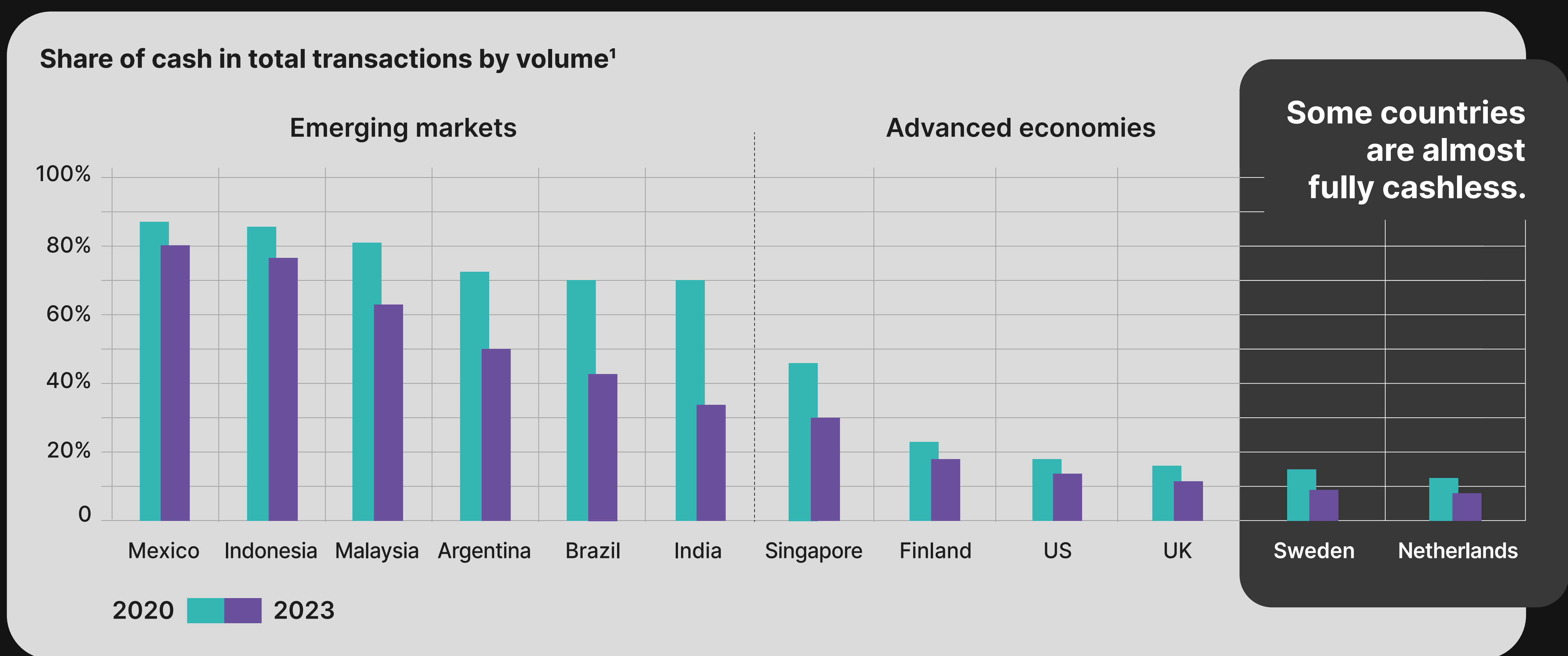


In a cashless world, who gets left behind?



The world is becoming more and more cashless.



Unbanked
24% of adults globally don't have a bank account as of 2021².

Elderly⁴
Preference for cash by generation:
 Generation Z (digital natives) 3.4%
 Generation Y (millennials) 2%
 Generation X 7.5%
 Baby Boomers 4.8%
 Silent generation (elderly) 37.5%

Vulnerable
21.4% of the EU population are at risk of poverty or social exclusion⁷.

This can lead to some people becoming more financially excluded...

Remote
3.5% reduction in ATMs in the euro area in 2023⁵.

Disabled
1.3 billion people globally experience significant disability⁸.

Digitally unskilled
32% of Europeans lack basic digital skills³.

Digital laggards⁶
Diffusion of innovation:
 Innovators 2.5%
 Early adopters 13.5%
 Early majority 34%
 Late majority 34%
 Laggards 16%
 The chasm

Refugees & immigrants
108.4 million people worldwide are forcibly displaced⁹.

...resulting in many negative impacts for them.

The poverty premium
People without bank accounts are deprived of discounted prices connected to direct debit payments¹⁰.

Reduced convenience
Extra time is needed to obtain or deposit cash.

Security risks
US retail businesses lost about \$40 billion in 2014 because of the theft of cash alone¹¹.

Social divide
Reduced ability to access and pay for digital-only services may deepen inequality¹².

Depreciation of savings
Savings held as cash do not earn interest and therefore will not resist devaluation over time.

Affordable borrowing
Lending from the unstructured sector usually has significantly higher interest rates.

To be successful, payment solutions must be inclusive.

UPI
Enables users to make a payment even without owning a smartphone¹³.

Pix
Has empowered individuals to improve their digital skills, resulting in a reduction of unbanked population from 30% to 16% between 2017 and 2021¹⁴.

M-Pesa Africa
Now in 8 countries with over 60 million monthly active customers by making digital payments available to anyone with a phone¹⁵.

Innovation can help to make this a reality...

Biometrics
Bringing the convenience of cash to digital payments.

Gen AI
Helping people to understand financial products and services via voice and chat interfaces.

...but education and regulation are also key.

Education

66% of adults in OECD countries do not have a minimum level of financial literacy¹⁶

Regulation

Digital Euro has "promoting digital financial inclusion" as a key principle¹⁷

EU accessibility act fosters more accessible products and services¹⁸

A glimpse into the future.

Want to find out more?
Download the Navigating Digital Payments report
worldline.com

1 Source: GlobalData
 2 Worldbank, Findex Report 2022
 3 European Commission Report: 2030 Digital Decade
 4 Worldline 2022 Payments Digital Divide Survey
 5 European Central Bank Payments Statistics for first half of 2023
 6 Source: Everett Rogers
 7 Eurostat
 8 World Health Organisation
 9 UNHCR (UN Refugee Agency)
 9 Paypers: The many faces of financial inclusion in the developed markets & who is at risk
 10 Harvard Business Review: The Hidden Costs of Cash
 11 OECD: Advancing the Digital Financial Inclusion of Youth
 12 Hindustan Times Tech: Make UPI payments without smartphone
 13 World Bank Group 2022: The Little Data Book on Financial Inclusion
 14 M-PESA website
 15 OECD/INFE 2023 international survey of adult financial literacy
 16 European Central Bank: A stocktake on the digital euro
 17 European Commission overview of the European accessibility act