One line services are changing our world – global trends

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Gemalto for You

ONE THIRD OF THE WORLD'S POPULATION USE OUR SOLUTIONS EVERYDAY

- 🟥 BANKS & RETAIL
- 🟦 TELECOM
- ▨ TRANSPORT
- 🟩 GOVERNMENT
- 🟨 ENTERPRISE

Online services are changing our world

A few years ago we went to the bank to pay invoices - today most people do it online!

To handle that unplanned money transfer quickly buy something online and then continue the vacation

We expect to always get access to eBanking during business travels

Generation Y wants to do everything with a mobile

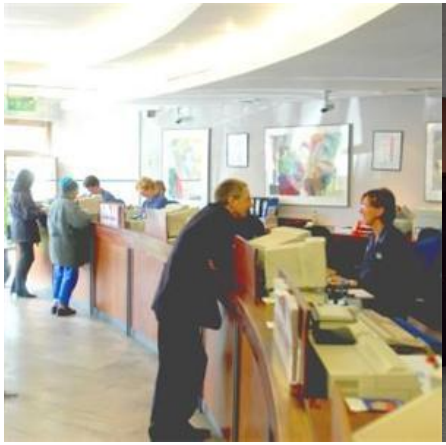
Challenges for banks

Technology that builds **trust** and drives **high-value business – NOW!** and creating a clear security path **for the future**

Empower your customers and offer **more services** to **increase usage** and **customer satisfaction**

But bottom line - It’s all about money!

Different channel – generate different cost

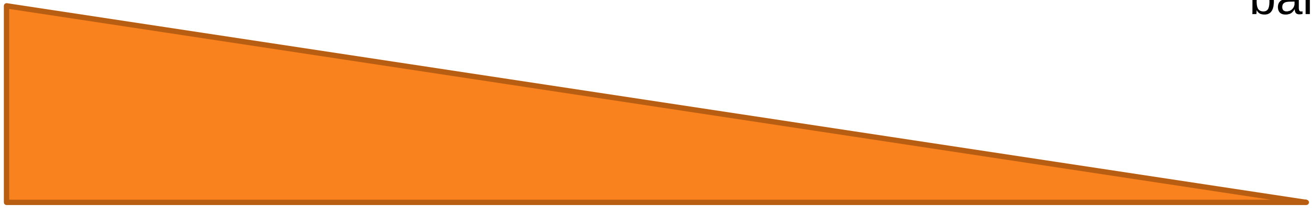


Branch

Branch automation

ATM

Internet & Mobile banking



To stay profitable and to beat competion – a good, secure internet banking is a must!

User acceptance is your key for success

And Trust is a must for acceptance

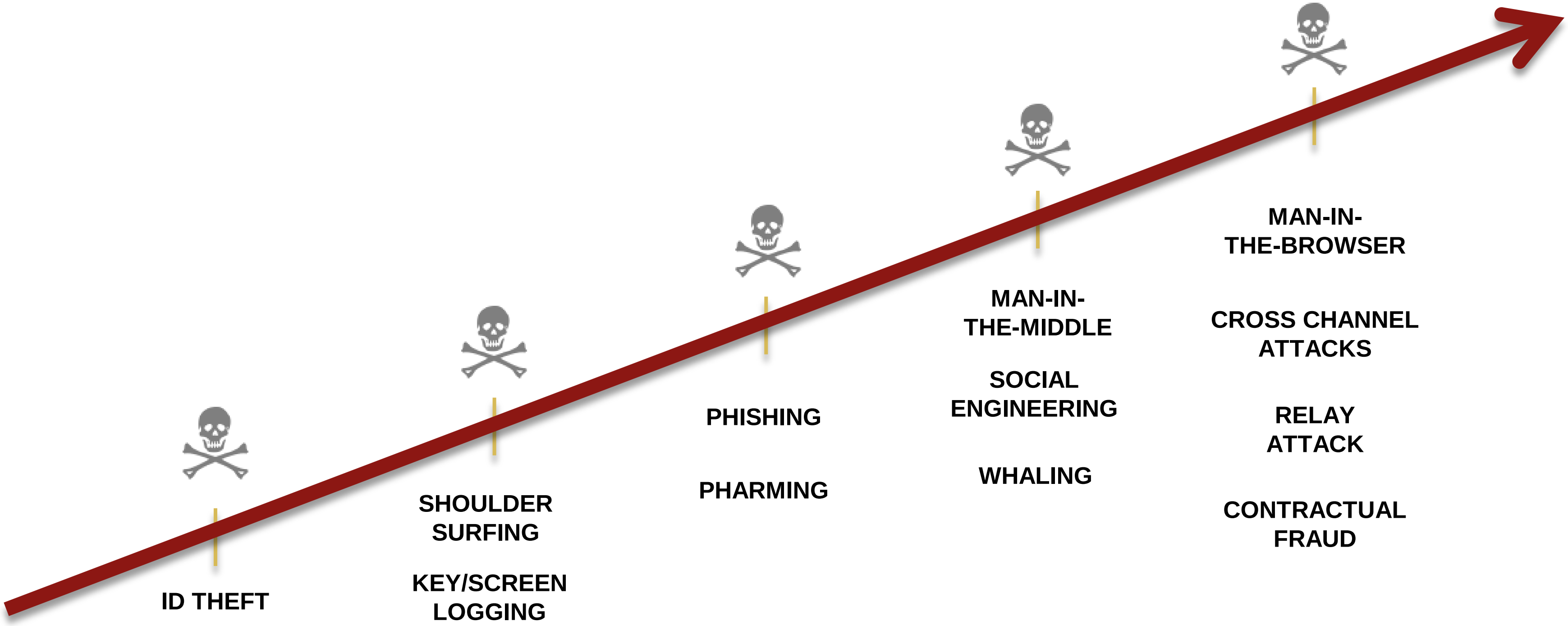
“Now is the time to invest in a secure on line channel if you want to create new revenues”

Customers who trust a service use it!

Online customers are 15% **more profitable** - and 76% **more loyal**

Evaluate the business critical risks...

AS EBANKING FRAUD IS GETTING MORE SOPHISTICATED...



ID THEFT

SHOULDER SURFING

KEY/SCREEN LOGGING

PHISHING

PHARMING

MAN-IN-THE-MIDDLE

SOCIAL ENGINEERING

WHALING

MAN-IN-THE-BROWSER

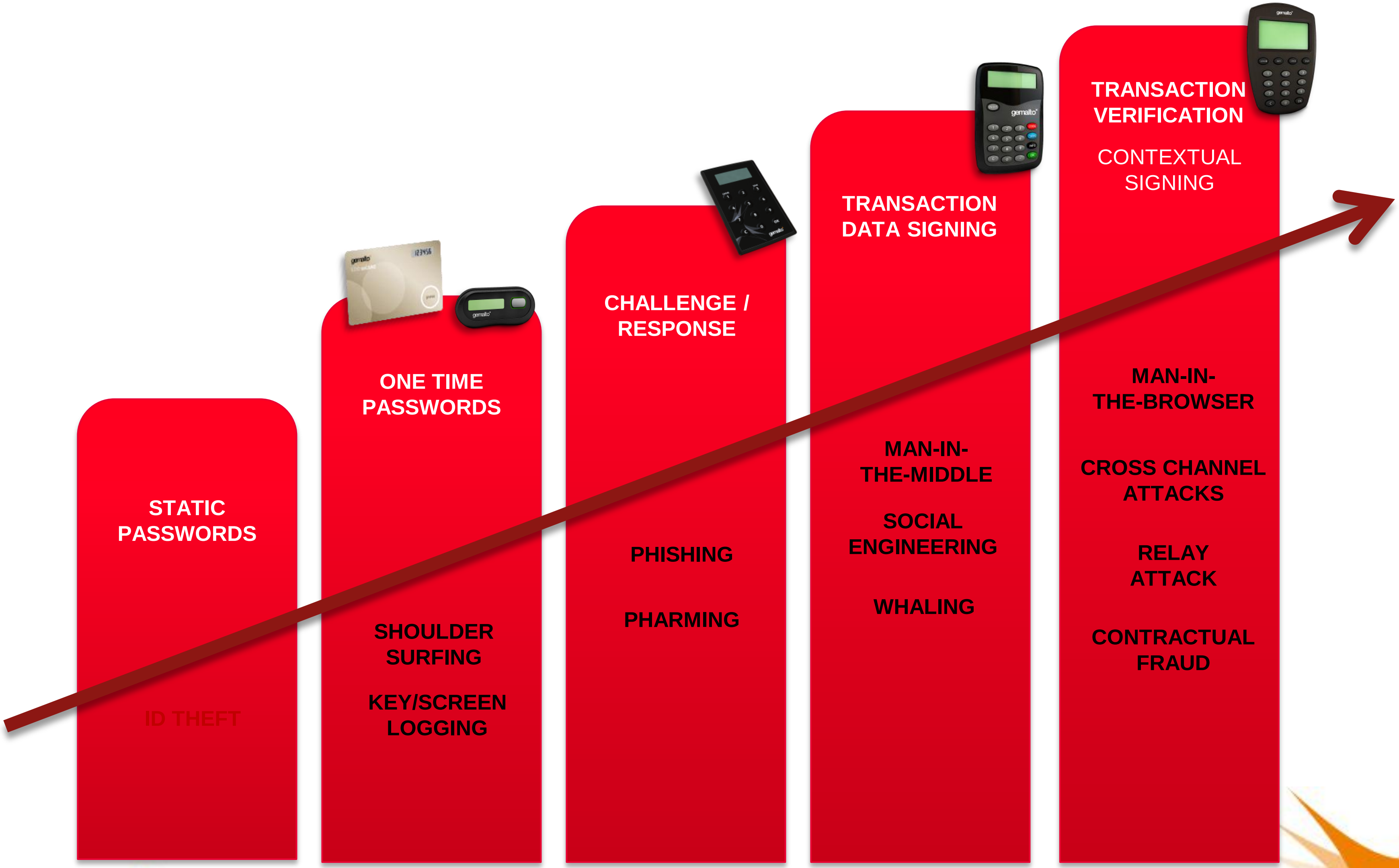
CROSS CHANNEL ATTACKS

RELAY ATTACK

CONTRACTUAL FRAUD

… and have a plan for how to beat them ...

USER-FRIENDLY MITIGATION OF ALL CURRENT AND FUTURE THREATS



STATIC PASSWORDS

ID THEFT

ONE TIME PASSWORDS

SHOULDER SURFING

KEY/SCREEN LOGGING

CHALLENGE / RESPONSE

PHISHING

PHARMING

TRANSACTION DATA SIGNING

MAN-IN-THE-MIDDLE

SOCIAL ENGINEERING

WHALING

TRANSACTION VERIFICATION

CONTEXTUAL SIGNING

MAN-IN-THE-BROWSER

CROSS CHANNEL ATTACKS

RELAY ATTACK

CONTRACTUAL FRAUD

... so that your new services can be offered

TO GROW BUSINESS ACROSS ALL DIGITAL CHANNELS

STATIC PASSWORDS

- Check Accounts

ONE TIME PASSWORDS

CHALLENGE / RESPONSE

- Check Accounts
- Transfer Funds
- Receive Personal Offers
- E-commerce

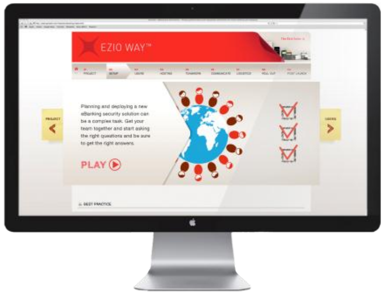
TRANSACTION DATA SIGNING

TRANSACTION VERIFICATION

CONTEXTUAL SIGNING

- Check & Edit Accounts
- Transfer Funds (Cross-borders)
- Receive & Sign Personal Offers (incl. Loans, Mortgages etc)
- E-commerce
- Use eGovernment Services

Most banks follow the same eBanking path



Planning and deploying a new eBanking security solution can be a complex task. Get your team together and start asking the right questions and be sure to get the right answers.

VISIT **EZIOWAY.COM**

01 PROJECT

02 SETUP

03 USERS

04 HOSTING

05 TEAMWORK

06 COMMUNICATION

07 LOGISTICS

08 ROLL-OUT

09 POST-LAUNCH

THE **9 STEPS** OF SUCCESSFUL E-BANKING SECURITY DEPLOYMENTS

Global Trends

WHAT IS HAPPENING IN THE WORLD ?

European eBanking

PRIMARY SOLUTIONS **2012**

TRANSACTION VERIFICATION

- EMV Card Readers
- Optical Card Readers
- Connectable (PKI) Readers
- Mobile Application
- PKI USB Keys

CHALLENGE / RESPONSE

- EMV Card Readers
- Connectable (PKI) Readers
- PIN-Pad tokens
- Mobile Application

ONE-TIME PASSWORDS

- SMS
- Tokens
- Printed

STATIC PASSWORDS

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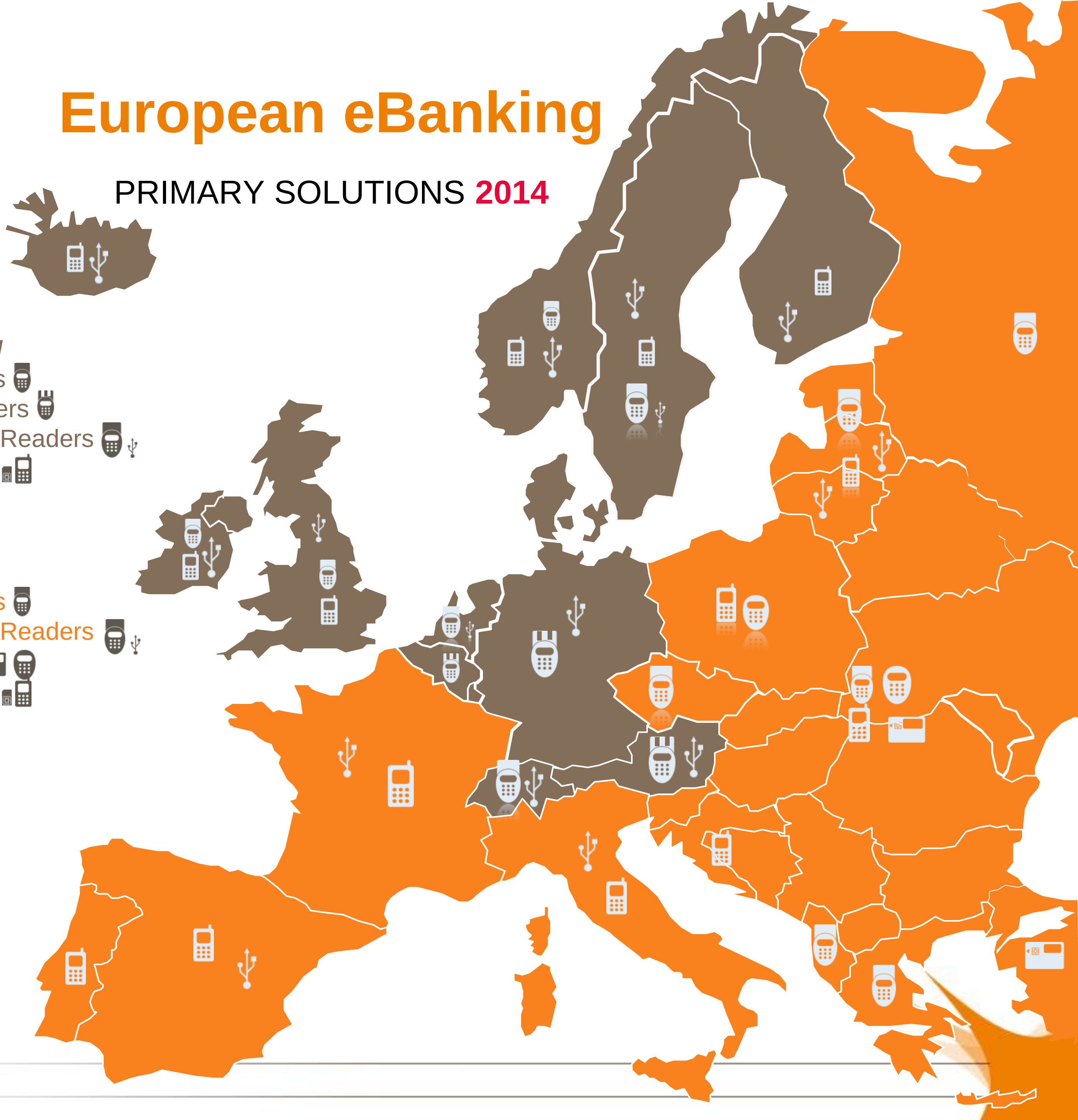
European eBanking

PRIMARY SOLUTIONS **2014**



TRANSACTION VERIFICATION

EMV Card Readers
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Mobile Application
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CHALLENGE / RESPONSE

EMV Card Readers
Connectable (PKI) Readers
PIN-Pad tokens
Mobile Application

ONE-TIME PASSWORDS

SMS
Tokens
Printed

STATIC PASSWORDS

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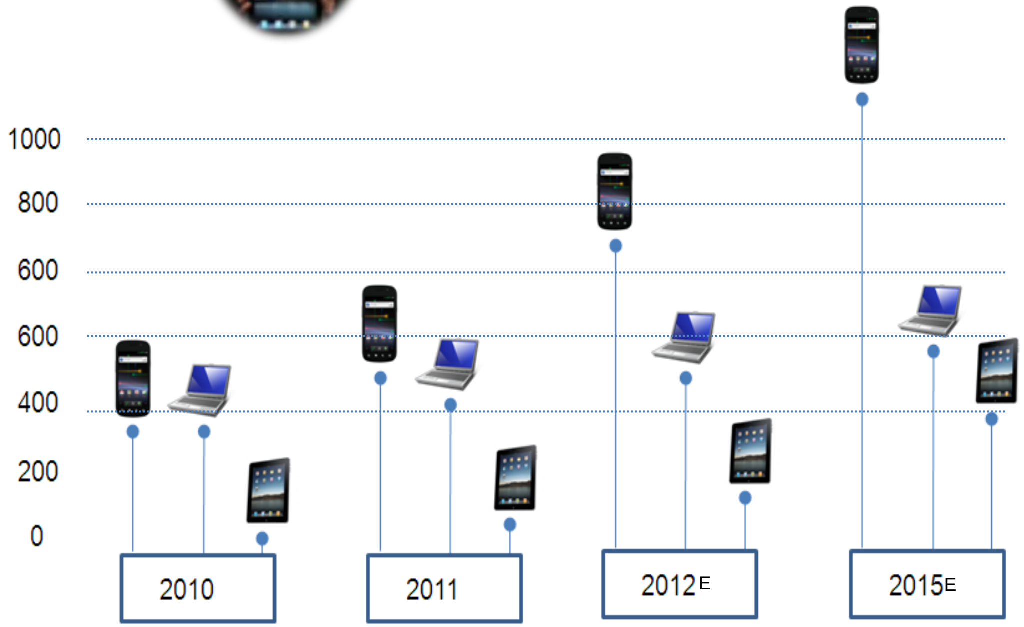
Evolution is leading to mobile

> “We are entering the post PC era”
>
> Steve Jobs, Apple, June ’10

> “The new rule is Mobile First”
>
> Eric Schmidt, Google, Feb ’11



+76% Smart phone sales annual growth

-19% PC Market in Western Europe

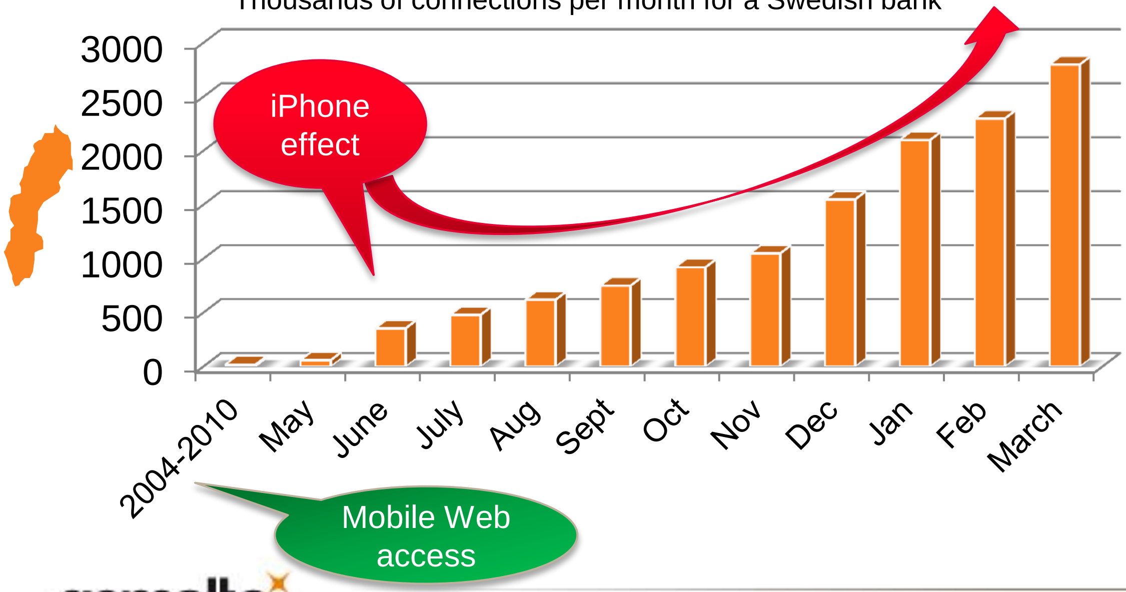
2011 First year where Smartphone market overtake PC and feature phones market

mBanking usage is exploding

894 **million** mobile banking users in 2015 (115M EU, 86M US, 140M LATAM). That's a **59%** CAGR *(Berg Insight)*

+40% **Mobile banking users** among SmartPhone users in Western EU in one year *(ComScore)*

Thousands of connections per month for a Swedish bank



Smartphones

+

Native mBanking applications

=

Key factors which really triggered mBanking wave

mBanking can replace eBanking

MOBILE BANKING WILL TAKE OVER FOR TASKS THAT IT CAN DO BETTER THAN **ONLINE BANKING**

Day-to-day banking	**Web site**	**Mobile**
Check account balances	🟡	🟢
View transaction histories	🟡	🟢
Make account transfers	🟡	🟢
Pay bills	🟡	🟢
Resolving service issues		
Solve a problem (Card lost or stolen)	🟡	🟢
Find nearest branch/ATM	🟡	🟢
Buying financial products		
Research financial products	🟢	🟡
Buy financial products	🟢	🟡

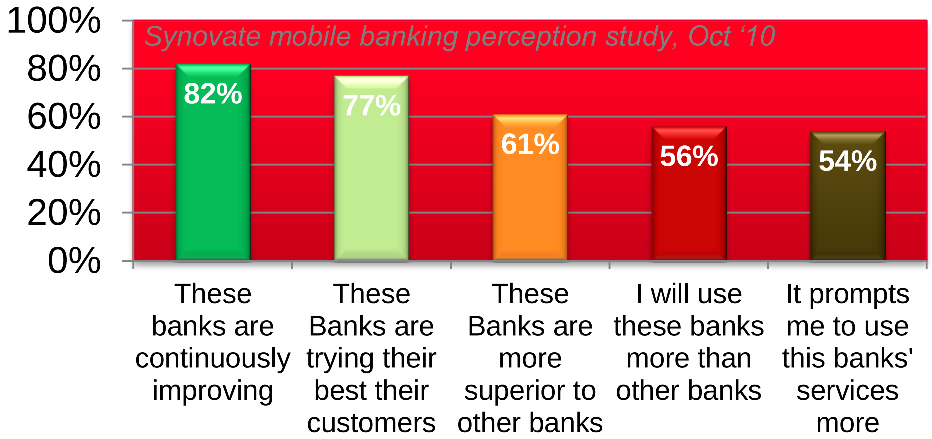
Source: Forrester

MOBILE BRINGS SPECIFIC ADVANTAGES COMPARED TO **PC**

- **Simplicity**
  - Due to the small device constraints (screen, keyboard), mBanking applications usually provides a simpler way than PC to access basic information
- **Immediacy**
  - I always have my mobile with me and can access my bank at any time
  - Launching an mBanking application and accessing account balance is much faster than on PC, even on slower 3G connections.
- **Context**
  - Using device localization capabilities user can get information relevant to its current localization (nearest ATM, Branch…)

What (good) Mobile Applications bring to Banks

- **Low deployment and operational costs solution**
  - Up to 300% of ROI for some banks having implemented mobile banking applications *(TowerGroup Mobile Banking study with 10 EMEA banks, Sept '10)*
- **Attract new customers, especially young ones**
  - "Not only do young generation use mobile banking, they switch banks for it, use it frequently, and value it" *(Javelin Strategy & Research, March '11)*
- **Improve public image**



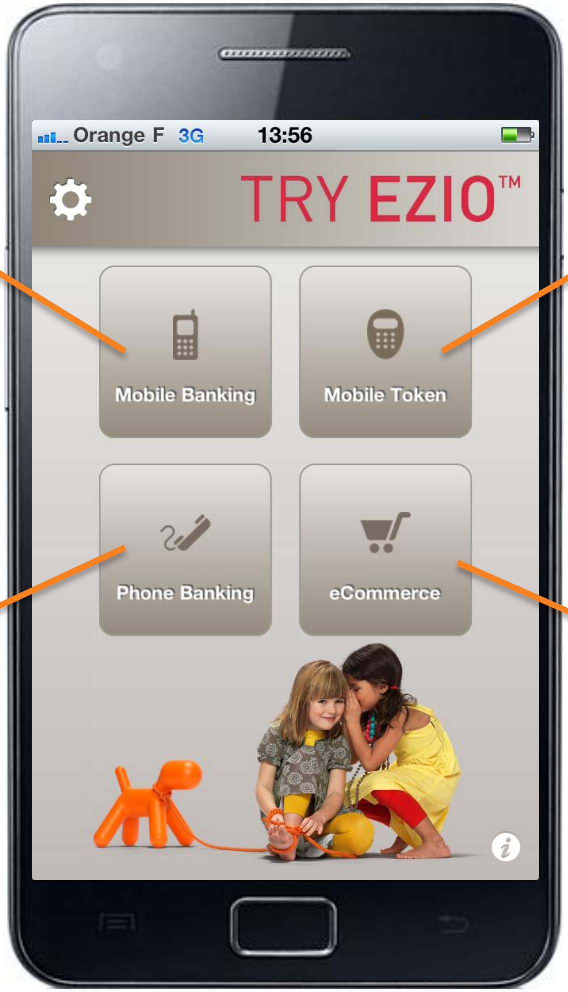
Perception towards Banks with mobile banking services

- **New advertisement channel for banking products**
  - "We are also seeing that 41% of mobile banking users surveyed have looked up banking-related promotions and discounts through this channel" *(Synovate mobile banking perception study, Oct '10)*
- **New Revenue stream**
  - "76 percent of 'Generation Y' consumers (18-26 year olds) would be willing to use mobile banking services.. *(Simon-Kucher & Partners, May '11)*

Mobile usage in eBanking is here to stay!

DIFFERENT TYPE OF APPLICATIONS

https://www.tryezio.com



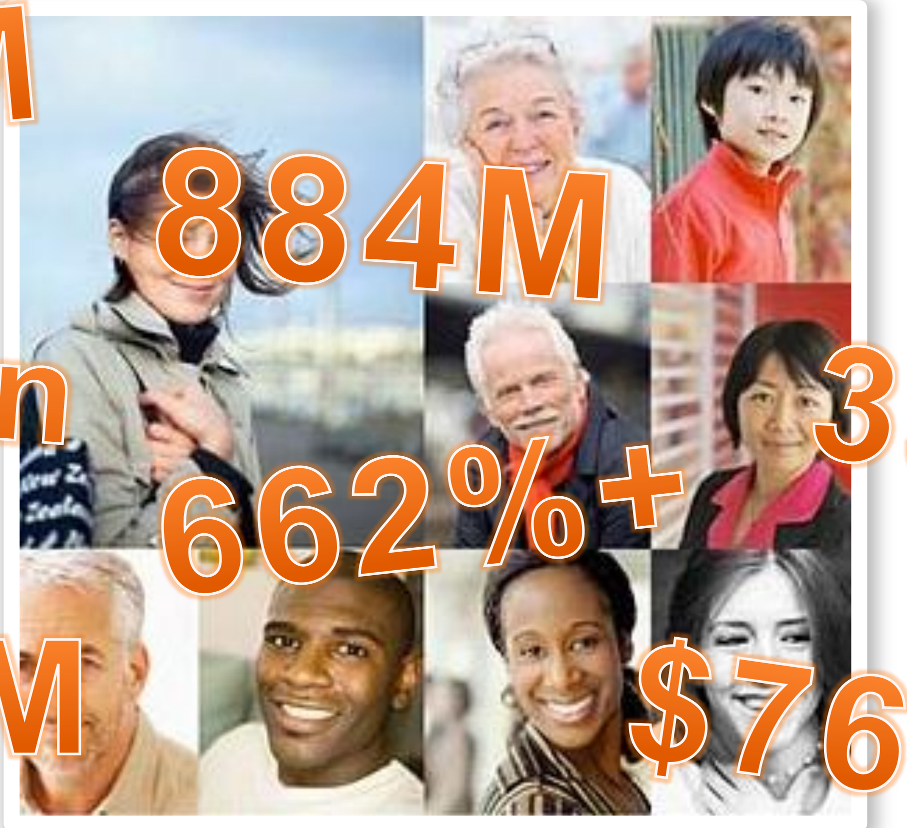
Mobile Banking
Use Ezio SDK to secure an mBanking application in connected mode

Mobile Token
A unconnected application to generate OTP, C/R and Transaction Signature to secure the eBanking channel

Phone Banking
Use OTP to quickly and efficiently authenticate users calling their bank.

eCommerce
Use OTP, C/R and Transaction Signature to secure a 3DS transaction

The future is here – trust in Gemalto to help you grow!



334M

884M

62Bn

39%+

662%+

114M

$760M

Thank you