

The Digital card

Unlocking the Future: The Power of Digital Cards

18.4.2024, Belgrade

About me

- 21 years of card payment industry experience, both acquiring and issuing
- Acting as Product manager and Senior Business architect
- Enthusiastic for learning new things and finding solutions

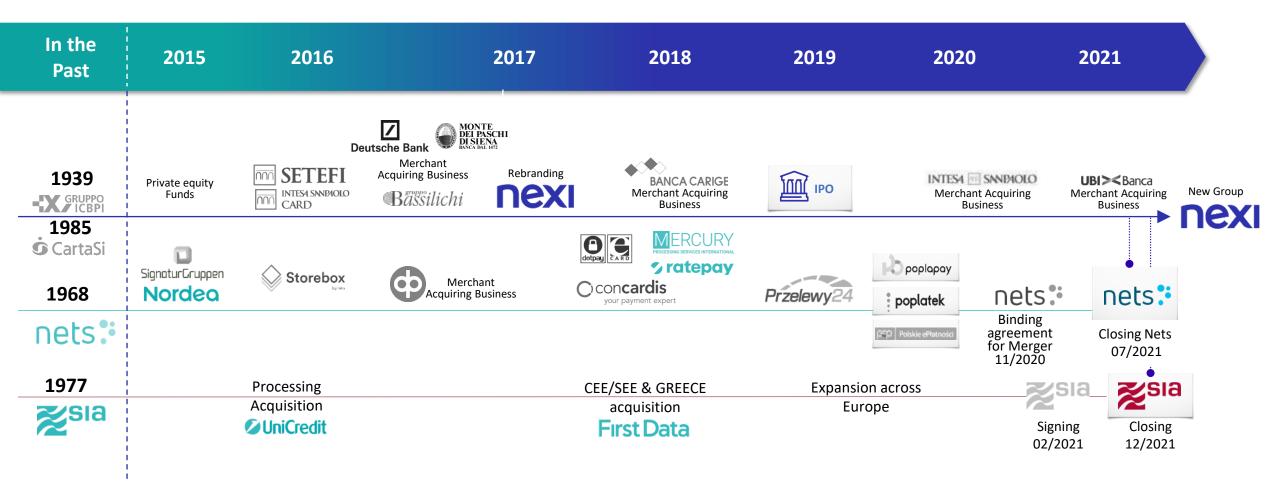


Pavel Lietava Nexi CE





Nexi's transformation path to become The European PayTech

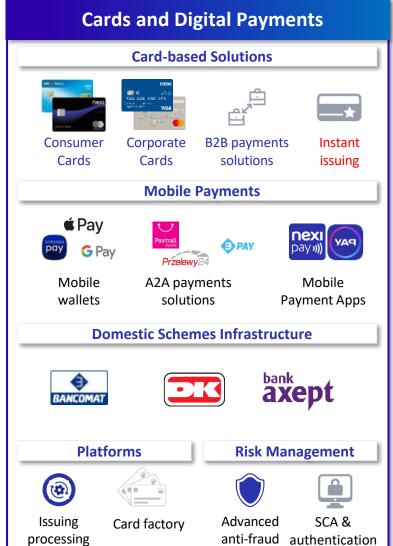


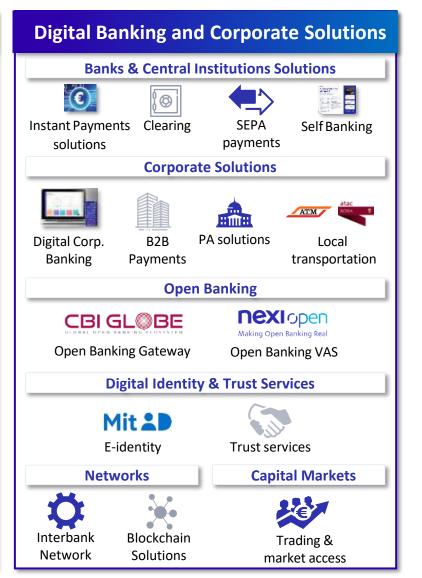
HIRING OF BEST TALENTS AND COMPETENCES • INVESTMENTS IN TECHNOLOGY • FOCUS ON INNOVATION



Full solution portfolio across payment ecosystem









Nexi market & customer proximity key to win in local markets





Nexi market & customer proximity key to win in local markets

Cutting-edge product development capabilities **Best-in-class** capabilities



>30K

new IT releases

in the last 12 months







Cloud-based

platforms &

data lake

processing and core platforms



>1K ∼15bn dedicated

40%+

YoY microservices

developed

~17bn

∼14bn issuing transactions acquiring transactions clearing transactions processed per year processed per year processed per year



Deep Banking system integration and superior delivery capabilities



professionals

1,000+ financial institutions



Long-term partner of governments, PAs, Central institutions & Central Banks¹



Country-specific

gateways managed by

dedicated teams

Partner of choice for systemic initiatives



"Migration engine" proven by 20+ M&A



Mission-critical leading edge infrastructure capabilities



>35 petaBytes in

storage space



>25K

servers managed across Europe



>5K

network nodes



11 countries with technology sites



Source: Managerial estimates, Notes: (1) SEPA, Instant Payments, ACH, Clearing; (2) It does not include terminals and HR Opex/Capex.



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Digital card – Instantly issued card

Trends, Features, Benefits



Digital cards



ChatGPT

"Tap into the future with digital payment cards, where convenience dances with security at every transaction!"



You

Oh, you replaced "meets" with "dance" - what was the reason for this "funny" change?



ChatGPT

I wanted to inject a bit more liveliness and playfulness into the saying. "Dance" suggests a more dynamic and energetic interaction between convenience and security, adding a touch of whimsy to the statement.



Digitization seamlessly integrates to our everyday life

Digital industry interactions 2X

Post pandemic effects

Number of bank branches declines

Mobile adoption rates grow





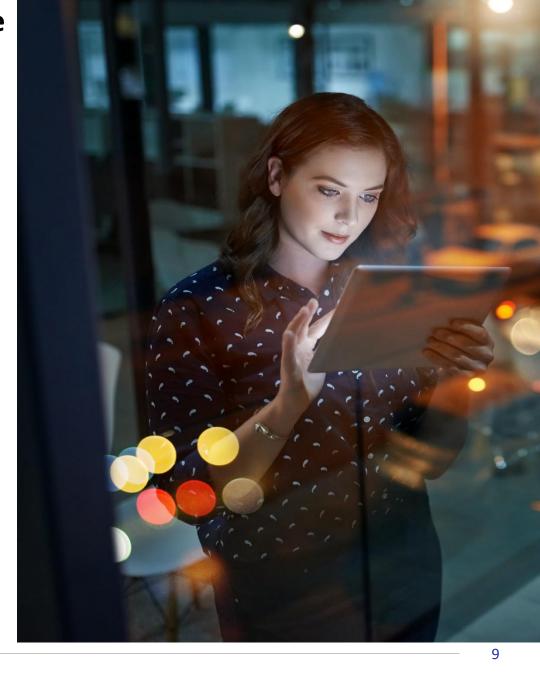


Customer needs

One of the largest challenges

High UX and functionality expectations







Digital card benefits



Convenience – Instant access to digital card able to be used both in virtual and physical world.



Enhanced customer experience – customers experience fast and convenient service, which improves their satisfaction and loyalty to Bank/Financial institution.



Competitive advantage - helps financial institution to differentiate from competition, driving new customers and retaining existing one.



Limiting fraud - particular fraud on card delivery, where physical card can be intercepted and stolen in mail.



Cost saving – in the mid/long term digital cards save operational costs associated with classic cards production and delivery process.



Card usage increase – digital card issuance drives customers to higher/more frequent usage, thus creating additional revenue to issuer from interchange and other fees



Market trend – trend is digitization / tokenization – instant benefit and usage. Positive ESQ impact



Digital card = instantly issued card

No more waiting for plastic card delivery to start making card transactions

Instant access to card data from Day 1



Get a new card

regular card just without

Virtual card

Go digital. Works like a

Choose card

Physical card

Choose card

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What type of card do you want?

Card data available via digital banking channels:

- Card Number
- Card Expiry Date
- CVC2/CVV2 value

Card is immediately ready to transact



Card in digital form is enabled for any:

- Contactless payments via Wallets
 - 3DS e-commerce payments
 - Contacless ATM withdrawals

Card renewal flexibility



Cardholder can manage form of his next renewed card:

- Only as digital
- Digital as well as plastic



Online card processing

New card requests are sent via web-services (API) Cards are issued and enabled in auth. system online Active card in digital form as an instant result



Physical plastic card delivery

Personalization of plastic is offered as optional Plastic can be additionally personalized

Digital card = Plastic card = 1 card in CMS



Enhanced digital card management

Set of additional web-services available to:

- set and change PIN
- display PIN
- manage card limits, status
- set and reset e-PIN
- reissue, replace a card ...



Customer and Bank Benefits



- ✓ Immediate use
- ✓ No waiting for plastic card delivery
- **✓** Greater security
- ✓ All-time access to a wide range of services
- ✓ Physical card is still an option



- **✓ Customer Acquisition**
- ✓ Customer Satisfaction
- **✓** Operational Efficiency
- ✓ Revenue Growth





