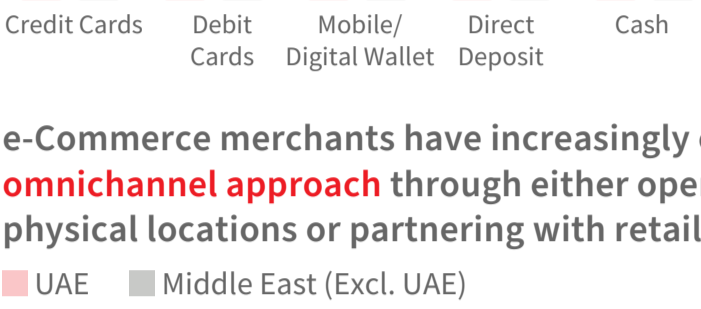
Every fraudulent transaction costs **3.38 times** the lost transaction value on average

LexisNexis Fraud Multiplier™



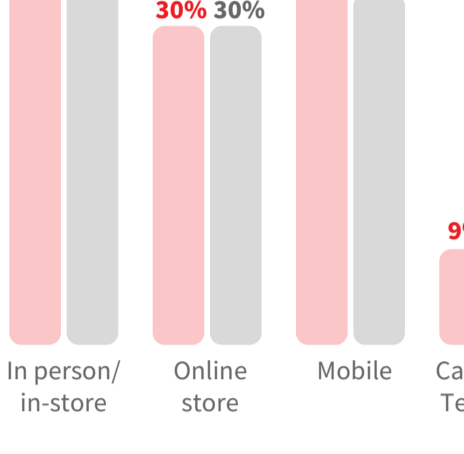
### Consumer behaviors have changed with the acceleration of the digital transformation, including **more remote channel use** and **more digital payment methods**.

Use of **mobile/digital wallets** represents a similar share of transaction volume as credit and/or debit cards.

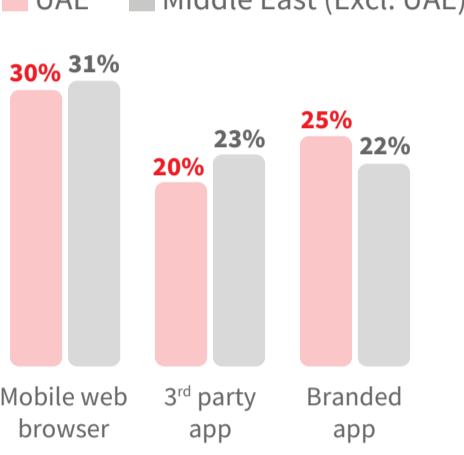


Cash transactions in Middle East (Excl. UAE) has the highest share of distributions compared to other EMEA markets

e-Commerce merchants have increasingly embraced an **omnichannel approach** through either opening their own physical locations or partnering with retailers for pick-up.



With mobile channel transactions, **apps** are a key method used by consumers.



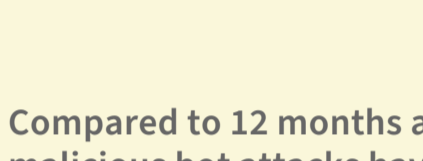
### The digital transformation is presenting **opportunities for fraudsters**, contributing to the increased in fraud costs.

Monthly malicious bot attacks have increased by

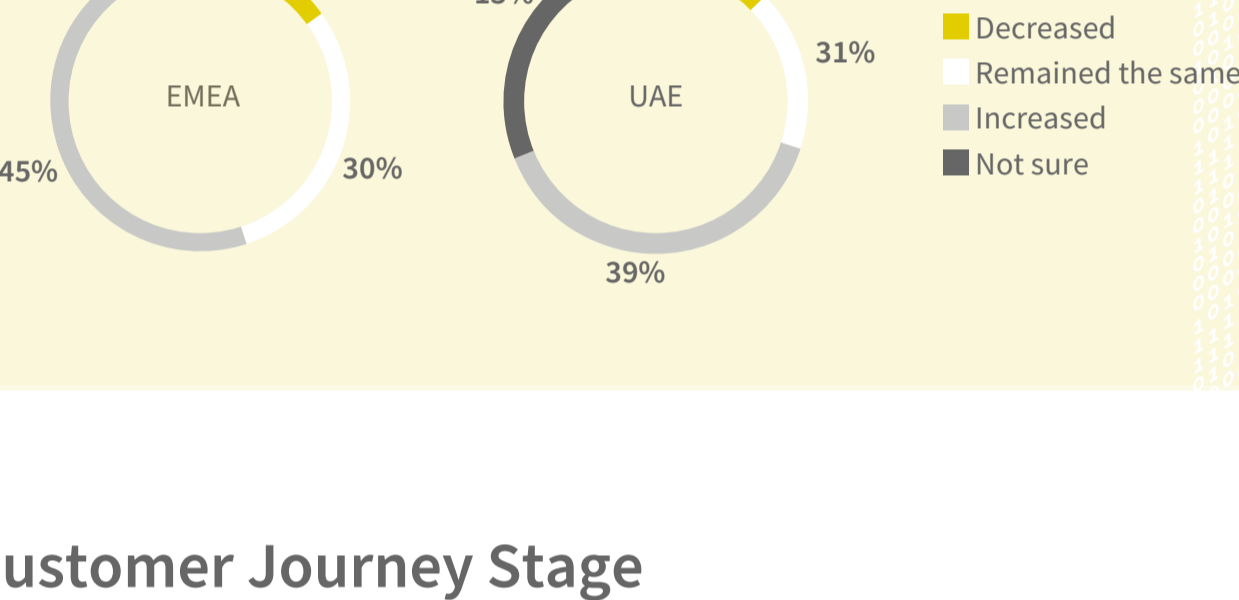


in UAE compared to 12 months ago

% of transactions that are malicious bot attacks



Compared to 12 months ago, monthly malicious bot attacks have...



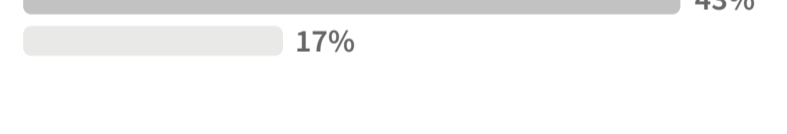
### Customer Journey Stage **Most Susceptible to Fraud**

For UAE merchants and financial services and lending firms, distribution of funds is perceived as most susceptible to fraud.

#### Customer Journey Stage **MOST** Susceptible to Fraud

■ New account creation 
 ■ Purchase transactions/Distribution of funds 
 ■ Account login

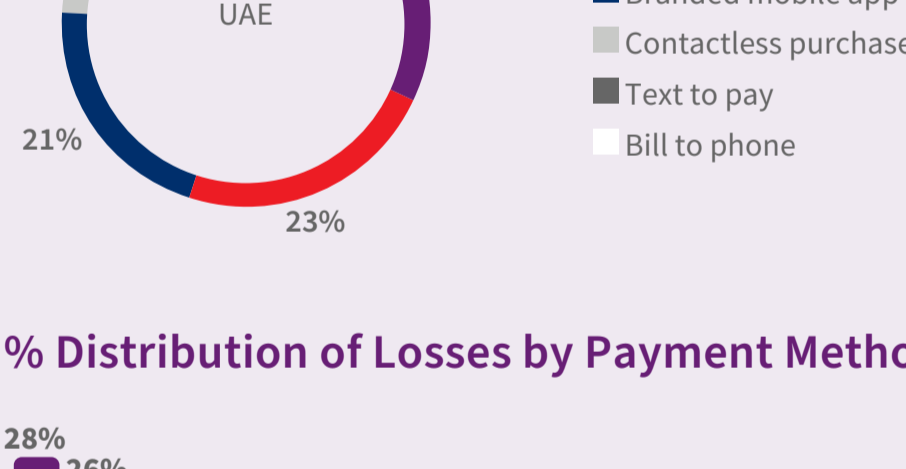
✦ Significantly or directionally higher journey stage in other industry segment within country



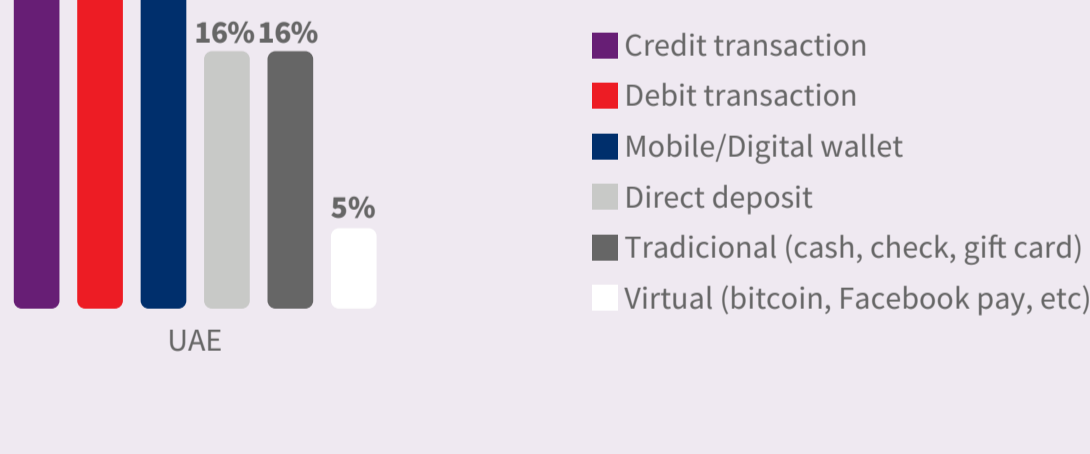
### While mobile apps and browsers continue to be a sizeable portion of mobile channel fraud costs, **contactless payment methods** are also contributing to fraud losses.

#### Fraud Costs by Mobile Channel

Fraudsters have stepped up their attacks on the mobile channel.

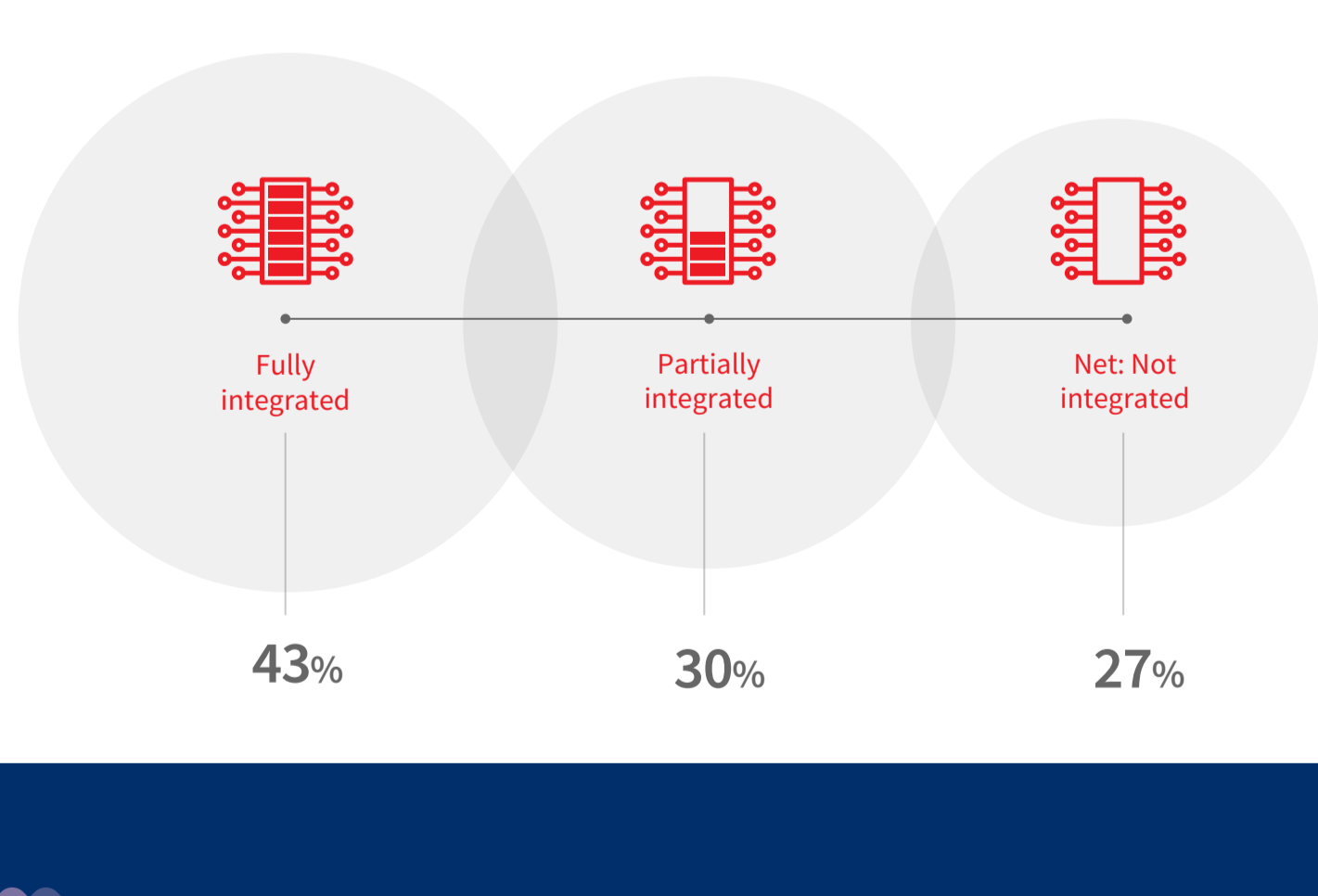


#### % Distribution of Losses by Payment Method



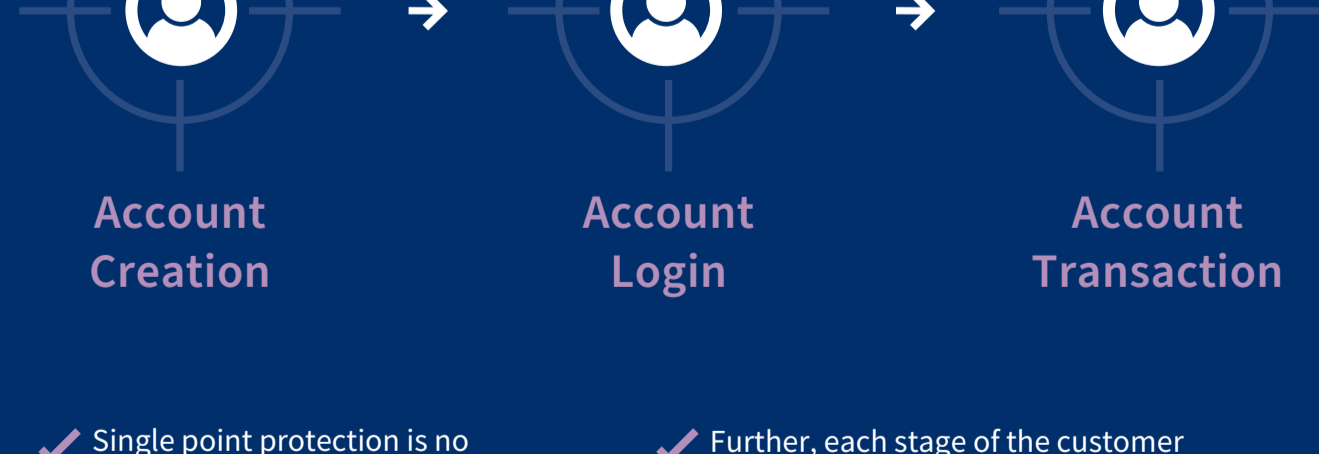
### 27% of UAE financial institutions and merchants surveyed have not integrated fraud prevention programs yet.

#### Integration of Digital/Customer Experience Operations with Fraud Prevention



### Fraud prevention best practices:

A multi-layered solution approach is required, customized to each phase of the customer journey and transaction channel.



- ✓ Single point protection is no longer enough and results in a single point of failure.
- ✓ As consumers transact across locations, devices, and geographies, user behaviors, such as transaction patterns, payment amounts, and payment beneficiaries, are becoming more varied and less predictable.
- ✓ Further, each stage of the customer journey is a unique interaction, requiring different types of identity verification, data and solutions to let your customers in and keep the fraudsters out.
- ✓ A multi-layered, strong authentication defense approach is needed. This includes a single authentication decision platform that incorporates real-time event data, third-party signals, and global, cross-channel intelligence.

Effectively manage complex fraud threats with a multi-layered fraud defense.

Our solutions combine physical, digital and behavioral insights with advanced decisioning, authentication and behavioral biometric technology to enable your business to identify fraud.

Download our full **True Cost of Fraud™ - EMEA edition** for a deep dive and see how UAE compares to other countries surveyed.