



TNB*Aura*

**Perspectives: Is EWA the answer to financial
inclusion in Southeast Asia?**

Earned Wage Access
Edition

Is EWA the answer to financial inclusion in Southeast Asia?

And why is Vietnam a great market to seize this opportunity

The Investment Case For EWA in Southeast Asia

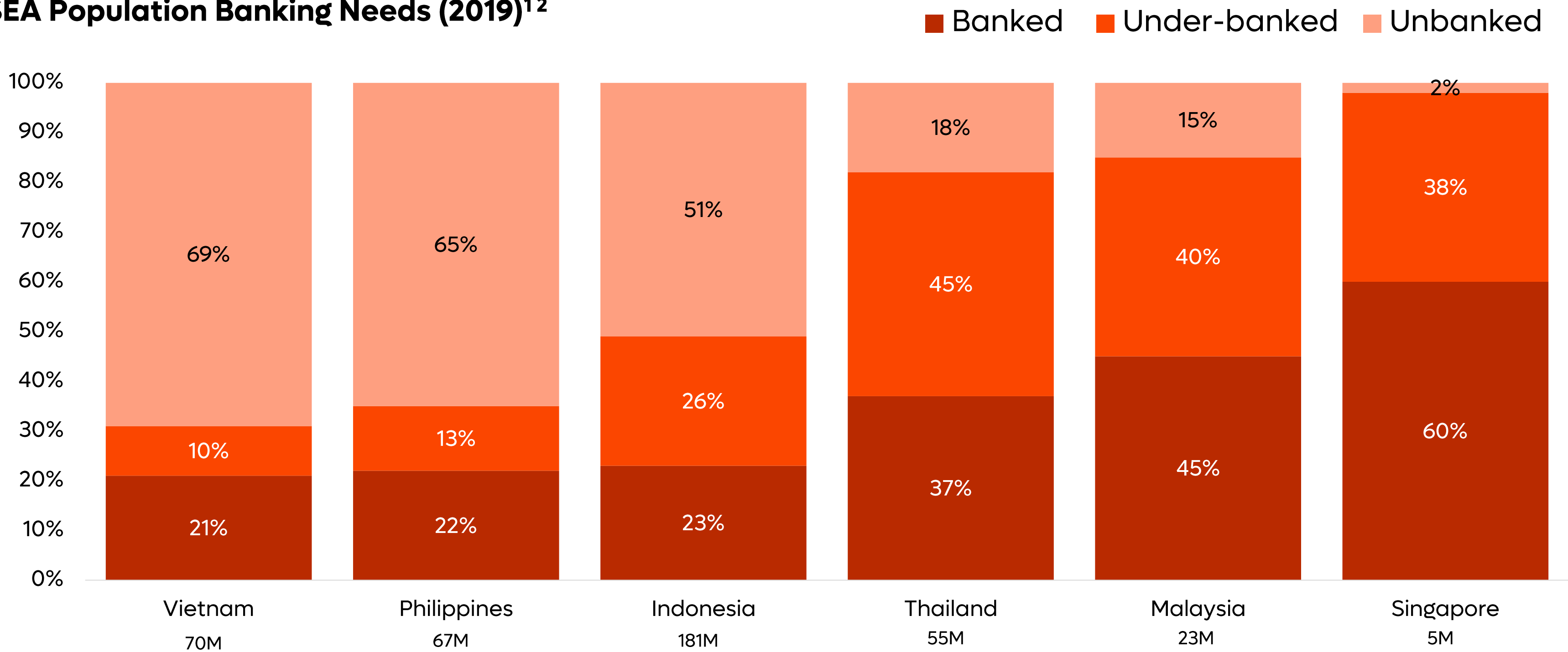
Within this edition, we focus on the topic of EWA, and ask ourselves the following questions:

- I. Is EWA the answer to financial inclusion in Southeast Asia?
- II. Why Vietnam, and why now?
- III. What will it take for a Southeast Asia champion to emerge



In Southeast Asia, more than 70% of the population is underbanked/unbanked

SEA Population Banking Needs (2019)¹²



Drawback of existing solutions

Bank loans

Inaccessible to those whom are unbanked

Credit cards

Inaccessible to those without banking relationships or with credit scores

Loan sharks

Though accessible, loan sharks charge extremely high interest rates and can create a vicious cycle of borrowing

Staff loans

Some low-income workers turn to their employers for loans but this is not widely provided across companies and is not easy to obtain approval. It is often the last option due to the social stigma and embarrassment

Did you know?

- in Southeast Asia, the unbanked and underbanked population amounts to ~200M and ~100M respectively
- **Vietnam, Philippines and Indonesia** contribute almost 94% of the unbanked and 67% of the underbanked, signalling the huge **untapped potential** of these 3 markets

The market opportunity for EWA in Southeast Asia stands at US\$13B¹

Ideal EWA user




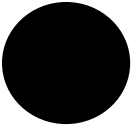
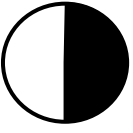
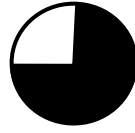
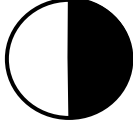
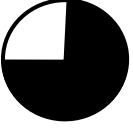
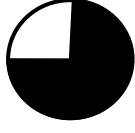
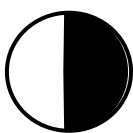
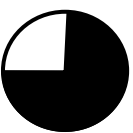
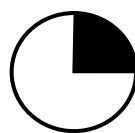
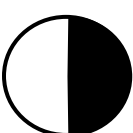
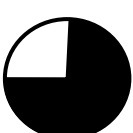
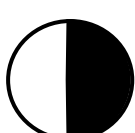
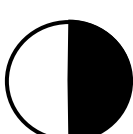
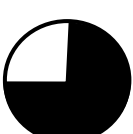
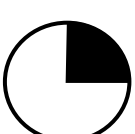
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Blue-collar worker
Need access to credit
- 2

Digitally savvy
Ease of access
- 3

Stable employer (i.e. FDIs)
Lower credit risk

Did you know?

	 Indonesia	EWA readiness	 Vietnam	EWA Readiness	 Philippines	EWA readiness
Population	276M		98M		114M	
Unemployment rate	4.4%		2.2%		2.4%	
Exported goods	US \$246B		US \$340B		US \$88B	
Internet users	53%		70%		49%	
FDI ³	US \$11B		US \$20B		US \$0.63B	

...with Vietnam offering a unique market opportunity for EWA due to its unique positioning as a global manufacturer and export hub

EWA is a foot in the door to other offerings, and a unique “low risk” means to help blue-collar workers with broader financial services

		Global precedent	Synergies with EWA
EWA	Financial services		
	Payments	CERIDIAN payactiv Refyne	Workers can make mobile payments with their salary, which in turn allows for tracking of their spending to fine tune EWA disbursements
	Savings Management	brigit clair dave =Even earnin jivy payactiv Refyne Salary Finance	For workers that are not using EWA, they can deposit their surplus earnings in savings account to earn interest
	Salary Card	ADP branch CERIDIAN clair dave ES EarlySalary Fourth. Grit instant jivy payactiv Refyne SalaryTap by OppFi	Employers can deposit workers' salary in prepaid cards for employees to use
	Insurance	Refyne	Microinsurance can be provided to employees by risk-pooling from employers and setting aside a target from their salary for insurance premium
	Financial Coaching	payactiv Refyne Salary Finance	EWA provides data on employees' usage which is useful in providing financial education and coaching for them to manage their finances
	Human resource services		
	HRM	ADP CERIDIAN clair Fourth. Square intuit quickbooks payactiv	EWA integrates with the payroll system which allows for more services offered to employers

Read our next #Perspectives soon...

Key Success Factors of EWA in Vietnam

