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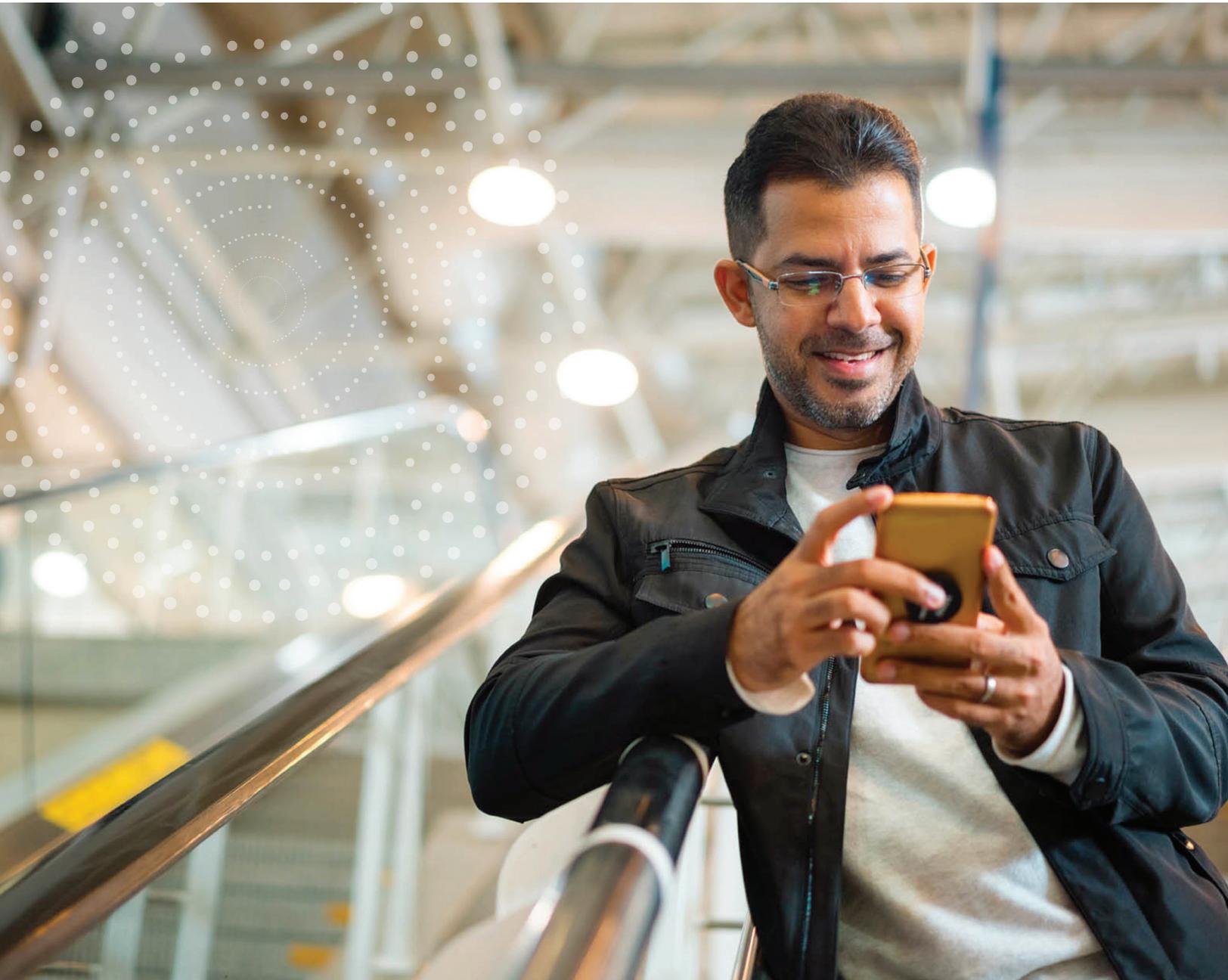
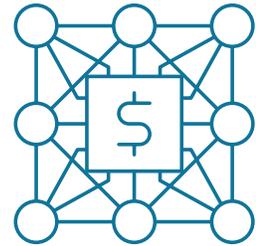
White Paper

Equifax supports Advisory Committee's recommendation to move forward with open banking in Canada

On August 4, 2021, the Federal Government published the final report that it received from the Advisory Committee on Open Banking, recommending that Canada move forward with an open banking framework. Equifax Canada is proud to see the committee embrace this opportunity and encourages the government to put the recommendations laid out within the report into action.

We are also encouraged by the advisory committee's recommendation to implement open banking within 18 months, a timeframe we think is realistic. This belief comes from our experience as an integral service provider and enabler in other open banking jurisdictions around the world, such as the U.K.

As a company that's committed to improving the financial health of Canadians—through credit education and monitoring, fraud prevention and commercial-focused services—there are several reasons why we support the Advisory Committee's work, a few of which are outlined here.



Creating better financial experiences

At its core, open banking is about facilitating secure data sharing between organizations, including traditional banks, financial technology companies and third-party providers (TPPs). It's about giving consumers and small businesses the power and rights to control their own data. And, more data leads to better insights and solutions, enabling consumers and small-and-medium sized businesses to get faster access to more financial products and services. Having increased freedom to exchange data also allows fintechs, banks and TPPs to more easily create new applications that reduce barriers to accessing financial services. Equifax is committed to working with Canadian lenders of all sizes to broaden access to financial services.

Lowering costs and improving operational efficiencies

Open banking enables direct and secure access to source data, removing the cost and complexity of manually sourcing, entering and verifying information. Companies will be able to boost innovation with the freedom and confidence of using verified data that gives them far more insights into what their customers like and dislike. These benefits will help companies make better strategic decisions and encourage them to partner with other organizations, which could result in lower costs and improved efficiencies across the ecosystem.

Enabling small business

With open banking, banks and fintechs will be better positioned to anticipate the needs of the small business community earlier in their growth journey and be more targeted in how they position and price financial products. In turn, small- and medium-size companies will benefit from enhanced insights that come from other open data sources, which will help them better manage cash flows, inventories and more. These capabilities could be integrated into various banking and fintech properties to both strengthen loyalty and improve ongoing risk and account management.

Improving the overall economy

Canada's move to open banking will also give the economy a boost. McKinsey and Company estimates that countries that embrace financial-related data sharing could see their GDP increase by between 1% and 5% by 2030, with economic benefits flowing to consumers and financial institutions.¹ This is a result of increased productivity and innovation. If Canadians can tap into more effective financial products for their individual needs, they'll have an increased ability to grow their wealth and contribute to the economy.



¹ McKinsey Global Institute
Financial data unbound: The value of open data for individuals and institutions
June 24, 2021 | Discussion Paper

Equifax's extensive open banking experience

We look forward to being a leader in the shift to open banking, leveraging the experience our affiliates have working in open banking environments. For instance, [AccountScore](#), an Equifax company, is using open banking, and the ability to access more data, to give financial services companies in the U.K., actionable insights on their customers, prospects and applications. In Australia, we're working with bank transaction data to promote responsible lending obligations.

Increased data sharing also enables us to enhance the services that we provide to the market. For example, access to more data will allow us to generate even more holistic credit scores; increase fraud-related monitoring; and enhance our suite of commercial solutions.

Yassir Jiwan, Equifax Canada's Director of Digital Innovation, welcomes the committee's report and says, "Open banking unlocks meaningful benefits for Canadians by addressing information and service gaps that hamper growth and prosperity in our market today. For example, currently a new graduate with a limited credit history usually requires a cosigner to access an affordable rate on a car loan. With open banking, they will be in a position to safely share their holistic financial position with a lender, complementing their credit history with bank transaction history to qualify for an affordable rate on their own merits. We're talking about a secure, structured framework with strict protocols in place, including proper liability frameworks to make sure Canadians are confidently able to share their information with trusted entities."

While Equifax is looking forward to open banking coming to Canada, this is just the first step. We encourage the government to expand the scope to other data sets and companies, such as utility and telecom information, so Canadians can get an even better view into their financial lives. By empowering Canadians and businesses to get more out of their money, the entire financial ecosystem, including our economy and the health of our financial system, will benefit.

Open banking unlocks meaningful benefits for Canadians by addressing information and service gaps that hamper growth and prosperity in our market today.

How Equifax can help you with your open banking strategy

Open banking could transform Canada's financial landscape. Do you have a strategy? Be among those with an insight advantage.

Our experience and expertise in consent management, combined with our stakeholder consultations with financial services and Fintechs, gives our clients the tools they need to understand the open banking ecosystem.

Contact your Equifax Account Representative to learn more



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About Equifax

At Equifax (NYSE: EFX), we believe knowledge drives progress. As a global data, analytics, and technology company, we play an essential role in the global economy by helping financial institutions, companies, employees, and government agencies make critical decisions with greater confidence. Our unique blend of differentiated data, analytics, and cloud technology drives insights to power decisions to move people forward.

Headquartered in Atlanta and supported by more than 11,000 employees worldwide, Equifax operates or has investments in 25 countries in North America, Central and South America, Europe, and the Asia Pacific region. Our Canadian offices are in Toronto and Montreal. For more information, visit [Equifax.ca](https://www.equifax.ca).

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