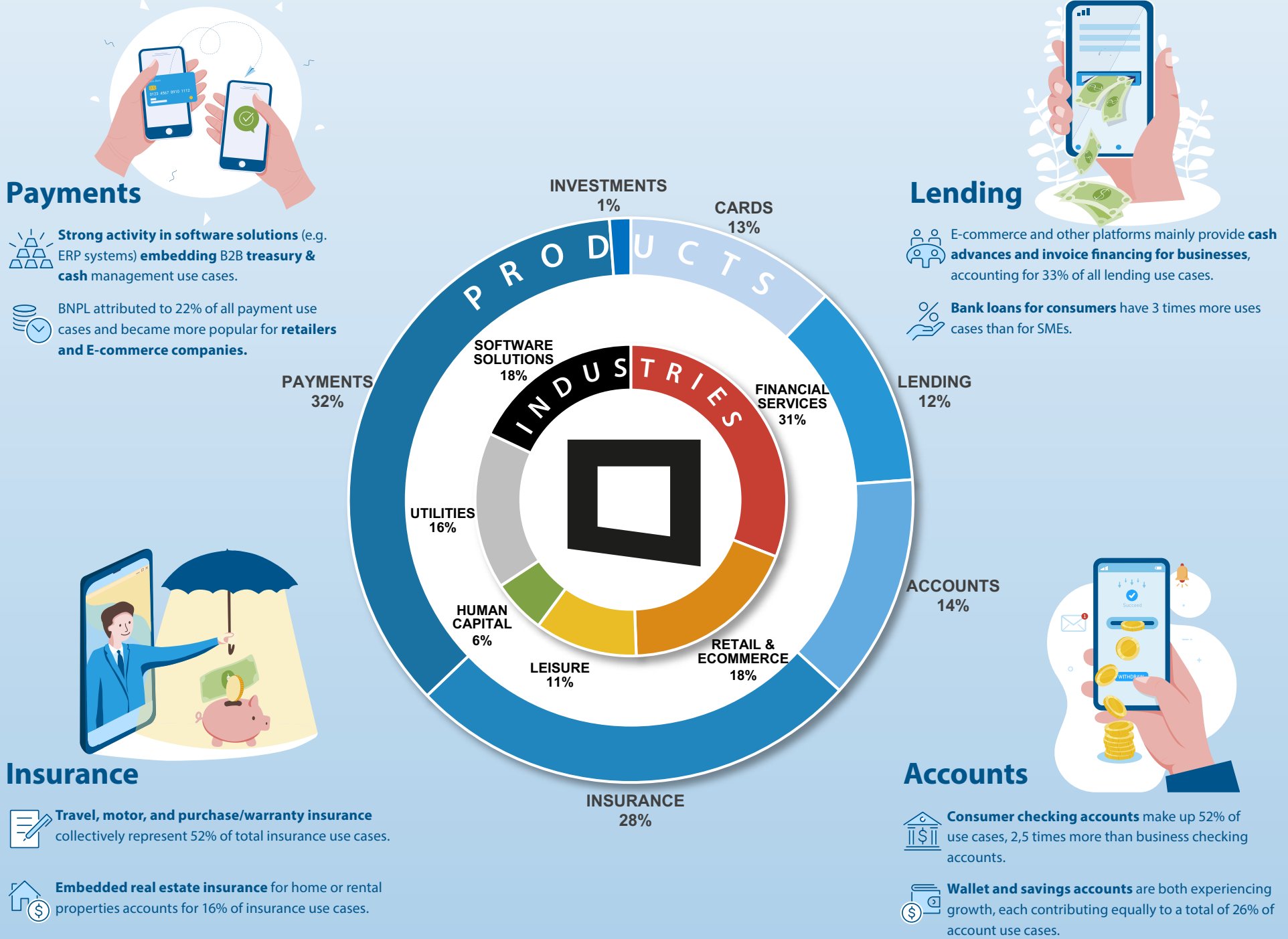


INNOPAY Embedded Finance Radar

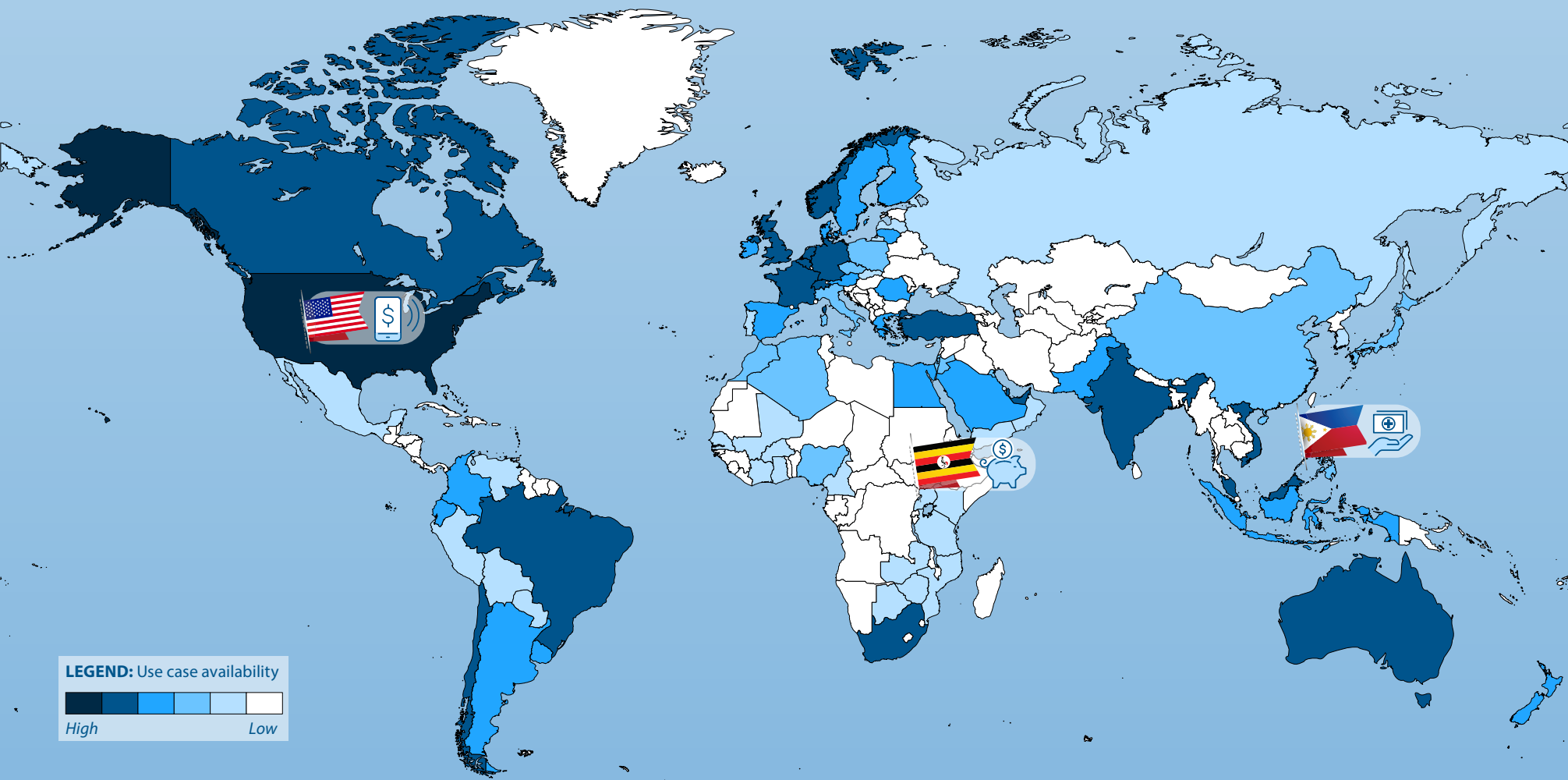
Edition #1 December 2023

INNOPAY's embedded finance (EmFi) radar provides a snapshot of the global EmFi landscape. It is based on thorough analysis of live EmFi use cases offered by banks, technology providers and distributors operating across a range of industry verticals. The radar includes insights into strategies of different market players, financial products that are being embedded, use case highlights, geographical distribution and future outlooks.

EmFi landscape Selected highlights from the Radar research



EmFi around the world World Heat Map - Geographic Regions



EmFi in the spotlight: Financial Inclusion EmFi enables convenient and affordable financial services to individuals & businesses who may have limited access to traditional banking services

Access to financial accounts

Flex-workers receive payments for provided services without onboarding at a bank

Products offered are: access to bank accounts and instant credit within Zolvers domestic services app

BBVA acts as the Balance Sheet (BSP) as well as the Technical Service provider (TSP) for Zolvers

Facilitation of investments in underserved markets

Consumers can invest with reduced risk & entry requirements imposed by banks traditionally

Products offered are: fractional investment in U.S. shares without minimum requirements within Chipper Cash app

PayrNet acts as the BSP while Drive Wealth serves as the TSP for Chipper Cash

Instant & Tailored Medical Loan

End-consumer gets access to flexible, on-demand medical care

Products offered are; medical emergency loans and flexible payment terms within mWell healthcare app

Union Digital Bank acts as the BSP as well as the TSP for mWell

Our next radar: Digging deeper into the Technical Service Providers (TSPs)

Trends for TSPs

- More TSPs acquire a license so they can also act as a BSP and cover a larger part of the value chain
- More Payment services start to focus on ACH payouts in wallets positioning themselves for a higher adoption of wallets

The role that TSPs have in accelerating the growth and adoption of Embedded Finance including a zoom-in on the strategy of (traditional) payment service providers:

- An overview of different different types of technical service providers and their offering towards distributors
- How licensed payment service providers approach EmFi compared to unlicensed payment service providers