

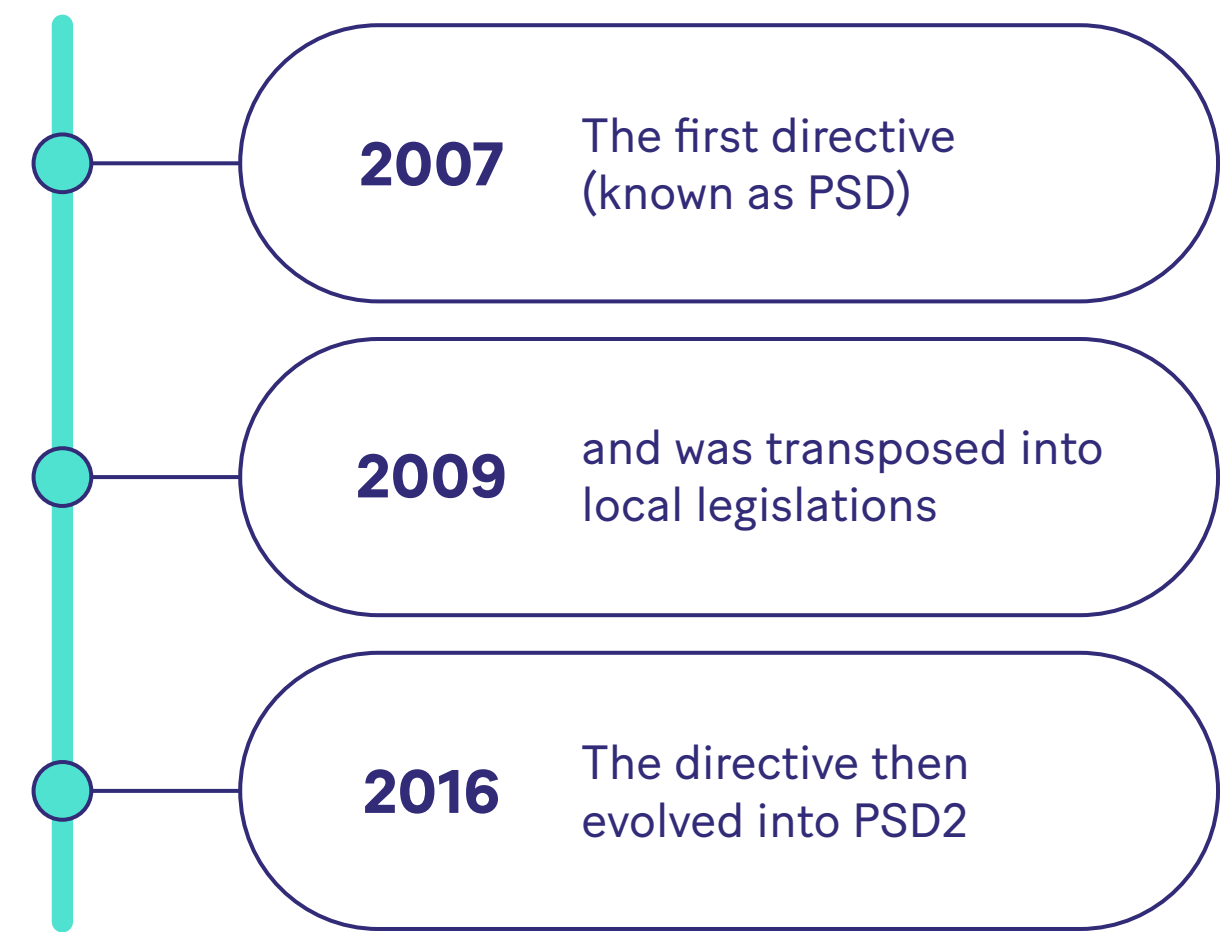
PSD2: An evolution and an explanation

Exploring PSD2 with Unifiedpost Group



PSD2: What is it?

PSD2 is the second instalment in the European Commission's payment related directives.



PSD2: Three key components



Access to Account (XS2A) allows third-party providers to securely access a user's payment accounts with consent. This allows users to see all their financial information in one place.



Strong Customer Authentication (SCA) ensures secure and authenticated transactions. It involves authenticating transactions through a combination of the user's password and a second option, such as a mobile device.



Open banking allows different financial institutions to share customer financial data with each other securely. This initiative allows users to use a variety of financial services across different providers.

PSD2: Who is involved?



Countries: PSD2 was transposed into local legislation in all 27 of the European Commission's Member States.

Account Servicing Payment Service Providers (ASPSPs): Banks or financial institutions providing payment accounts.



Third party providers (TPPs): Institutions that can initiate payments or access account information with the user's consent.



PSD2: What are the benefits for businesses?



Increased competition: TPPs have the chance to offer innovative financial services, providing businesses with more choice.



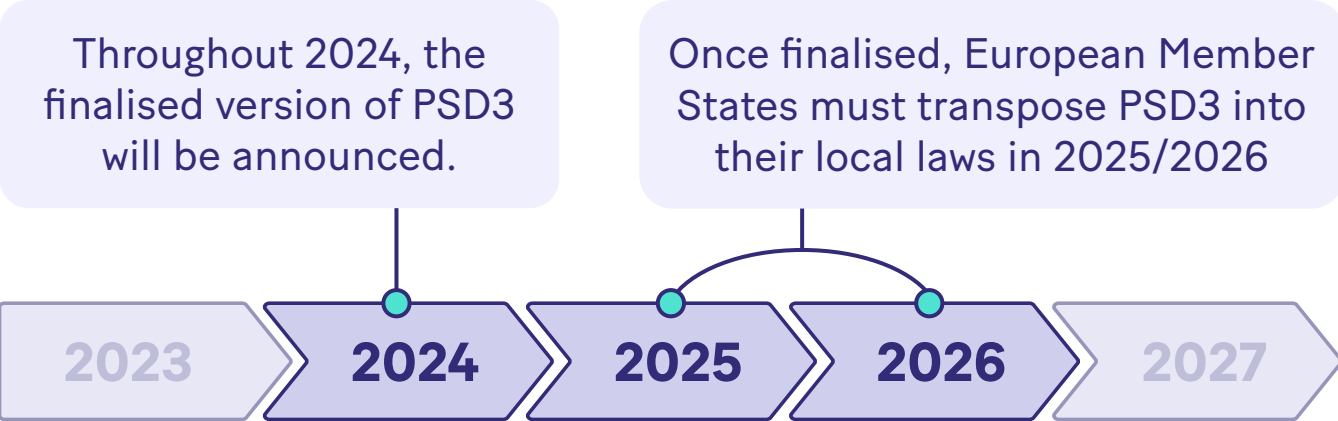
Enhanced security: With Strong Customer Authentication (SCA), businesses can rest assured that their payment accounts remain safe. Through SCA, banks reduce the risk of fraud and unauthorised financial activity in an online world.



Improved user experience: Rather than switching between multiple payment accounts, businesses have the chance to view all of their financial information from multiple accounts in one place.

PSD2: What is next?

The payment services directive will evolve yet again.



(dates to be confirmed).