A Borderless Market
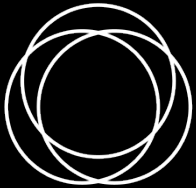
November 2017

Introduction

MOTIVE PARTNERS is a next-generation investment firm focused on the technology-enabled businesses that power the financial services sector ("Financial Technology").

Founded in 2015, Motive Partners is comprised of experienced and successful entrepreneurs, investors & operators from the Financial Technology sector.

We exist to build, buy and back the next generation of Financial Technology and talent to positively transform markets, models and society.

Investing, Operating & Innovating

INVESTING

- Motive Partners team led the two largest Financial Technology deals in 2015 and more than 30 M&A transactions overall
- Strong investment success at Morgan Stanley and BlackRock

OPERATING

- Motive Partners team had senior executives positions in five Fortune 500 companies
- Strong reputation in the industry

INNOVATING

- Motive Partners team founded or led the development and monetization of numerous companies
- Innovation leaders in payments, clearing and banking technology

MOTIVE PARTNERS

ANDY STEWART

SAM NAYDEN

MATT MCBRADY

STEPHEN DAFFRON

NEIL COCHRANE

ROB HEYVAERT

LUC PHILIPPI

YUTING ZENG

JON BRADFORD

MIKE HAYFORD

ALASTAIR LUKIES CBE

ALVI ABUAF

ALBERTO CORVO

PHIL GILIGAN

ETIENNE CASTIAUX

MARK HARTLEY

Motive Partners is an Investment Firm

Motive Partners

Motive Labs (INNOVATION TEAM)	Motive Capital (FUND INVESTMENTS)
• Syndicates of Financial Institutions to innovate and co-invest in the future of Financial Technology, including the co-creation of Strategic Ventures • Proven Financial Services & Technology value-creation capabilities • Deep specialist product and tech expertise • Unparalleled access to global networks • Practical due diligence capability	• $500MM+ target Fund I • 10 – 20 portfolio company investments • Growth equity up to $100MM • Transformation LBOs & carve-outs $100MM-$1BN+ with co-investors • Technology businesses underpinning the financial services sector, across subsectors: Capital Markets, Banking & Payments, and Wealth & Insurance

Jon Bradford

- Founding Partner at Motive

- Founder of F6S & Tech.eu

- Director at Bradfield Centre

- Former MD at Techstars London

- aka "Godfather of European Accelerators"

A perfect storm of change

CUSTOMER EMPOWERMENT

Individual and business customers are taking control of their digital and financial lives, shifting power away from financial institutions

REGULATORY DIRECTIVES

Regulatory initiatives promoting customer rights and financial stability will redefine the role of financial institutions and reshape the competitive landscape

TECHNOLOGICAL INNOVATION

New technology is transforming financial institutions – often through external providers – while empowering startups and technology giants to gain market share

ECONOMIC UNDERPERFORMANCE

Financial Institutions no longer earn their cost of capital and the financial sector is dramatically lagging in performance, necessitating fundamental change
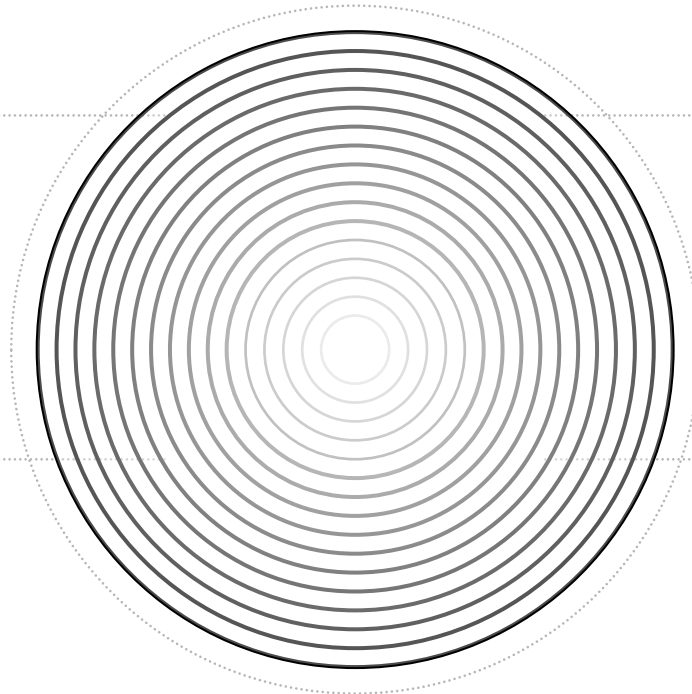
A Borderless Market

USA

Europe

Reality of the regulation

States developing single regulatory structure for fintech firms
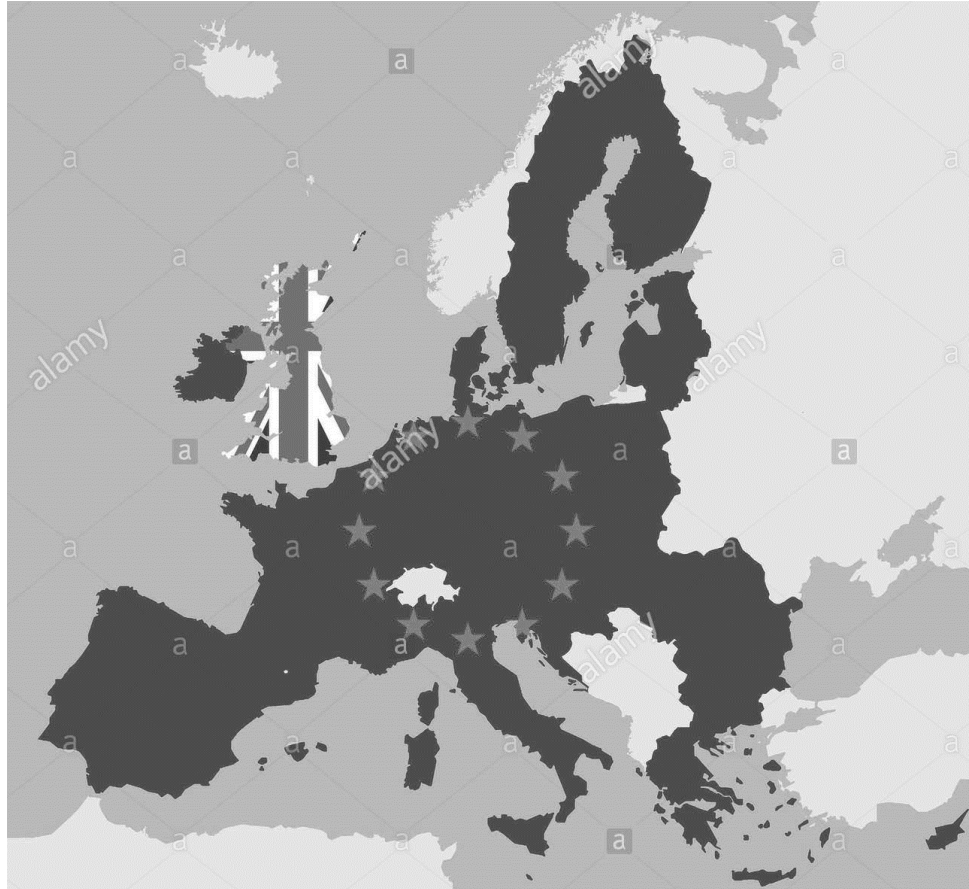
PSD2/Opening Bank

Regulators can be an Unfair Advantage

The threat of Brexit & regulatory arbitrage

UK

Q1-Q3 2017

$902m

Rest of EU

Q1-Q3 2017

$868m

A Single EU Financial Market is critical

Customer experience takes a quantum leap empowering the customer

CUSTOMER
EMPOWERMENT

REGULATORY
DIRECTIVES

TECHNOLOGICAL
INNOVATION

INSTITUTIONAL
TRANSFORMATION
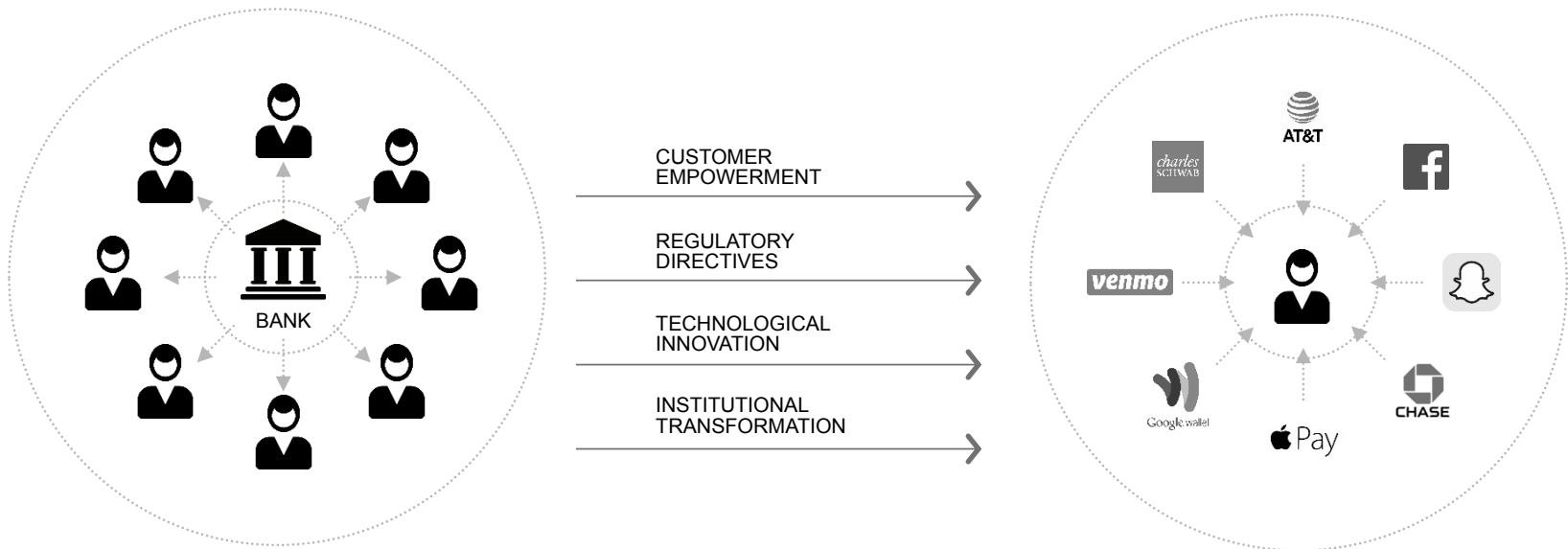
Payments become frictionless & disappear?

Payments are no longer a product. They are a feature.

What is left for Banks to do?

The ecosystem of the future is integrated

Shifting to a new landscape

CURRENT SITUATION: SILOS

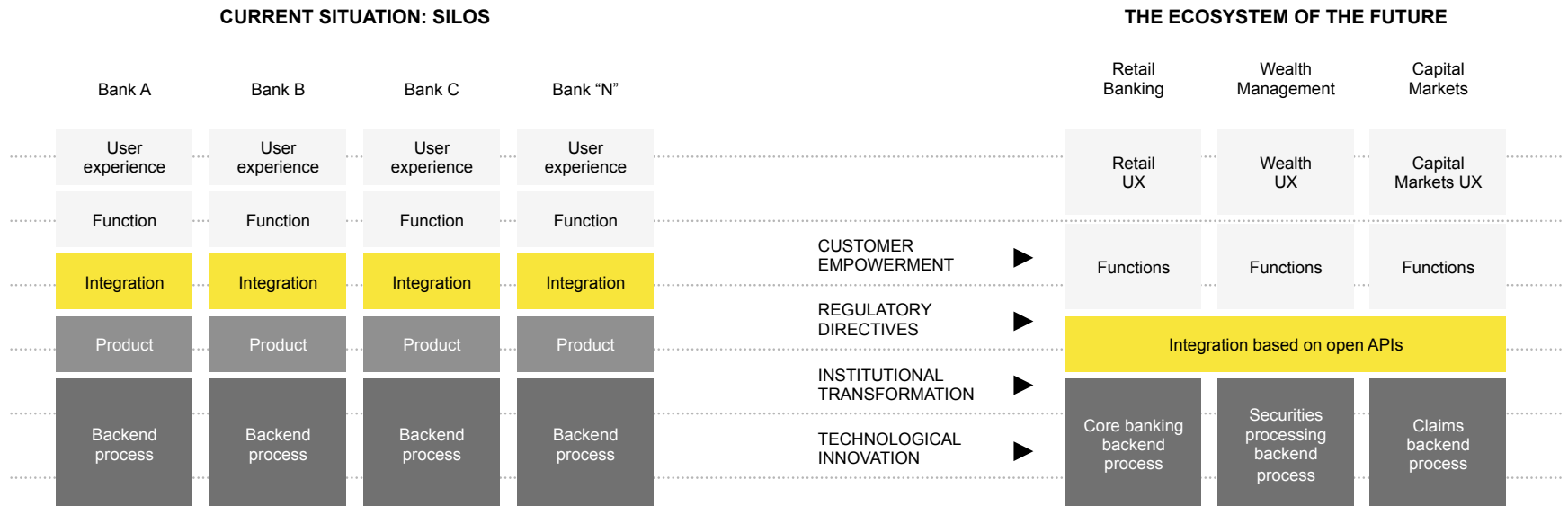| Bank A	Bank B	Bank C	Bank "N"
User experience	User experience	User experience	User experience
Function	Function	Function	Function
Integration	Integration	Integration	Integration
Product	Product	Product	Product
Backend process	Backend process	Backend process	Backend process

CUSTOMER EMPOWERMENT ▶

REGULATORY DIRECTIVES ▶

INSTITUTIONAL TRANSFORMATION ▶

TECHNOLOGICAL INNOVATION ▶

THE ECOSYSTEM OF THE FUTURE

Retail Banking	Wealth Management	Capital Markets
Retail UX	Wealth UX	Capital Markets UX
Functions	Functions	Functions
Integration based on open APIs		
Core banking backend process	Securities processing backend process	Claims backend process

User Experience & Targeted Niches Matter

The financial services value chain is reshaped

Financial Services 2016

[CATEGORY NAME]

[CATEGORY NAME]
[CATEGORY NAME]
[CATEGORY NAME]

$14 trillion annual revenue[1]

CUSTOMER EMPOWERMENT

REGULATORY DIRECTIVES

TECHNOLOGICAL INNOVATION

INSTITUTIONAL TRANSFORMATION

Financial Services 2026

[CATEGORY NAME]

[CATEGORY NAME]

[CATEGORY NAME]

[CATEGORY NAME]

$23 trillion annual revenue
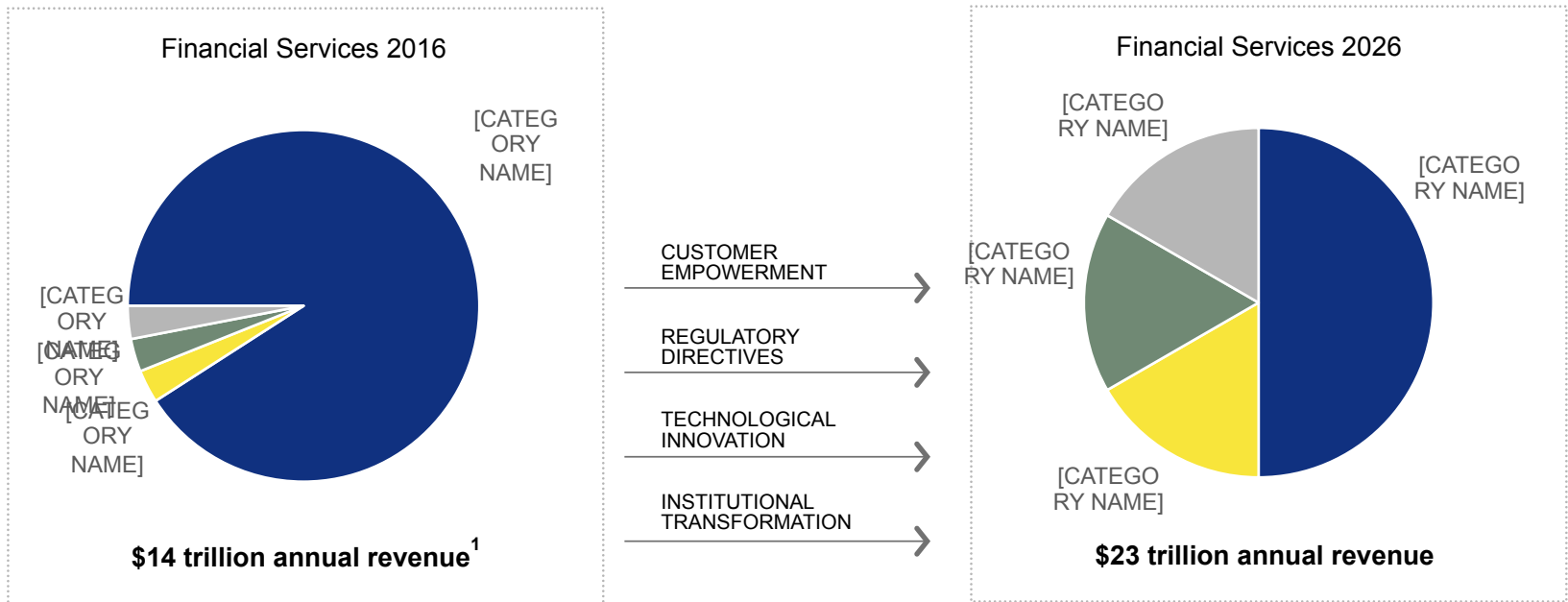
Revenue breakdown for illustrative purposes only

1. Source: McKinsey Global Institute

A Borderless Financial Market

- Customer empowerment

- Regulation as a competitive edge

- Critical market size

- Impact of Brexit