

## 1. INTRO VIDEO:

Kavin Jay:

Good evening everyone, I'm Kenn, your regular Malaysian who always says CAN!

On behalf of HSBC Malaysia, thank you for joining us for today's LIVE event where we talk about two very important topics – finance and children.

Before we dive into today's discussion of 'Raising Young Money Managers', let me share with you some interesting statistics gathered from the 2018 Financial Capability and Inclusion Survey.

Did you know that, when it comes to saving and budgeting, 1 in 10 Malaysians currently believe that they are not disciplined in managing their finances?

Did you also know that when it comes to readiness for unexpected rainy days, 52% of Malaysians state that they would have difficulty raising RM1,000 as emergency funds?

And finally, when it comes to planning for retirement, almost 50% of Malaysians are not confident of having adequate funds for retirement.

This brings us to today's discussion which is the extreme importance of starting financial education from a young age. In recognition of its responsibility as a leading financial institution and in line with its 'We Can We Do' initiative, HSBC is determined to equip young Malaysians with financial knowledge and empower them to make the right decisions at every step of their future.

Folks, moulding our children early will help them grow into financially responsible adults later in life; and the panel of speakers we have today are here to tell us how. Joining us today are

- Stuart Milne, CEO of HSBC Malaysia
- Loh Ken Ming, Head of Social Business and Special Projects from Teach for Malaysia
- Lily Shah, Editor of Parenthood Malaysia and
- Parent duo Aishah Sinclair and Shahnaz Karim

Also, with us today are senior officers from the Financial Education Network, an inter-agency grouping co-chaired by Bank Negara Malaysia and Securities Commission

FEN's purpose is to promote effective delivery of financial education initiatives to Malaysians in a sustainable manner.

Ladies and gentlemen, today's dialogue is unique because not only do we have a distinguished panel of speakers, we've got two very special moderators who will be hosting this illuminating panel discussion. You're probably wondering what's so special about these moderators.

Well for one, they've worked very closely with the team at HSBC and Teach for Malaysia to put together the HSBC FUN-nancial Guide, providing all the illustration for this fantastic resource of teaching children the value of money and how to use it intelligently. Secondly, they're also AMAZINGLY only 14 and 12 years old respectively, which makes them exceptionally qualified to preside over today's discussion.... ladies and gentlemen, please give a warm welcome to brothers Sheldon and Emerson Chong!

I am super excited to have them on board with us today; so without further ado, take it away boys!

## **2. LIVESTREAM:**

**Sheldon:**

Hello, my name is Sheldon, I'm 14 years old. I'm glad to be moderating today's session.

**Emerson:**

And hello, my name is Emerson, and I'm Sheldon's younger brother. I'm 12 years old. It's G=great to have all of you here today! To all the viewers tuning in, do feel free to drop us any questions you may have for our panellists in the comment section and we'll get to them at the end of this session.

Before we start, we want to make this discussion as interactive as possible. To the viewers tuning in, we have our first question for you.

How has the events of this year affected your approach to finance and money management?

Do share your answers in the comment section. The questions are also available in the comments.

**Sheldon:**

Without further ado, let's get to know our panel of speakers. First and foremost, we'd like to welcome Stuart Milne, CEO of HSBC Malaysia. Stuart, do briefly introduce yourself.

**Stuart:**

Thank Sheldon and Emerson. It's a real pleasure to be on the panel with you today. My name is Stuart, and as you heard, I'm the Chief Executive for HSBC in Malaysia. I've been learning about finance for 40 years already, and I'm still learning today. I'm also a father of 3 children who are now adults. So I know a little about teaching young people about managing money. I'm really looking forward to be part of this illustrious panel discussion today. Back to you.

**Sheldon:**

That's fantastic, we are just as excited to be a part of today's session and can't wait to hear from you in a while.

**Emerson:**

Now, off to our next panel speaker, Loh Ken Ming, Head of Social Business and Social Projects from Teach for Malaysia. Hi Ken Ming!

**Ken Ming:**

Hey guys! It's really, really privileged to be part of the panel this afternoon and at Teach For Malaysia, we really put our students at the centre of the work we do. So, I'm particularly excited to have the both of you panelling this session today.

Emerson:

We are happy to have you on board Ken Ming! Sharing things from a media perspective, we have Lily Shah, editor of Parenthood Malaysia. Hi Lily, welcome to today's session!

Lily Shah:

Hi guys! And hello to everyone that's watching. My name is Lily Shah and I'm the editor of Parenthood Magazine so, really guys, I really want to thank HSBC Malaysia for having us here today for this wonderful opportunity for a greater cause, and you know, raising financially-wise children for a better Malaysia tomorrow. Certainly I'm looking forward to sharing our insights from a media perspective.

Sheldon:

Thank you, Lily, with your experience in dealing with parents and all-things parenthood related, this will definitely add a different angle to our discussion today. And representing everyday parents out there, we have a pair of parents here, Aishah Sinclair and Shahnaz Karim. Hello Aishah & Shahnaz!

Aishah:

Hi guys! Hi Sheldon, hi Emerson! We are really looking forward to the conversation today. I'm not just sharing our perspective as parents, but hopefully learning a thing or two. Because Stuart said earlier he has been learning 40 years about finances while we are still learning ourselves too.

Shahnaz:

Yeah, I'm looking at the list of panelists that we have right now, sounds really awesome and looking forward to hear some point of view from everyone.

Aishah:

Sorry Stuart, you said something?

Stuart:

I was just saying Happy Birthday to you, because I think it was your birthday yesterday, was it?

Aishah:

Yes, it was! Thank you so much!

Emerson:

Happy birthday then!

Aishah:

Thank you!

Emerson:

Alright, so Last but not least, we have four senior officers from the Financial Education Network with us today and they are:

1. Encik Nizam Ibrahim from Bank Negara Malaysia
2. Dr. Zainin Binti Bidin from Ministry of Education
3. Puan Sarina Ariffin from Perbadanan Insurans Deposit Malaysia
4. Puan Siti Norilah Binti Shamsul Bahri from Permodalan Nasional Berhad

It's great to have you all here today! Let's get right to our main agenda for today.

Sheldon:

Stuart, let's start with you today. Studies have shown that there are improvements needed to raise our levels of financial understanding to a level that is ideal for our economic and social well-being.

As a leading financial institution, can you share HSBC's perspective on the matter and what the bank is doing to address and improve financial literacy amongst Malaysians?

Stuart:

Sure, thanks for the question, Sheldon. First of all, financial literacy is really lacking everywhere around the world, not just here in Malaysia. And in fact, with interest rates today at all time lows, it's even more important now that we all understand how to manage our finances better so that we are prepared for the future. And at HSBC actually, financial literacy has been at the central of our thinking for quite a long time. We got many long-term partnerships already behind us in this area. For example, working with Bank Negara on the school adoption program, the "Buku Wang Saku". We have been working with Junior Achievement on their "More Than Money" program, and with AKPK as well in this area, so there's a lot of work that we have already done. These efforts have mostly been through engaging directly with students. And what's new and exciting about this new FUN-nancial Guide initiative with Teach For Malaysia and the Financial Education Network is that we are publishing a fun tool for parents to use to engage their children in their home, starting at a much younger age.

Ultimately, what we want is to empower Malaysians to take charge of their own financial future, and by doing so we can cultivate a real Can-Do spirit and delivery our own brand promise of HSBC which is "We Can We Do".

Emerson:

Thanks, Stuart. So, we realised that there is a strong commitment to reach out to people around our age. HSBC takes the effort to ensure that we have a better understanding of how money works. It's been great working with them on creating resources for our peers. We've both learnt quite a bit about finances during that time.

Next, I'd like to ask Ken Ming from Teach For Malaysia on their work, reaching out to disadvantaged communities in Malaysia to reduce the education inequity. In this process, where does education on financial literacy come in?

**Ken Ming:**

Thanks for the question, Emerson. I think I will start off with a quick story. I once taught a class of Form 2 students in a fisherman village and when we were speaking about money, I think my students replied that money management for them is looking at a box of money in the house and if there is money, they would have enough for recess today and if there wasn't any money, they wouldn't have anything to eat. And I think that just shows it is not really a generalization, but it shows that there is an absence of planning within the young generation especially amongst our youths, in particularly those from disadvantage backgrounds so, for us at Teach For Malaysia, we strongly believe that a child's education shouldn't influence their future opportunities and that they do have the potential with access to quality education and this quality of education is not just an academic syllabus, but it's holistic from the kind of experiences, the kind of conversations they have and financial literacy comes in quite crucial under this area. We also think about this thing called vicious cycle of education where the quality of your education will determine the kind of job opportunities you get. Hence, the job opportunities you get will then influence the kind of education that you can afford for your children. And similarly, if we think about financial literacy, it works the same right?

So, if we start off really young not really developing those strong habits, it leads us having poorer habits when we are grown as an adult, even though we may make some money but we not able to manage them well. And so then, we are not able to put our children through a good education as well so hence, the vicious cycle. So, I think for us we really do want to empower students and what we think about in terms quality education is students being empowered with a choice, and with choice comes knowledge, experience and skills and hence, financial literacy is a part of that and plays a key role in building a strong foundation for their future. Yeap, that's all from me.

**Sheldon:**

Wow! Okay, thanks Ken Ming. It's good that both HSBC and Teach for Malaysia share the same principles of inculcating the values of financial literacy in Malaysians from a young age. Of course, it's never as straightforward as that.

S Stuart, perhaps you can also share with us just how HSBC sees parents taking on a leading role in instilling good financial habits with their children?

**Stuart:**

Sure, Sheldon. I think if you think about it, children develop habits, whether good or bad, when they are still very, very young, typically 3, 4, 5 years of age. And at that age, children spending most of their time, in fact, all their time with their parents or their family members, rather than at school or at university or with friends outside their home. So it makes real sense to engage children at this way through their parents in a fun way right in their home. Many of life's early lessons are learned through the medium of stories or fairytales. So why not treat financial learning in the same way, make it fun, make it natural, because children who learn about financial affairs early, often become much better equipped to make good financial decisions in their adulthood. So, the investment in time and effort really does pay off.

Sheldon:

Okay, so thank you, Stuart. Ever since we were brought on board this initiative, we have been learning a lot on how important it is to manage money properly. Hence, I for one can now definitely see why teaching financial education to children is crucial and should be started from young.

To parents tuning in, what are some of the challenges you face when teaching your children about money? Do share your answers in the comment section. The questions are available in the comments section also.

Okay now let's move on to Lily. As the editor of a publication with a wide network of parents, do you think enough parents talk about or actively help their children understand money?

Lily Shah:

Yeah that's the thing. I mean, financial topics and financial management can be a very dry and daunting subject, kan? So, parents also they just don't know where to start. How are we supposed to do it? Do we just sit down your child and give like a 2-3-hour lecture, you know? We are not really sure how to go about it. And also, sometimes that parents themselves, they are not really equipped with financial knowledge themselves. So, you know, they probably just brush the subject under the rug and they don't want to talk about it, and most Asian parents, they see this topic as a taboo, something that only parents should be talking about it, kids shouldn't even be worried about how we get the money or if there is money or not. To answer your question, I don't think parents are not engaging enough in sharing knowledge in terms of money managing for their children.

Emerson:

I guess I can see why sometimes it's difficult for parents to have the 'money talk' with their children, but from what I've observed in this discussion today and the content we worked on for the HSBC FUN-nancial guide, this feels like a crucial conversation. Sheldon and I were fortunate to have our parents explain a lot of these concepts to us and we hope that with what we've produced, a lot more children can also have this very beneficial information at their fingertips.

Now, Lily, from your personal experience and observation, could you share some of the methods and tips on how parents can broach this conversation with their children?

Lily Shah:

I think first of all, it shouldn't be a one-time lecture or a one-time conversation. The talk works best when it's not exactly a talk at all. So parents who incorporate financial lessons into everyday conversation, they have the most strongest influence on their children when it comes to money, you know? Whenever there's an opening, just often speak to your children about earning money, spending money, tell them about what credit card is, what debt is, what interest are, tell them about the differences about needs and wants. Also, children as young as 2 years old can already understand the concept of money. For example, a 2-year old goes with mummy to shopping, and the baby can already see that mummy is exchanging these colourful pieces of paper to the cashier. They understand there is an exchange in order to get the items that we pack in the cart, mummy needs to give them a few coloured notes. So, from a very young age they already have an understanding or concept of what money is.

And also, when you are managing your money, don't hide away in your bedroom. Let your child see that you are actually managing your money. So instead of hiding in the bedroom or locking yourself in the room at night, let them see that you are working on this important financial tool maybe on the kitchen table or in the living room. This gives them the opportunity to ask "What are you doing, mummy?", you can explain to them in a positive manner that "I am managing the family money or family budget", so from then on they already know that "this is something important that I should know about", or "when I grow up, this is something that I need to do". There is a lot of ways that we can teach our children and also if children has an allowance, if you want to give children an allowance, it also teaches up to save instead of we area always buying. Mummy can I have this? Buy. Mummy can I have that? Buy. So instead of doing that, why don't we give them an allowance and they can choose do they want to spend it? Do they want to save it for something that they actually really, really want? And also, parents can choose to reward their child with some cash. For example, like doing chores. I don't know about you guys, Sheldon

and Emerson, if your parents give some money when you guys are doing chores around the house. So, yeah, that way it really gives them the opportunity for them to learn the lesson, and make their own decisions on what they want to do with their own money.

And also, yes, we should also really, really refrain as parents if they already have an allowance and they finished up their allowance, and they suddenly come to you and they are asking "Mum can I have more cash? I don't have enough, I finished it all up on sweets and candies or on a movie, and then now I need to go out with my friends. Can you give me more money?". Parents should really, really refrain from doing so because they need to learn and learn how to manage their money themselves. So yeah, I can go on and on about this, you know? And if you need more information, parents if you are watching, [parenthood.my](http://parenthood.my), our publication they have a lot of articles on this as well. So yeah, thank you so much Sheldon and Emerson.

**Sheldon:**

Thanks, Lily. To parents tuning in, at what age did you start teaching your children about the value of money? Do share your answers in the comment section. The questions are also in the comments section.

Now Aishah and Shahnaz, you've got two kids who are clearly very precocious. How do you ensure that your children understand the value of money and how do you manage situations where they ask you for things, such as a new gadget or toy?

**Aishah:**

So, when it comes to understanding the value of money, very much like what Lily were saying just then, I try to have as open conversations as possible with them when it comes to money. Like, they even ask "Mummy, how much do you make?". Because you see, growing up, that was like a big no no, my parents never spoke about money. I believe Shahnaz also have very conservative parents when it came to handling money. So, I just try to talk them about it, and make them understand how does money come about, that we trade our service or product through business and that is how money comes, that kind of exchange in hand happens.

**Shahnaz:**

So for me, I like to teach my kids the value of things rather than how much it costs. So it doesn't mean that, for an example, when I grew up when I was a kid, I had an elder brother, so I was very unfortunate because I couldn't get a lot of things brand new, a lot of things that I get would be hand-me-downs by my brother. I don't know if you are facing that as well, Emerson. Because when I want to buy new football boots, and I go up to my dad, my dad will tell me whether you go and ask your brother whether he has a pair of boots that he can lend it to you. So it's always hand-me-downs for me. But that was where I learned the value of things, rather than how much it costs, because if it's just something that I wanted, I could get it at a cheaper price, maybe by buying used, or getting it from someone who doesn't want to use it anymore, rather than always buying, buying, buying.

So, I'm also kind of teaching that to my kids as well, especially to my younger daughter. But of course, similar like me, when I was 6 years old, I didn't really appreciate it because I never got anything new. And I'm sure she is going through that as well. We teach them bit by bit about the value of things rather than the cost of things.



Aishah:

And whenever they ask for something, like can I have this? We are like, okay great. If it's really, really a big item, then maybe we will wait for birthday. If not, you have pocket money, how much of it are you going to put aside to spend on it? And we never act immediately upon it, like "Mummy, I need this!", I never like "I'm buying it now!". Except for school stuff. But you know, we will just usually wait, and have conversations about it. If you really want it, where you going to put it?

Shahnaz:

So it's nice to see because I give them and I ask my eldest daughter especially whether she wants her allowance to be weekly or monthly. If you go by monthly, then you will see a bigger note. If you go by weekly, you will see a smaller note.

Aishah:

Yes, and if she runs out of money by the end of the month, she learns the hard way about budgeting.

Shahnaz:

And she keeps all her money. I'm not keeping it for her. So all her allowance, she keeps it for herself. So, whenever she wants to buy something, she has to take out her cash and she has to buy it. So when she see more cash going out, then she knows that she is going to have to stop for a moment, and actually ask herself "Do I really want to spend everything that I've got right now?", and then this is the kind of questions that I think is good for kids to have at a young age.

Sheldon:

Oh wow, okay. Thank you for the explanation. As we've mentioned earlier, HSBC in collaboration with Teach for Malaysia have developed a financial literacy guide. This is a good resource for parents to educate children on these fundamental facts in a way that is engaging and enriching for young minds. Both Emerson and I were personally involved in illustrating this guide.

Ken Ming, could you please share some more about the development of this teaching resource?

Ken Ming:

Thanks for the question. We are thrilled to work with HSBC in making this and I think we have been working really hard over the last 5 months, exploring many different paths to create guides for teachers, and guides for many different people. But I think with the ongoing Covid pandemic, a lot of learning actually happens at home with parents that is informal as well. It's really important to actually create resources that parents can have.

And I really like Lily's point about it's not a one-off thing. So, you don't do a workshop and your kids are financially literate. It's an ongoing conversation and habits that you build and I think, Lily, when you are talking just now, I remember my 2 year old son coming with his little bag and saying "I'm going shopping" and I'm wondering how do you know to go shopping and what coins are you paying with, right? So I think it's that conversation and I think as we were developing it, working with other Teach For Malaysia alumni that have experience both in the classroom as

well as some of them who are working in financial institutions today, we researched and shortlisted all the key topics that we think would be really relevant for kids, and the best way to engage them, both kids and parents is to make them interactive. So, there is an element of gamification, but I think the key bit is that it's real-life scenario, it's about decision-making. So, it's not just about "Oh, here is money", for example, if you go to the first guide, it's about spending needs and wants, right? You might think, what's that going to do with money? Can't you just teach me about budgeting? But actually, money is mainly just the tool, it's used to get something with a need or a want. Between buying a new PS5 or having 6 months of groceries for your family, how do you balance that out, right?

So I think there is a lot of these conversations that parents can start to have and I think with the guide, we have put in a little bit of fun thing where you can earn badges for kids, but also guides for parents to how to really broach this really difficult topics that maybe don't come out of everyday life, but you can do little activities with your kids, and I think it's about building that bond, right? Because children don't just learn what you say. They learn from your example and what you do. So, we hope that this guide is something that would really entice students as well as their parents.

I'm really fortunate to also be in consultation with FEN, the Financial Education Network to give us tips about how this can meet the industry standard as well because we do want to make sure that it's a really strong quality. Finally, Sheldon and Emerson might have mentioned it but, when we were thinking about conceptualizing it, we want to make sure to put students in the center and we heard about this boy who is able to illustrate really, really well, and that was Emerson. So, he started drawing and actually a lot of the drawings that you see on the FUN-nancial Guide today is all illustrated by Emerson himself. So really shoutout to the both of you being such champions at young ages, and being a role model for other kids as well in financial literacy.

**Emerson:**

Wow, okay. Thank you, Ken! The financial literacy guide is a good step to help children develop a good understanding and relationship with money.

Could I ask all the parents tuning in, what methods have you used to educate your child on the importance of money? Do share your answer in the comment section.

Besides the guide, Stuart, what does HSBC have in store to drive financial literacy under the We Can We Do initiative?

**Stuart:**

That is a very good question, Emerson. For us, developing financial literacy is a long-term goal. As a couple of panelists have said already, this is not something that you just have a conversation once and it's all done and completed. It's a long-term project for us.

The launch today is just one step on that journey. For example, looking forward, the next thing we are going to do is partner with RinggitPlus, which is Malaysia's leading financial comparison website in a few areas such as tips for parents on how to engage kids on matters regarding finances. This is going to be shared through our HSBC social media platforms. We are going to be doing tips for adults on how to manage personal finance called Money Hex, and we are also going to be creating webisodes on personal money management that will go on to Facebook and our YouTube channels. So there's lots more coming down the track as work to develop financial

literacy here in Malaysia. Watch our social media channels and you will see more of this in the very near future.

Emerson:

Okay, thank you. Thank you to all the panellists for this insightful discussion.

Sheldon:

I have another question actually. This is directed to Aishah and Shahnaz. As a leadership trainer, can you share your experience in creating behaviour change when it comes to money management?

Shahnaz:

I think how it relates to the industry that I'm involved in is when it comes to building a culture, you really need time. It's not something that can happen overnight. Maybe there are some parents who wants to do like what Lily said, the "talk", I don't think the talk really work as well as much as everyday exposing them to everything that you go through with regards to finances.

There is sometimes when you are feeling a little bit broke and you can't buy something, maybe that is okay to share with the kid as well, so that they know that parents are not always everything hunky-dory, and everything is perfect and beautiful. There are some tough months, and there are some good months. And both of us are pretty much self-employed, and we are working on our own. So, there are some months that are really good and some months that are not.

So, I think what is important is to have that culture of being financially literate happening every day in your life together with your kids. I think that would create a bigger impact, similar with the industry that I'm in which is to develop culture, we always advise and we always consult corporations to actually get cultural practices in place, rather than having once every 6 months townhalls, but instead having it a lot more frequent so that the culture can be seen, can be experience, can be talked about on a daily basis.

Emerson:

Oh okay, thank you. Thank you to all the panellists for this insightful discussion. From today's session, it is evident that everyone has a role to play to raise a financially-savvy and prudent nation.

Sheldon:

Yes, it is crucial for us all to take action today so we can be in charge of our financial lives and achieve our goals. But let us not stop there, let us turn the CAN into DO and become 'can-doers' together!

Before we wrap up the panel discussion, let's see if we have questions from the viewers.

Okay so we have a question here which is directed to Lily. What is the right amount of allowance should I give to my young kids below 12 years old?

Lily Shah:

Well that is a really personal question. Every parent can afford to give different amounts depending on how much they get monthly and so on. So, right now as well with the economy, I've heard some parents saying they give RM5 as their allowance every day to school, and some RM2. So really, that's something that you guys should be thinking about. Parents, you guys have to think about that. How much can you afford to give your child on a daily or weekly or a monthly basis. So that is really a very personal question. I can't say exactly how much.

Emerson:

Okay, thank you. So, here is another question and it is also directed to Lily, it is what are your thoughts on paying or giving specific allowance for every chores they do?

Lily Shah:

What are my thoughts on that? Oh okay. So yes, I think it's very important actually. I mean, my boys are still young. One is 4 years old and another is 18 months old. But when they are older, of course I plan to give them chores, because personally I believe whether you are a boy or a girl, you have to do chores around the house. So, with that, if you want to even buy something later on, or your kids have something special that they want, or really, really want, then practically they can use their allowances to buy that special thing. Of course, aside from birthdays and special occasions, parents of course we will give in lah, we will give in to that. But yeah, definitely giving payments for chores, I think that is definitely something parents should consider.

I know probably some parents might be thinking eh, child labour, we are paying our child to do work. But no, I think it's kind of like, you are teaching your child a very valuable lesson because when they grow up and when they go out into the real world, they do need to work in order to earn money. So, same thing, you can start from home. Do the little, little chores like wash the car and maybe I will give you RM5 for washing the car, or take out the trash. You know every simple, simple chores like that, give them a money that they can practically keep for themselves and let them decide what they want to do with that money.

Sheldon:

Okay, thank you for answering. There is another question which is directed to Aishah. So, here is the question. Is peer pressure something hard to navigate for financial literate kids?

Aishah:

So, the question is how do I handle peer pressure when it comes to financially literate kids, is it? Okay so, I actually don't think that financial literacy amongst children is at that level. Let's say for an example, academics kan? So, you're an A student, I am not an A student, so I know how it works, I know how to up my game. But when it comes to financial literacy, I don't think it's at the point where "Hey, you know how to handle your money, I don't know".

I think it's still a very new playing field in that sense. There's no peer pressure when it comes to financial literacy because they don't talk about it, they don't even have conversations about what's your allowance, what do you do with your money, what do you do with your savings. Because I don't think we are having that conversation enough with them for it to be on their radar.

Shahnaz:

I think for now, most of the conversations that I have with my daughter with regards to peer pressure is that seeing some of their friends having certain things that they want, and they want it too. So, those are the kind of peer pressure elements. So, I try to be conscious about wanting them to know that happiness doesn't come from buying materials. At that age, I think it's important.

Lily Shah:

My 4-year old is already asking me for a phone. He is like "Mum, I want a phone for my birthday". I'm like dude, you're 4 years old. Oh my God!

Shahnaz:

Wait till you know how to pay bills, then you can have a phone.

Emerson:

Okay, so thank you for answering the question. And our next question is directed to Stuart. How early do we set up a bank account for children?

Stuart:

Well you can set up a bank account at any time actually, and you can either set it up in a way that effectively you are controlling that bank account, and you are putting money in, say for birthday or Christmas, money come in from grandparents or other relatives. And then when the child is old enough, the child can operate the account on his or her own.

I think that is happening earlier and earlier these days. In fact, you know the old days of having what we call "lai xi" packets in Hong Kong, you know now it's all in electronic, there's no physical bank notes. Actually, in the Covid world, that's a far healthy way to transact business anyway. So, teaching kids about ATM cards.

In fact, my kids in the very earlier age will say to me "Hey dad, aren't credit cards very old fashion? I should just be able to use my iris or my thumbprint to get money out of the machine. Why do I have to have plastic?". So, I think in some sense, kids are alert to some of these things like saving the planets, not wasting materials, and all of that comes into this discussion around finance and money as well I think. So, I think anytime you can go down to your bank, you are very welcome to come to HSBC, or any other bank actually, and open bank accounts for your kids at any age, and get them set up.

Sheldon:

Okay, thank you for the answer. So, another question to Aishah and Shahnaz, as parents, do you agree to have financial literacy programs in school? And would you allow your parents to participate?

Shahnaz:

Financial literacy for students, for my kids in school, I think that is a very important subject. I think it should be in our national syllabus to teach them financial literacy. I think that the effect is

only going to come 15 years later, and I think we want to see really able to stand on their own with regards to financial literacy when they are 18. I think it's very important.

Aishah:

Because as a parent also, your challenge is that you teach them as best as you can, as best as your understanding. And, I mean, financial literacy is something that we are figuring out our own finances as we go along. So, we can only teach them so much. That's why this financial system with TFM and their fellows working on it, working with HSBC, I mean it's really great because we know that they are professionals, people who have more knowledge than us and they are actually working on creating a system that will best help our kids understand that. So yeah, I think it's very important.

Shahnaz:

There is a possibility that sometimes parents will answer based on their beliefs and their understanding of it. Just imagine a scenario, a 6-year old, a 7-year old comes up to a parent and asks "Papa, what is interest?". And the answer that you get is that interest is evil, because whatever that the parents are going through with regards to interest in their lives...

Aishah:

Yes, whatever fixed beliefs that they have about it, right? So we may not necessarily be the new neutral place of information.

Shahnaz:

So, you know it's good to have some kind of a structured understanding of financial literacy across the board so that everyone gets the same message, you know what I mean?

Emerson:

Alright, thank you!

Sheldon:

So, there is another question and question 5 is for anyone to answer actually. With online school, is it still relevant to give money to your child if it's online school already?

Emerson:

Yes, because they probably wouldn't need allowance for school.

Ken Ming:

That's a very interesting question. I think when a kid is at home and not having all the urges to spend, buy stuff in school, then all the more you can teach them about saving and budgeting for something that they want. I don't think just because they are not going to school, you shouldn't give them any money. So then, we are kind of perpetuating like you only ask me when you need money? So, I think we should have that consistency in how much we give. It could be a

negotiated rate, right? So, now your living expenses are lesser because you are at home and I'm cooking so we could adjust that allowance a little bit lower.

But I think we should still be consistent in what we are messaging to our kids and the conversations we are having. And I think for them as well, they can kind of like after a long day at school, I can think about what I can buy this weekend, or something that we can do, right? But yeah, it's about teaching them to manage, not so much like paying them to go to school, so just balancing that out.

Emerson:

Okay, thank you. Alright so, I have another question here, it's opened for anyone to answer. Should a parent say to his or her child that the mum or the dad has no money when the child asks for money.

Aishah:

Well, we have kind of, sort of, out of desperation used that answer before because we are like, don't know what to answer so like "No money!".

Lily Shah:

Yeah, I think that's very common, you know? A lot of peers are like "No money! No Money! No money!". But I think if you do say you don't have money, give them an explanation, tell them why you don't have the money and why we can't buy that certain things, or why I won't give you that money for whatever you are asking for. So, just give them reasons even if you say "Sorry, I don't have any money at the moment".

Aishah:

Yeah, we usually say that. We choose "not to". So, I'm not going to give you the money for this because whatever reasons, because "You have 7 pencil boxes, you don't need it!", or whatever reason it may be right?

Shahnaz:

For me, I say that I don't have the money for this, whatever it is that they want to buy. So I don't have the money, but I don't have the money for whatever that they want to buy. And I think when I'm conscious a bit, I will try to probe a little bit more to find out why is it that they want it, what are they going to use it for, is there an alternative to something, maybe a little more reasonably priced, or anything like that. But that is also when I'm conscious about it. When I got a thousand and one things in my mind, yes, sometimes I do come out with "Nope, no money right now!".

Emerson:

Okay, thank you.

Sheldon:

Alright, so another question to Stuart, this is the last question so, which savings account is the best for a child? Are there any specific plans?

Stuart:

So, I think you just start with the very basic savings account with an ATM card. That kind of make sense. It's the very simplest product to explain to your child. And then, obviously as the child understands the concepts more, you can go to slightly more complicated products like for an example, the timed deposit where you have to lock out the money for say, 1 month, or 2 months, or 3 months. But you get a little bit higher profit rate, or rate of interest.

So, I think the best thing to do is start with the simplest thing, explain the concept, make sure they understood, and then you can progress to the more complicated ones after that. But anyway, at HSBC, just talk to your relationship manager. The relationship manager is very well versed in advising parents on some of the stuff as well because we do focus on banking the family as whole, not just banking the parents. So, we are very happy to give advice that's tailored to your particular situation.

Emerson:

Oh okay, thank you Stuart. And to the audience, thank you so much for your questions and for being an engaging audience!

Lily Shah:

Well guys, Sheldon and Emerson, I really have like one question for the both of you. I think I'm speaking for everyone here when I say that we have been all tremendously impressed by the knowledge and the articulation that the both of you have showcased in hosting the panel discussion today.

So maybe you could share with us your experience being part of this project and also how does it feel seeing your illustrations come to life and making a difference in the lives of children your age?

Emerson:

Okay well, thank you Lily for your question. We're very excited to have had the opportunity to inspire children our age with our artwork, and we're learning a ton of new things and how important it is to manage your money properly.

Sheldon:

So yes, when HSBC Malaysia first approached us to be a part of this initiative, we were actually very intrigued of the idea of putting together educational material which would be illustrated in our style. Now that we have completed the first module, we definitely had a lot of fun and we've seen firsthand how this guide can actually help to reach out to people our age, so we hope it will go a long way in helping them understand the importance of financial literacy.

Emerson:

Well in fact, Lily, have you had the chance to go through the guide? We have a tutorial video on how to use this guide to teach children about financial education. Let's take you through it! \

### 3. TUTORIAL VIDEO:

Kavin Jay:

Hey boys, how's it going?

Sheldon & Emerson:

Hi Kenn! We're good! How are you?

Kavin Jay:

I am good, but I could use some advice.

Sheldon:

Oh sure, what's up?

Kavin Jay:

What would you do if I gave you RM50? What would you spend it on? You would most probably spend it on buying games and junk food?

Emerson:

Well, we would save it first. If there is anything we need, we would spend according to how much cash we have.

Kavin Jay:

Oh wow! That's really surprising to hear! That is the opposite of what my daughter [name] would do. She would spend it all on sweets and games; and would hardly be able to save at the end of it. There even would be times where she asks me for additional pocket money which is not only an unhealthy habit for her, but not good for my pocket too.

Sheldon:

Ah, no wonder you seem a bit worried.

Kavin Jay:

Tell me about it! I have tried to teach her how to spend wisely but I am not sure she understands.

Emerson:

Perhaps you can try approaching money management in a fun, easy and interactive manner?

Kavin Jay:

Money management? That sounds so serious. What do you mean?

Emerson:

Have you heard of the FUN-nancial Guide developed by HSBC Malaysia? This guide was developed in collaboration with Teach For Malaysia. It will help parents teach their children the fundamentals of personal finance in a fun and engaging way

Kavin Jay:

Well sure! That sounds like something I would need.

Sheldon:

So, first things first, go ahead and take out your smartphone. And then, enter funnancials.my into your URL. After clicking on the "Start" button, you will see animations featuring our main character Dollah and the journey he is about to embark on. The first module focuses on understanding the concept of needs vs wants, which is supposed to teach you on how to prioritise your spending.

Emerson:

Once it begins, you'll see Dollah in his house. He is very excited because he's been selected to travel to a new planet, called Planet Hex!

He is told he can bring 20 things from his current house to his new house, and you and your daughter will have to help him pack.

Sheldon:

In the next stage, Dollah arrives at the space station and is stopped by an astronaut, Mrs. Wang. She tells him that his spaceship is very small, and that he only has space for 10 things.

If you were Dollah, what are the 10 things you would choose to bring?

The module will then prompt parents to discuss with their children on the difference between needs and wants.

Emerson:

This first stage aims to show children the difference between the two as everyone has different needs and wants that differ depending on the person.

There will be 4 stages with several tasks to go through before you can successfully finish the module. There are also three additional activities for you to put what you learn to the test!

Kavin Jay:

Ooo! That's exciting, my daughter loves challenges! \*chuckles\* And she could use a lesson on prioritising needs and wants. Can't wait to see what's in store for this module. Let's get ahead with it!

Sheldon:

Yes, a lot is in store but always remember to read the instructions carefully every time before you click "NEXT".

After completing each challenge, she will earn herself a badge! You can download these badges for her by clicking "Download".

Kavin Jay:

Thank you so much Sheldon & Emerson. That was certainly a very helpful tool – children need to learn how to be financially-savvy from young, so they are able to make better and more informed financial decisions when they're older.

Emerson:

Don't mention it Kenn, we are glad that we were able to introduce you to the FUN-nancial Guide. Do stay tuned for more modules that will be introduced in stages which will cover other aspects of personal finance, such as

- (1) setting financial goals,
- (2) budgeting and saving,
- (3) protection against scams as well as
- (4) the concept of lending

Kavin Jay:

This is good boys, thank you!

I can see light at the end of the tunnel now! Really can't wait to introduce this to Kasha and I believe this can nurture and shape her mindset when it comes to saving and spending.

And if this can help Kasha, I'm sure many other children would definitely benefit from this as well! I shall pay it forward and help as many people as I can by sharing this HSBC FUN-nancial Guide with my friends!

Sheldon & Emerson:

Glad we can help! All the best, Kenn! Bye!

#### 4. OUTRO VIDEO:

Sheldon:

Viewers, we hope that you found this session insightful and we hope that the advice shared by our panels will help you guide your children in their journey of financial education. Thank you very much to our panellists, Stuart, Ken, Lily, Aishah and Shahnaz for being part of this discussion.

Emerson:

We would also like to thank our guests and senior officials from the Financial Education Network. Encik Nizam, Dr. Zainin, Puan Sarina and Puan Siti Norilah for blessing us with their presence today. Thank you everyone and bye!

Kavin Jay:

Wow guys, now wasn't that a very insightful webinar!

To all parents who are watching this, if you need some guidance starting the money talk with your children, this toolkit is the first step that would make this journey an interesting one. So, head on over to FUNnancials.my and check out this guide with your kids today!

If you're not a parent, you may have nieces or nephews that can equally benefit from this as well. Get them onto the financial literacy bandwagon and let's all work to have a better relationship with money.

Once again, thank you so much for tuning in with us today! For more information on money management, visit HSBC Malaysia's Facebook page and stay tuned for more upcoming modules of this guide.

Let us all be a part of this initiative to raise financially-savvy leaders for a better Malaysia!