



2019 Impact Report

Access Is the New Currency



Fin-Tax

[*fin, taks*] **noun**

The unfair financial tolls and penalties hoisted upon the shoulders of over 90 million Americans living paycheck to paycheck, solely because they have little if any margin for error in their financial dealings. PayActiv first used the term Fin-Tax in 2015.

Earned Wage Access

[*ernd, wāj, ak-ses*] **noun**

Financial technology service that allows users to receive on demand a portion of their wages for hours they have already worked but not yet been paid for by their employer. PayActiv invented Earned Wage Access in 2012.

Access to Amazon Services

PayActiv Prepaid Card

Bank Transfers

Pick Up Cash at Walmart

Link Debit Cards

Online Bill Pay

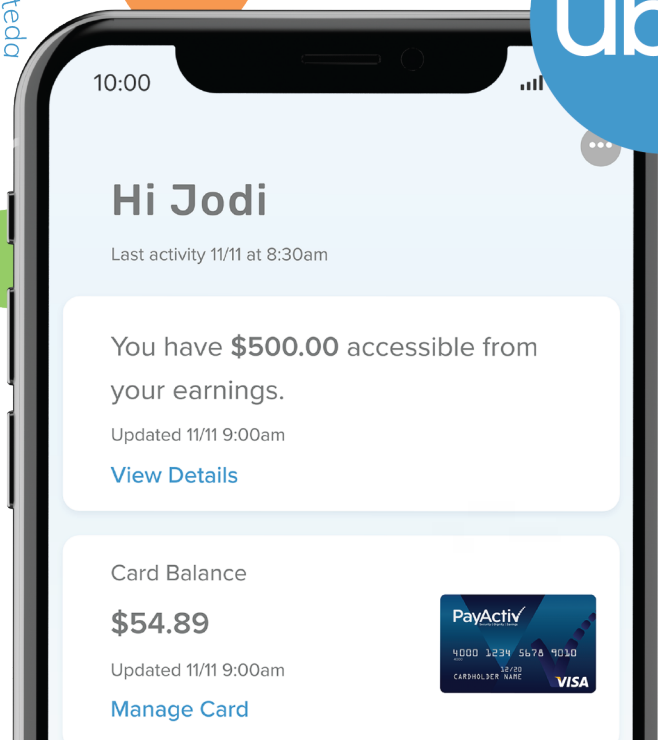
Financial Guidance

Order an Uber with Wages

Use Cards Anywhere Visa is Accepted

Prescription Discounts

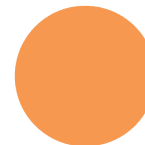
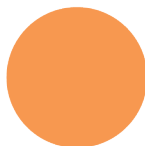
24/7 Customer Assistance



Uber

VISA

Rx



Our Belief

Is that Everyone Deserves Access

The Financial Wellness Bill of Rights

- Employees have the right to financial security, dignity, and savings.
- Once earned, employee wages must be accessible.
- Access to earned but unpaid wages must be affordable, transparent, and free of traps.
- Banked or unbanked, every employee must be able to receive funds, pay bills, and participate in commerce.
- Employees must be free to choose how they receive their earned wages.
- Everyone deserves the happiness and well-being that real financial health provides—everyone is worthy.



Holistic

Engagement

Access

Retention

Toolkit

Our Pillars

Are Built on H.E.A.R.T.

The PayActiv holistic financial wellness platform offers workers access to affordable services, encourages financial responsibility, and provides a path towards financial stability and inclusion. Businesses that use the PayActiv Benefit see a measurable increase in retention, engagement and recruitment. All of this is possible because we place the interests of our users front and center. And that's not a phrase we hang on the wall; we measure our success by the impact of our services for our users.

Holistic - Keeping it all together: financial security, personal dignity, and readiness for tomorrow.

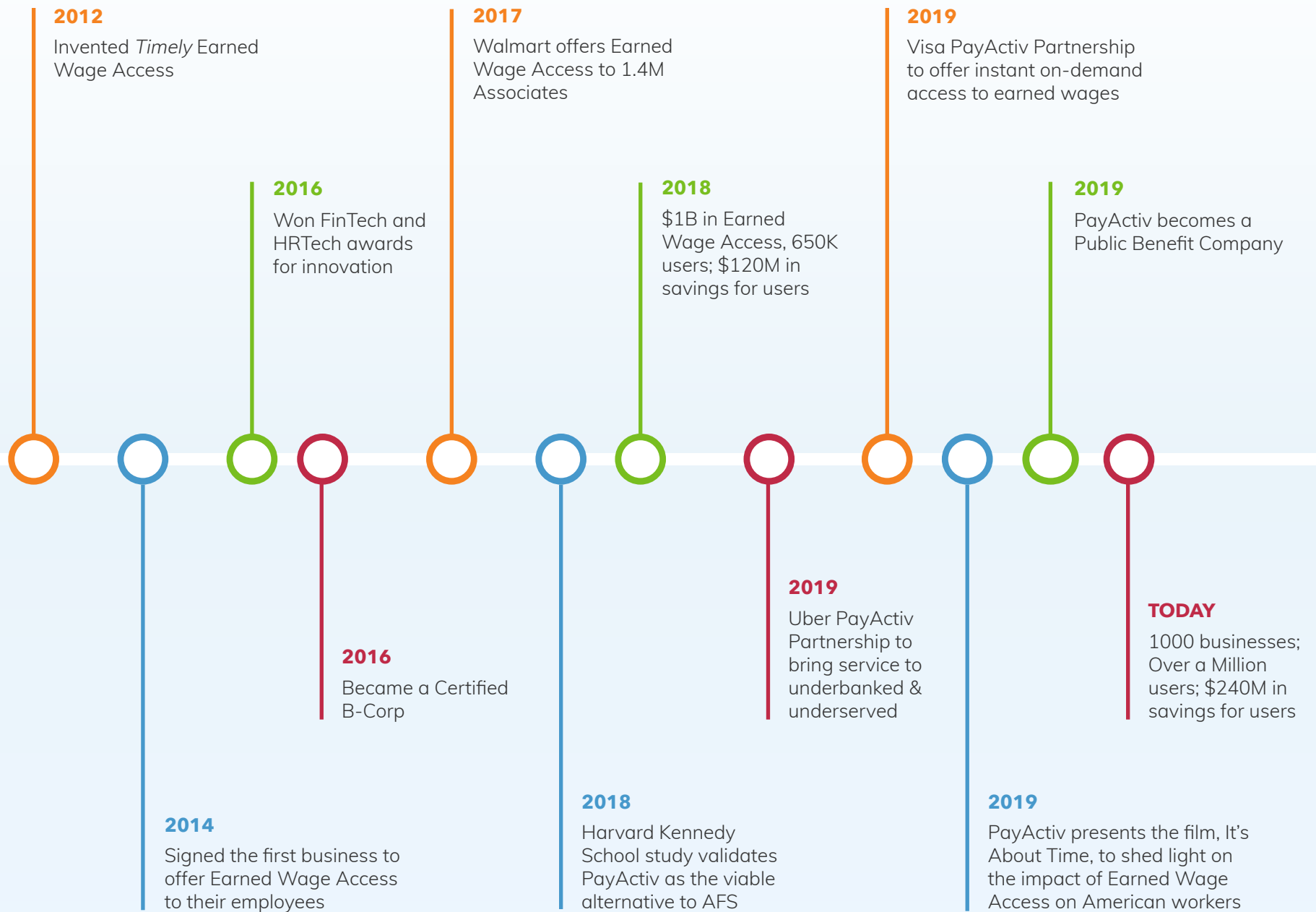
Engagement - One for all and all for one. We are in this together.

Access - Access to affordable financial services is a right and not a favor.

Retention - Welcome. We want you to stay and we mean it. Let us show you how.

Toolkit - Ours is a growing suite of services with your wellbeing at the center.





Our Journey

Is Just Beginning

Six years ago, we set out on a mission to create a holistic financial wellness platform that enables employers to provide their workers with instant relief from their between-paychecks financial headaches. We're elated to say, our technology empowers companies globally to help their employees be less stressed and lead more productive lives. We do that by unlocking unpaid wages as they are earned. No lending or borrowing is needed. We've even received a few awards along the way: Best Fintech Solution from Finovate and Best HR Product of from HR Executive.

Nearly two years ago, Walmart, the largest employer in the world, partnered with PayActiv to offer Earned Wage Access to their 1.4 Million associates.

In the last year, we have partnered with Visa, Uber, and Amazon to bring affordable services to the underbanked and the underserved.

Today, PayActiv is a Public Benefit Company, committed to creating public good through its services. We serve over 1 Million employees working for nearly 1,000 businesses at more than 20,000 locations.



1M

Users avoided debt.

Over a Million workers, irrespective of their banking or credit status have fulfilled their small dollar, short term needs without adding additional debt using the PayActiv Benefit.

1000

Businesses became PayActivists.

Nearly a thousand businesses at 20,000 locations in the U.S. offer employees the PayActiv Benefit for timely access to earned wages, Uber, bill pay, Amazon Cash, discounts, counseling, financial literacy, savings, and more.

240M

Dollars in fees saved.

Using PayActiv, our users have gained \$240 Million in savings by avoiding overdrafts, payday loans, and late fees.

Our Impact

Is in the Numbers

Millions of people in the U.S. are under-served and excluded from the formal financial system, and digital transformation is making the situation worse. Often, the only option to meet day to day expenses is through an alternative and predatory system that involves payday loans, late fees, overdraft fees, pawnshops and title loans among others. PayActiv ends this downward spiral faced by financially struggling workers by giving them access to their already earned money. No lending or borrowing is needed.

We have already moved \$2.5 billion in earned wages to workers before payday in 2019.

Over 1 Million workers have signed up to get the PayActiv Benefit. Another 4 Million are eligible. We have produced over \$700 Million in turnover related savings for partner employers. Our users have gained \$240 Million in savings by avoiding overdrafts, payday loans, and late fees. Over 1 Million businesses with 40 Million+ employees who use HR, HCM, Time and transaction services from ADP, Paychex, Kronos, Visa and others can now get the PayActiv Benefit. We are an ADP marketplace partner. We settle over \$2.5 Billion per year and our platform is accessed over 1 Million times every month for timely wages, Uber, bill pay, Amazon Cash, discounts, counseling, financial literacy, savings, and other wellness services.



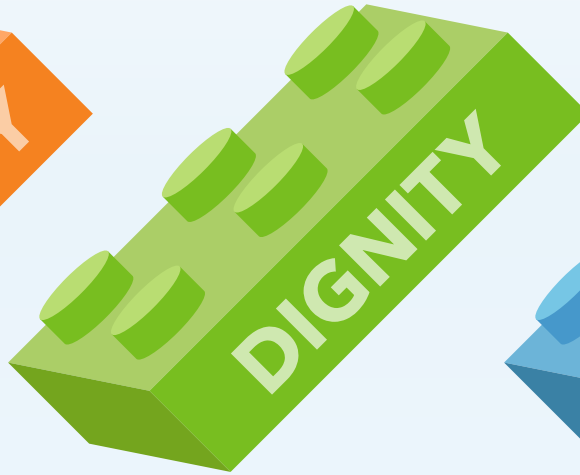
90M live paycheck to paycheck in America

source: BLS.gov, Brookings Institute

“You know lots of these people. They’re in your family. I don’t even want to use the word ‘they’, because it’s such a large fraction of our population living paycheck to paycheck. This is not some tiny group of lowlifes that can’t get their act together. This is just normal for most people on Earth.”

- Ed Van Wesep, Finance PhD Program Director, University of Colorado/Boulder

Our Building Blocks of Financial Wellness



Security *To Not Be Afraid*

The fear of not being able to support themselves or their family financially is debilitating for over 90 million Americans living paycheck-to-paycheck. There's a threat of imminent catastrophe—never-ending anxiety that comes with not having access. PayActiv offers employees control of their own money. You choose when to access your earned wages. You choose how much and how to use your own money to benefit your household.

Dignity *To Not Be Ashamed*

The shame that comes with not having the means to stay financially afloat is painful. Employees don't need to come hat-in-hand to ask for an advance from their boss or borrow money from family or friends simply because the money they have earned is not yet accessible to them. What PayActiv offers our members when it comes to dignity is simple: We offer financial independence in a way that keeps any struggles you face surmountable and private.

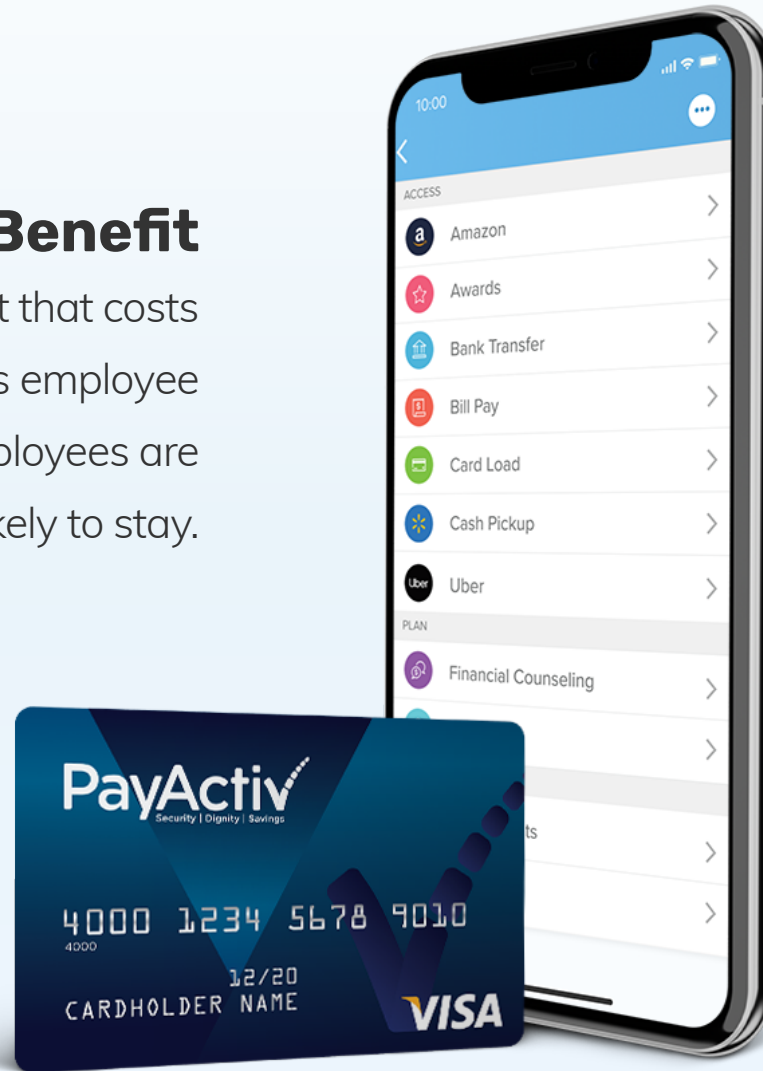
Savings *To Be Ready For Tomorrow*

All too often, the economics of poverty gets mistaken for poor economics. What is missed is that a financial tax, or "Fin-Tax," is levied through late fees, predatory loans and overdraft charges against those who can afford it the least. Sometimes, timely access to money is the only difference between a late fee and savings. Our integrated savings tool also helps users put aside a small amount every shift, helping them prepare for tomorrow.



The PayActiv Benefit

A holistic financial wellness benefit that costs businesses nothing and reduces employee financial stress. As a result, employees are happier, more productive, and likely to stay.



One Membership, Many Services



Users can access their money however is most convenient to them—deposit to their bank, load on a card, or pick as cash from a Walmart location.



PayActiv makes savings an active process as you are earning, for every shift worked, users can set asides a portion of their hours towards savings.



Paying bills directly from the PayActiv app allows users meet due dates and avoid late fees even when they are short on funds.



All users receive discounts on prescription drugs from pharmacy stores near them by simply showing the discount barcode in the PayActiv app.



PayActiv users can use Uber service with earned wages even if they don't have an Uber account or a card that can be charged for the ride.



PayActiv users can also utilize their earned wages to access Amazon even if they don't have traditional card and banking services.



**Over 1M users have
enrolled and used the
PayActiv Benefit**

source: PayActiv Data

“I have three kids and my husband and I both work. We have paid overdrafts at least four times and a late fee in rent six times, in the last year. PayActiv has helped us avoid these fees. It makes it possible for us to begin living our dream of saving up so we can become homeowners someday.”

- *PayActiv User*

Real People.
Real Stories.



"The last thing I want to do as a 28 year old adult with 3 children is call up someone and ask if I can borrow money."

Savannah | Recruitment Manager, IBEX



"PayActiv actually helped me, pay off the payday loan that I had. My whole demeanor when I come to work has changed. I like coming to work."

Johnnie | Kitchen Manager, Nazareth Homes



"PayActiv for me has been a godsend. I have room for dreams now."

Michelle | Administrator, Goodwill

\$240M saved in Fin-Tax with PayActiv

source: PayActiv Data

“What do people come to work for? It’s fine to say when you are a white collar worker that you come to work for autonomy, mastery, and purpose....But when you are working for \$10 to \$15 an hour, you come to work to make ends meet: to put food on the table, to survive.”

- *Safwan Shah, PayActiv Founder & CEO*

38%

Avoided Late Fees

The average cost of a late fee is \$30-\$60, which is equivalent to about 8% of the weekly salary for a person making \$17/hr. **That's equivalent to the cost of a week's worth of groceries.**

31%

Avoided Overdraft Fees

The average cost per overdraft fee is \$25-\$40, which is equivalent to about 6% of the weekly salary for a person making \$17/hr. **That's equivalent to the cost of 2 packs of diapers.**

22%

Avoided Payday Loans

The average fee for a \$375 payday loan is \$40-\$55, which is the equivalent to about 8% of the weekly salary for a person making \$17/hr. **That's equivalent to the cost of a week's worth of gas.**

Employees with access to their own money on their own schedule can save significantly. Avoiding fees, interest, penalties, and payday loans increases their take-home pay by an average of 10%.



**The PayActiv benefit
increases retention
by over 30%**

source: PayActiv Data

“Our attrition has been cut almost in half of our U.S. agents, about 85% of those are enrolled in the program. Of that 85%, almost 90% are active users of PayActiv.”

- *Robert Dechant, IBEX, CEO*

81%

of users said they were more likely to stay
in their job with their current employer
because of the PayActiv benefit.

In a recent survey of 5,000 users
spanning 209 companies





Happily serving these companies and hundreds more



**It's time for
businesses
to be heroic.**

Employee Financial Wellness Matters

It's more than a paycheck. It's peace of mind.

Nearly half of employees say that financial challenges cause them the most stress in their lives.

51% say it impacts their health or their personal relationships.

47% miss work occasionally or their productivity at work has been impacted.

50% say they are spending three or more hours per week dealing with personal financial issues.

Yet, only **44%** of employees believe their employer cares about their financial well-being.

[Source: PwC 2019 Employee Financial Wellness Survey]





It's About TIME.

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