



YOUR ROADMAP TO PAYMENTS

Payments trends and the strategic initiatives you can use today to help enhance the cardholder experience

YOUR ROADMAP TO PAYMENTS

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PAYMENTS FLEXIBILITY ENSURES EVERYONE WINS

The Buy Now Pay Later (BNPL) market is expected to grow 181% by 2024. Post-purchase installment programs are not new, but customers' preference for access to easy, flexible and diverse payment options has made them one of the fastest growing segments in payments.

According to the 2022 Global Payments report by Worldpay from FIS, BNPL e-commerce is more popular than point of sale solutions, although both are gaining in popularity.

North America BNPL e-commerce is predicted to jump from 3.8% of transaction value in 2021 to 8.5% in 2025. Globally, Europe continues to lead in the use of BNPL e-commerce, predicted to grow from 8% in 2021 to 12% in 2025.

Post-purchase installment offers give cardholders the flexibility to make larger purchases and can help to build cardholder loyalty. By offering both choice and control, issuers can use post-purchase installment loans to add functionality to their consumer cardholder portfolio, differentiate their offering, drive revenue and expand cardholder relationships.



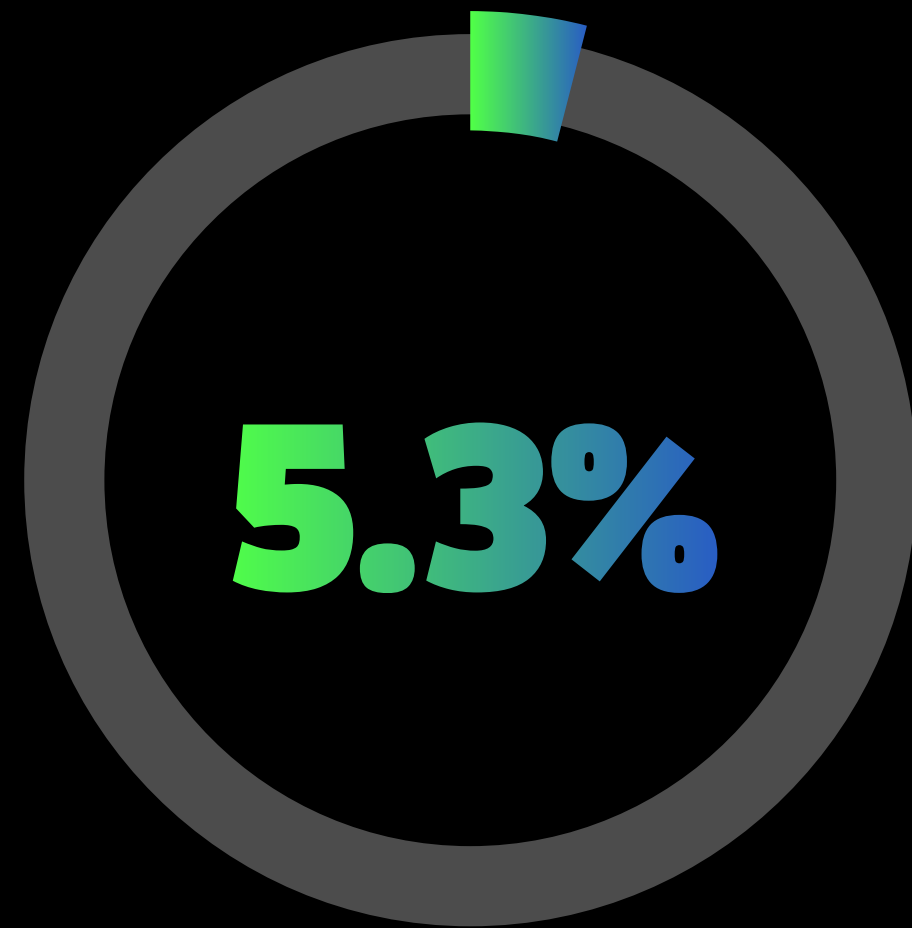
DID YOU KNOW?

E-commerce payment preferences continue to shift away from cash and credit cards towards BNPL.

- 2022 Global Payments Report by Worldpay from FIS

Consumers see BNPL as a safe way to spread out interest-free payments, particularly amid continued uncertainty about what a post-pandemic life and economy will look like.

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BNPL will account for **5.3%**
of global e-commerce
spend by **2025**

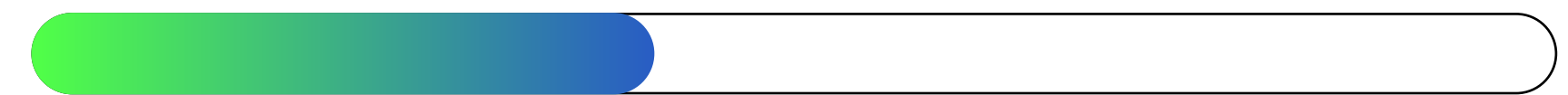
- 2022 Global Payments Report by Worldpay from FIS

50%



of consumers would use BNPL for a purchase
under \$250.

41%



said the same for a purchase between \$250
and \$999.

- 2021 FIS Generation Pay survey



DID YOU KNOW?

Gartner predicts the hybrid cloud market will triple by 2026. The hybrid cloud was valued at USD \$52.16 billion in 2020 and is expected to reach USD \$145 billion by 2026.

- Gartner Magic Quadrant 2022

Hybrid models allow organizations to adopt a best-of-both-worlds approach by keeping some systems on-premise or in a private cloud. A hybrid approach allows agility and ease to scale up and down, while also achieving performance, always on availability, and increased security and compliance.

RELIABILITY AND AGILITY AREN'T MUTUALLY EXCLUSIVE

Moving to the cloud can mean flexibility, scalability and agility. However, a total cloud operating environment for every business scenario is not yet a practical reality.

That's why strategic organizations like FIS have adopted a hybrid cloud approach. This "best-of-both-worlds" method consciously considers each piece of technology and where it will serve clients best. If moving a particular function to the cloud yields true customer and client benefit, it belongs in the cloud. If a function is performing better on a system like the mainframe, HP NonStop or Oracle Exadata, it doesn't move just because it can.

Hybrid cloud keeps costs low for FIS clients and ensures that systems stay secure, robust and highly available. Hybrid cloud doesn't force a massive migration. It prioritizes what's best for the client and the end user. When operating in the cloud, technologies associated with the client experience deliver far superior user functionality and a more seamless delivery model. Likewise, the cloud ensures that FIS services are open API-ready, so our clients always have access to the latest technology.

Hybrid cloud means moving away from high fixed-cost infrastructures where they are a burden, but making sure every move is thoughtful, beneficial and right for our clients.

True or False?

It's more expensive and inefficient to maintain a hybrid cloud approach than to fully embrace public cloud.



False

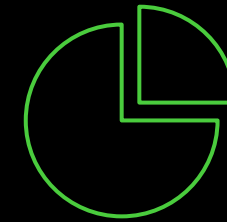
EASY PAYMENTS MEAN SEAMLESS EXPERIENCE

Digital and mobile wallets continue to rise in popularity globally both at point of sale and e-commerce transactions.

The 2022 Global Payments report by WorldPay from FIS revealed digital wallets comprised 48.6% of e-commerce transaction value globally in 2021, with a projection to rise to 52.5% in 2025. In North America the amount was 31% in 2021, expecting to exceed 40% by 2024.

Growth will be driven by digital wallets offering superior checkout solutions, flexibility in underlying payment methods, their anchor role in e-commerce marketplace ecosystems, and local wallets consolidating into regional and global super apps.

At point of sale devices, mobile wallet usage is increasing across all markets, with further growth expected as contactless POS terminal penetration increases.



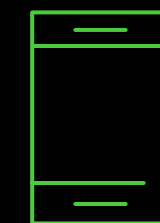
By 2025, digital wallets will account for 53% of global e-commerce spend.

- *The 2022 Global Payments Report by WorldPay from FIS*



Gen Z and young Millennials use mobile payment wallets more now than they did 10 months ago.

- *FIS Pace Pulse research, Feb. 2021*



The percentage of Baby Boomers using mobile payments rose 4x from April 2020 to Feb. 2021.

- *FIS Pace Pulse research, Feb. 2021*

"The payments providers that adjust their operating models and platforms in a timely way to be both global and local will stand to benefit from the resulting scale and flexibility."

- The 2022 McKinsey Global Payments Report

"All players will need to reassess their business models and value propositions to capture opportunities."

- The 2022 McKinsey Global Payments Report

FULL-SERVICE EQUALS EFFICIENCY AND RELIABILITY

When payment providers have access to a functionally diverse menu of hosted services and support models, payments stop being so demanding.

Future-proofing is no longer a concern. Innovation becomes an organizational opportunity rather than a challenge. Servicing model flexibility ensures partnership. You pay only for what best suits your operating model.

For a smaller financial institution, trusting a partner to handle functions like collections or customer support can relieve huge operational burdens. For a tech giant who wants to get into cards, outsourced card processing and tokenization as a service can be the difference between success or failure. Such a simple concept. Even though a shared, hosted platform lets everyone on it operate with ease, many financial technology providers don't offer this kind of support.

At FIS, we've provided a flexible menu of hosted services for years. Clients choose which servicing options support their debit and credit needs best, so they can focus on driving interchange revenue and acquiring and serving clients. When or if those needs change, they can remove or add services just as easily.

It's not another "as a service" offering. It's the freedom to change for the better.

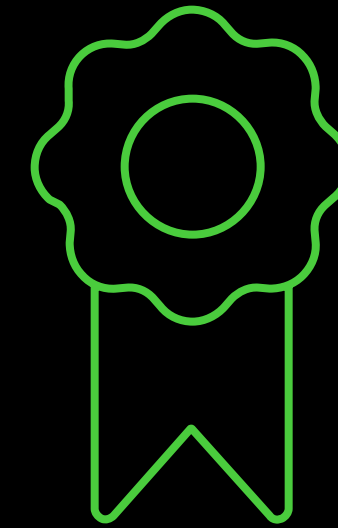
DRIVE INNOVATION AND SPEED TO MARKET WITH APIS



Payments innovation and APIs work hand in hand, but having APIs is no longer enough. To ensure APIs result in a usable and viable service or product, the documentation must be as good as the functionality of the API. The APIs must deliver dynamic, complex experiences while packaged in such a way that supports speed to market.

That's why FIS' API platform, Code Connect, includes an API gateway, catalog, developer portal, partner program, marketplace and real-time events notification. It provides a central access point to integrate with FIS solutions via APIs so that financial institutions and fintech partners can integrate, leverage and deliver solutions across any digital channel and differentiate their experiences.

We have also developed our APIs to integrate with the other technologies we know providers use. This ensures developers can easily search our API library to find the building blocks they need to move quickly, experiment, pivot and enter new markets.



FIS has been recognized for having the most advanced API platform and environment of leading U.S core providers.



About FIS

FIS is a leading provider of technology solutions for financial institutions and businesses of all sizes and across any industry globally. We enable the movement of commerce by unlocking the financial technology that powers the world's economy. Our employees are dedicated to advancing the way the world pays, banks and invests through our trusted innovation, absolute performance and flexible architecture. We help our clients use technology in innovative ways to solve business-critical challenges and deliver superior experiences for their customers. Headquartered in Jacksonville, Florida, FIS ranks #241 on the 2021 Fortune 500 and is a member of Standard & Poor's 500® Index. To learn more, visit www.fisglobal.com. Follow FIS on Facebook, LinkedIn and Twitter and Twitter (@FISGlobal).

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