

Provide the World with Equal Access to Financial Services Using Technology

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Hangzhou: “a cashless city”



Financial Times:

China mobile payment transaction volume in 2016 is

5.5 trillion USD that is **~50x** of USA.

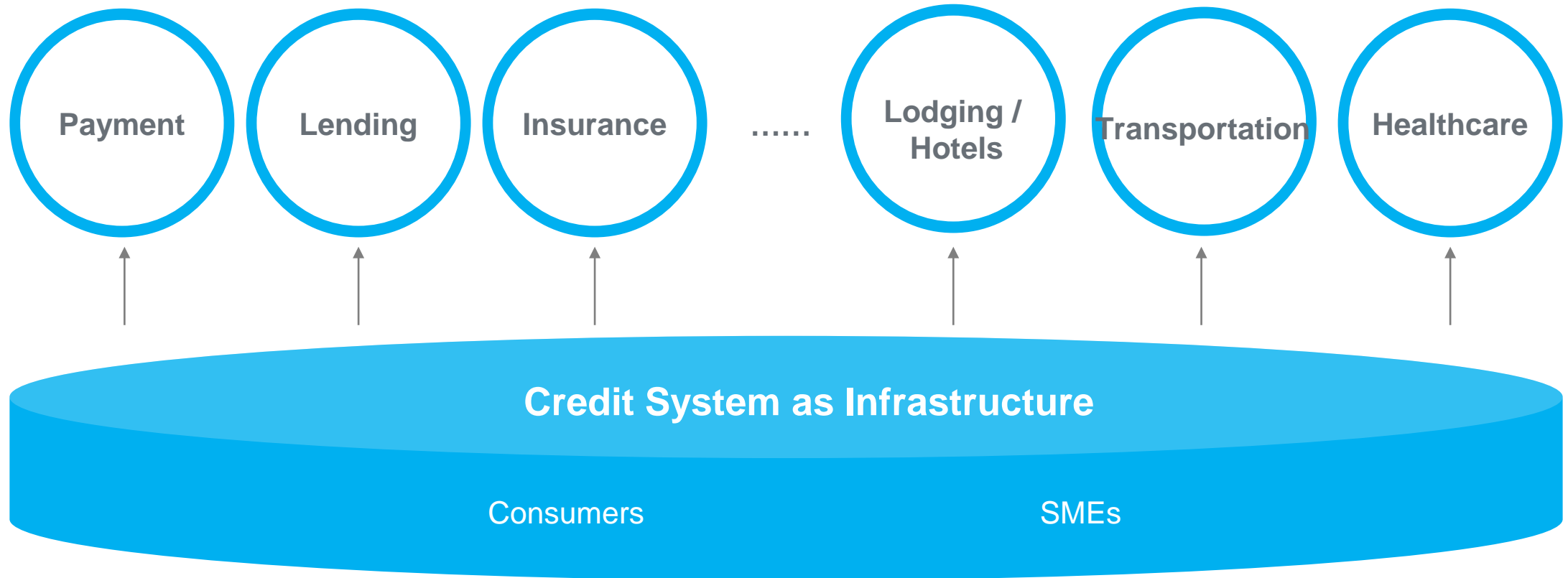


Case 2: SMEs Financing

A Sichuan business woman made **3,794 loan drawdowns** in last 5 years and had **0 default**



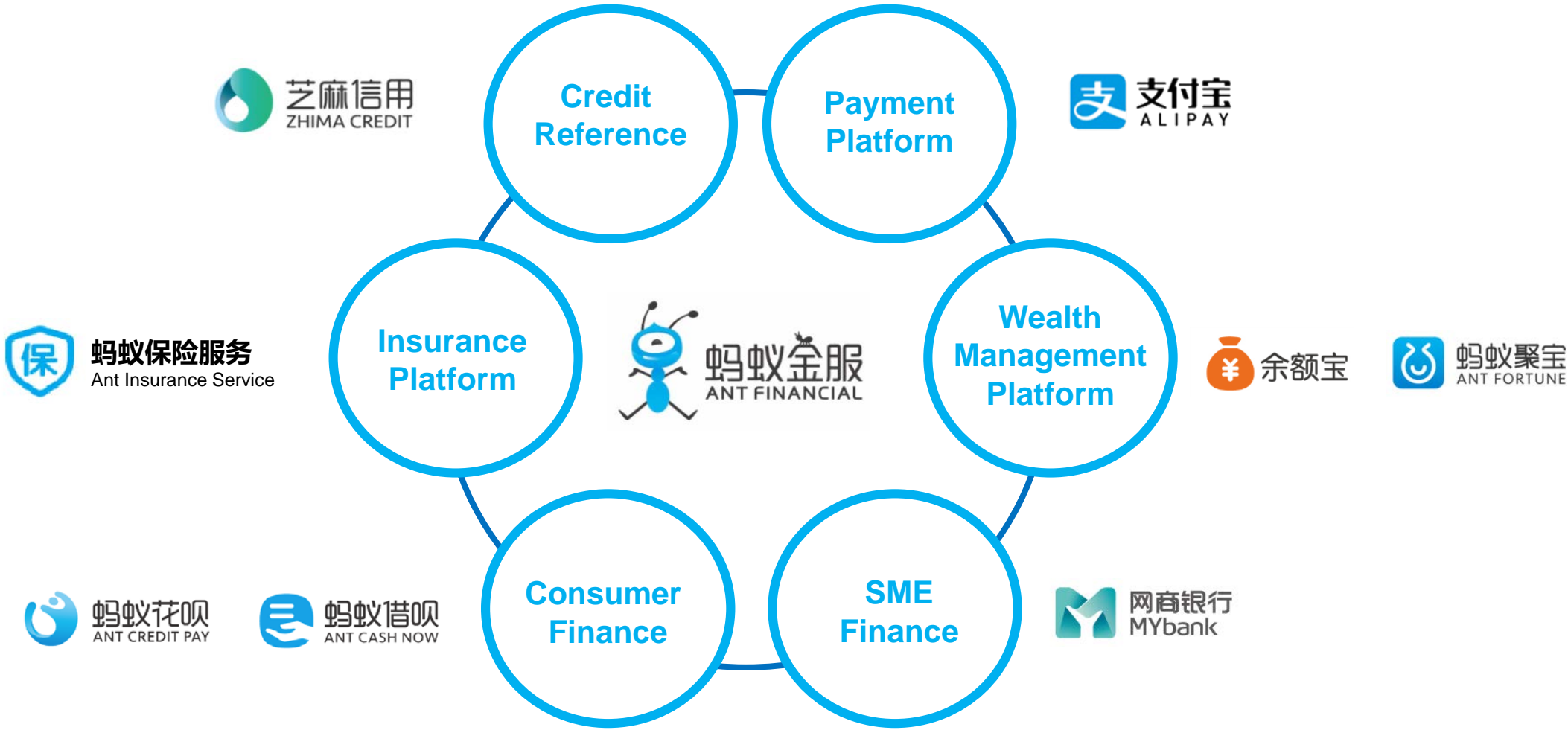
Big data technology helps unlock the potential of “credit economy”



Ant Financial is a **tech** company aiming to bring **equal access** to financial services to the world.

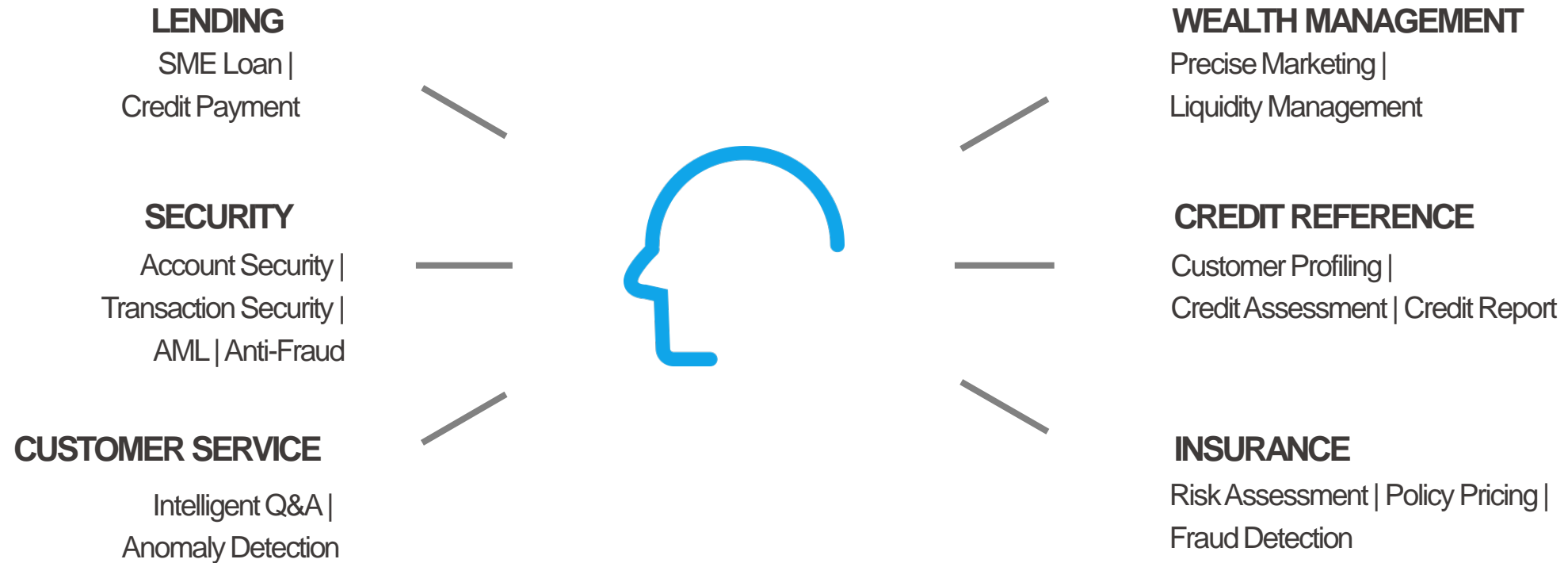


Enable Leading scale and scope across financial services to “serve the underserved”



AI has been widely incorporated into our operations

Continuous investments and applications of cutting-edge technologies



Example: ~97% of customer inquiries were handled by robot on 2016 Single's Day.



Global vision of Ant Financial

Bring Chinese consumers to overseas merchants

In 2016, Chinese travelers made **122 million** overseas trips and spent **US\$ 110 billion**.

President Xi: in next 5 years, China is expected to import **US\$ 8 trillion** of goods... Chinese tourists will make **700 million** overseas visits.

Empower local partners to provide inclusive financial services

The logo for Paytm, featuring the word "paytm" in a bold, blue, lowercase sans-serif font.The logo for Ascend, featuring a red circle with a white vertical bar on the right side, and the word "ascend" in a red, lowercase sans-serif font below it.The logo for KakaoPay, featuring the word "KakaoPay" in a black, lowercase sans-serif font on a yellow rectangular background.The logo for Mynt, featuring the word "Mynt" in a blue, lowercase sans-serif font, with a green circular icon containing a white 'C' and a green 'M' to its right. Below the word "Mynt" is the tagline "A FRESH LOOK AT MONEY" in a small, black, uppercase sans-serif font.



In Jan 2015, Ant Financial joined hands with Paytm. In just two years, Paytm users soared from less than 30 million to over 200 million, making it the fourth largest e-wallet in the world.



Make **difference** rather than profit;
Create **trust** rather than transactions.



Today, there are still challenges in financial inclusion

2 billion

adult population are still
“unbanked”

21%

of SMEs borrowed from
formal financial system

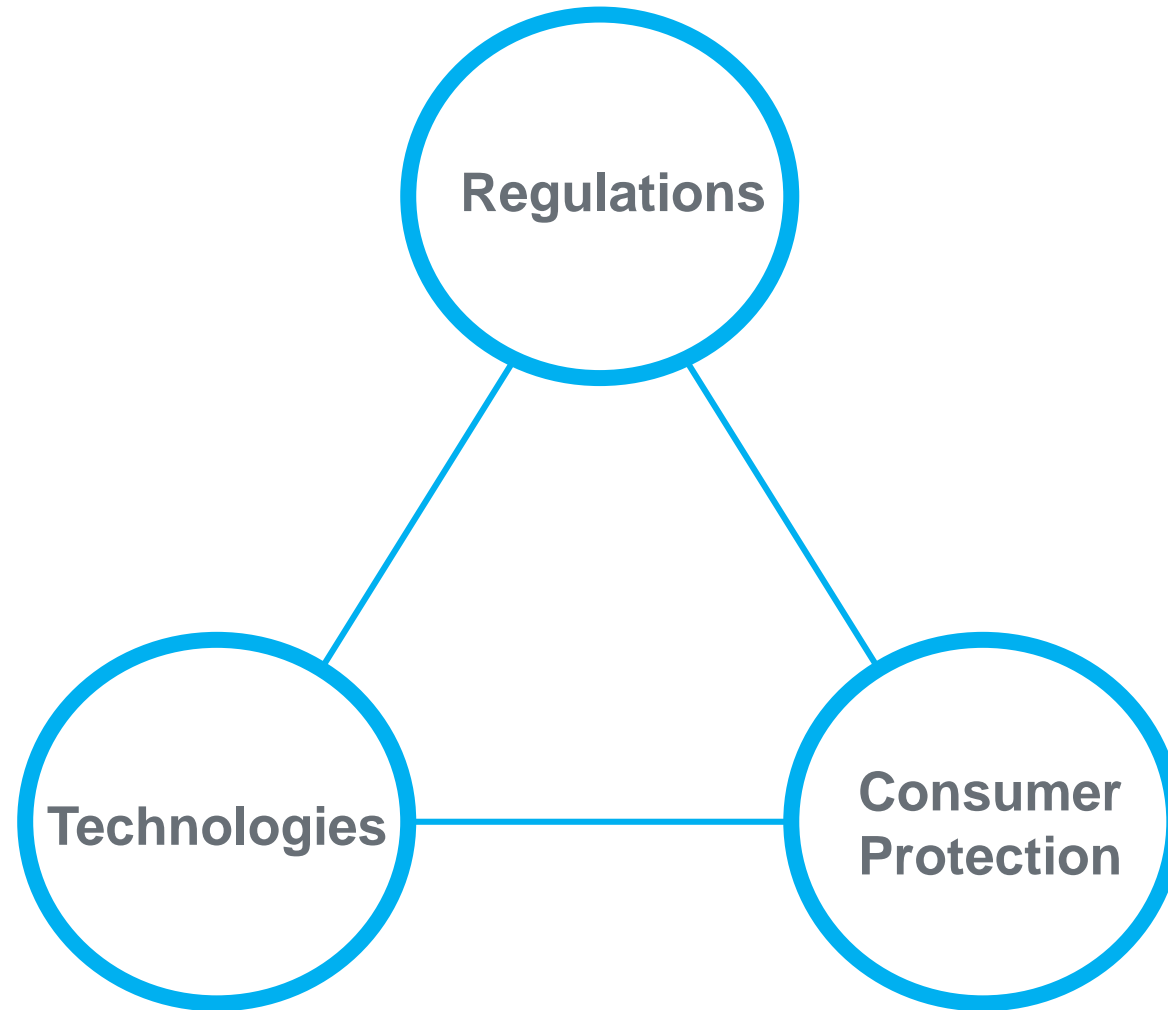
10%

of population hold at least 1
credit card

Source: world bank (2014).



3 key components of digital inclusive finance



Technology



Mobile Internet

Expand the coverage of financial services



Big Data

Improve risk control and make financial services more accessible



Cloud Computing

Lower the computing cost and make financial services more affordable



Artificial Intelligence

Help ordinary people to enjoy more personalized financial services



Biometric Identification

Improve safety and provide new way of KYC



Regulatory environment

Regulatory framework compatible to digital innovations

1. Distinguish “fintech” from “illegal financial activities”.
2. Entry requirements for market players.
3. Tiered regulatory standards based on different risk levels of market players.

“Reg-tech”: adopt innovative technologies in regulation practices



Protecting consumers

Strengthen protection of customers' account and data

- Alipay fraud loss rate <0.1 bps
- Alipay offers account security insurance that covers account loss up to RMB 1 million and average premium is only RMB 1.6 yuan.



Bring small and beautiful
changes to the world.



THANK YOU!

