

Fintech in Wales Annual Report 2022/23



Prepared by

 FinTechWales



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WELCOME

Welcome to the latest Fintech in Wales Annual report. This report has been created by FinTech Wales to provide you with an insightful overview of the thriving fintech ecosystem in Wales.

Explore the key developments, trends, and opportunities within Welsh fintech and witness how the infusion of capital from diverse funding sources has contributed to the growth and stability of the ecosystem. The report also highlights areas of growth, such as "fintech for good", digital banking, and the modernisation of motor insurance, which demonstrates our agility and responsiveness to evolving needs.

Additionally, we are incredibly proud of the international expansion of Welsh fintech and the reputation we have earned as a hub for financial technology. This achievement speaks volumes about the skills, talent, and innovation present within our ecosystem, and we are extremely grateful to all the fintech companies, entrepreneurs, investors, academic partners, government entities, and industry stakeholders who have played pivotal roles in so many success stories.

We also want to commend the Welsh fintech ecosystem for its dedication to gender diversity and inclusivity. While there is still work to be done, the progress made in this area sets us apart from other areas in the UK, and showcases our drive to creating an inclusive and equal industry where we aim for everyone to have the opportunity to thrive.

As you delve into this report, we hope you gain a comprehensive understanding of the Welsh fintech ecosystem and the incredible potential it holds. FinTech Wales remains dedicated to accelerating the growth of our industry, nurturing talent, fostering collaboration, and securing the backing needed for continued success.



**LOUISE O'SHEA, CHAIR
FINTECH WALES**

SUMMARY

16,000



FINTECHS EMPLOY
OVER 16,000
PEOPLE IN WALES

300% ↑



INVESTMENT INTO
WELSH FINTECHS
HAS INCREASED BY
OVER 300% SINCE
2022

£53M



£53 MILLION WAS
RAISED IN
PUBLICLY
ANNOUNCED
ROUNDS BY
OCTOBER 2023

3 KEY INVESTMENT FUNDS HAVE RECENTLY BEEN ANNOUNCED:

£130M



BRITISH BUSINESS
BANKS £130 MILLION
INVESTMENT FUND
FOR WALES

£1BN



UK-WIDE £1
BILLION FINTECH
GROWTH FUND

£160M



£160M INVESTMENT
ZONE IN THE CARDIFF
CAPITAL REGION,
WITH FURTHER PLANS
FOR ANOTHER
INVESTMENT ZONE IN
WREXHAM AND
FLINTSHIRE

SUMMARY



SUMMARY

The fintech sector in Wales has experienced a significant increase in funding during the 2022/23 fiscal year. While venture capitalists remain cautious, the industry has benefitted from a growing variety of funding sources outside of traditional VC investments. This infusion of capital has propelled the growth of the Welsh fintech industry, adding to a very positive outlook.

The employment landscape within the Welsh fintech industry remains stable, although some companies have undergone restructuring efforts to ensure longer-term sustainability and growth.

Established organisations, however, particularly banks and professional services consultancies, have been instrumental in creating new job opportunities. Notably, investment in future talent has emerged as a highlight within the industry.

Several areas of growth within Welsh fintech have gained attention. The concept of "fintech for good" has gained momentum, addressing pressing issues surrounding cost of living. Additionally, the industry's response to the evolving nature of vehicle use has prompted the modernisation of motor insurance.

SUMMARY



Digital banking has also witnessed significant advancements. It is worth acknowledging that incumbent organisations are increasingly seeking to engage with the fintech sector, fostering collaboration and innovation.

The international expansion of Welsh fintech, both externally and internally, signifies the industry's rising reputation as a hub of excellence for financial technology. This expansion not only highlights the potential for growth and scaling but also demonstrates Wales' allure as a home for fintech.

Gender diversity within the Welsh fintech industry is a bright spot compared to its counterparts in England and Scotland. While there is progress in this area, there is still work to be done to achieve equality, representation and inclusivity for all.

The recommendations put forward for the continued success and development of Welsh fintech include increasing funding to support further growth, developing the necessary skills within the industry, fostering collaboration with adjacent industries and key infrastructure providers, renewing and strengthening support for scaling businesses, and ensuring continued government support for the Welsh fintech sector.

Overall, the fintech industry in Wales has experienced a significant boost in funding, stable employment, and growth in various sectors. The industry's potential for international expansion and its commitment to gender diversity position Welsh fintech as a promising and dynamic sector within the global fintech landscape.

THE STATE OF FINTECH IN WALES

OVERVIEW

The financial services industry in Wales continues to be a major contributor to the national economy, with the country seeing the fastest growth in financial and related professional services output in the UK between 2010 and 2020. Over the course of 10 years, that output increased by 46% and now accounts for 7% of national Gross Value Added – the measure of the value specific goods or services add to the economy (1).

Financial and related professional services now employ 64,000 people in Wales, up from 55,000 last year (2). Insurance continues to make up the lion's share of employment, with around 6,000 people employed in the sector in central Cardiff alone, but other segments are gaining ground with banking and accountancy also employing significant numbers of people (3).

The fintech industry encompasses all these areas and more, and employs around 16,000 people in total in Wales (4), with over 1,000 new jobs added in the 12 months to January 2023 by FinTech Wales' members alone, according to our estimates.

Its continued designation as a priority sector by the Cardiff Capital Region and a key sector by Trade & Invest Wales highlights its importance to the country and the belief in potential for future growth.



"Fintech is a sector that is constantly evolving and continues to rapidly transform the financial services sector in CCR and Wales. I am pleased to see FinTech Wales continuing to play such a valuable role in shaping a wide range of sub-sectors; providing vital advocacy support and fostering the network; and importantly, putting the Welsh fintech scene under the national and international spotlight."

"The team at FinTech Wales are uniquely positioned to ensure the sector thrives as a creative incubator – catalysing new knowledge and collaborations, and contributing to our understanding of innovation and entrepreneurship in the CCR."

**Kellie Beirne, Director
Cardiff Capital Region**

FUNDING



FUNDING

Publicly announced fintech funding in Wales amounted to around £13 million in 2022, down from £21 million in 2021 (5), reflecting the very subdued global funding environment across all sectors last year.

However, things are looking up, with 2023 seeing £53 million raised in publicly announced rounds by October (6). We must acknowledge that three large deals make up the majority of that funding; Coincover, the crypto insurance specialist, raised £25 million in February (7),

MyPinPad, a payments software provider, raised £10 million (8) in June and Pockit, which provides cards and accounts to those underserved by banks, raised £8 million in August (9).

That said, Welsh companies raising rounds of this size in what continues to be a difficult funding landscape speaks to their strength and maturity as businesses, and provides encouragement to other fintechs looking to scale.

FUNDING



coincover



Coincover, which raised the largest round in Wales so far in 2023 bringing its total funding to around £33 million, will use the new capital to recruit talent, update products and add partnerships to protect against crypto hacks or human error. “We’ve reached an inflection point in the crypto industry; as a result, we’ve seen demand for our product increase dramatically” said CEO and Co-founder David Janczewski.

Demand for Coincover’s services will only continue to rise, suggesting further growth, both in terms of people and revenue is on the cards.

“The opportunity is already vast today — crypto is a \$1 trillion asset class, yet the digital asset protection industry remains minuscule, and billions were stolen in the last year alone,” Charles Moldow, general partner at Foundation Capital.

“Beyond the dollar amount is the enduring stigma of having suffered a breach — digital asset providers must avoid this at all costs, so the willingness to pay is very high.”

And that’s good news for both Coincover, and the Welsh fintech industry as a whole.

FUNDING

FURTHER FUNDING

Another round of note is Hodge Bank and Legal and General Capital's follow-on investment in Sero. The company combines industry-leading construction and digital solutions to support individuals and businesses in achieving carbon zero homes and building projects, whilst saving money at the same time. The two incumbents invested £5.5 million in the start-up in 2022, which they followed with a further £6 million in April of this year (10). That shows their belief in the company and is an example of how corporate investment is alive and well in Wales – providing a welcome alternative from VC funding which remains thin on the ground across all geographies and industries.

Outside of publicly announced rounds, several other fintechs have received funding from the Development Bank of Wales, although full amounts haven't been made public. As pointed out by Beauhurst, the Development Bank of Wales is the largest equity investor in Welsh high-growth businesses, having completed 350 deals since 2013 (11). Investment from the Bank is particularly appealing to companies with angel investors participating in their funding rounds, as it will match the amount raised from angel syndicates through its Angel Co-Investment fund.

One fintech to receive funding is Agam (12), which uses Artificial Intelligence (AI) to enable those with poor or limited credit scores to access loans.

Meanwhile Finalrentals, a digital car rentals business, also secured capital to match the six-figure round it raised from angels and a VC firm (13).

"The flourishing fintech sector is an integral and valuable part of our successful digital economy here in Wales. The supportive ecosystem and collaborative approach means that fintech firms have access to the help that they need to start-up and scale-up, including an established network of advice, talent and funding. As investors we're always thinking and planning for the future and we'll continue to back innovative businesses to help accelerate further growth and success."

**Duncan Gray, Technology
Venture Investments Director,
Development Bank of Wales**



FUNDING

ANGEL INVESTORS

Angel investors continue to be highly active in Wales, although it's hard to gauge the exact volume of their investment due to the private nature of many deals. That said, what we can see is continued government support for the role of Angels in the Welsh start-up ecosystem and their consequent growing contribution to fintech funding.

For example, the British Business Bank partnered with the Development Bank of Wales to provide financial support for Women Angels of Wales (WAW) in June 2023 (14). WAW was formed in January 2023 as a business angel investment syndicate of over 30 women, aiming to get other women involved in investing by offering a practical way of doing so. It made its first investment in June 2023, in Talent Intuition, a woman run business based in Newport (15).



L - R: Susan Nightingale, UK Network Director for the Devolved Nations, Jess Phillips-Harris, Senior Manager for Wales, British Business Bank, Jill Jones, Lead Investor for Women Angels of Wales, Rachel Ashley, Women Angels of Wales, Carol Hall, Investment Manager at Development Bank of Wales and Steve Holt, Director, Angels.

FUNDING

WOMEN ANGELS OF WALES

Set-up by the Development Bank of Wales in 2022, Women Angels of Wales (WAW) is a business angel investment syndicate for women led by lead investor Jill Jones. Jointly supported by the Development Bank and the British Business Bank, the syndicate of over 30 women can access co-investment of up to £250,000 from the £8 million Wales Angel Co-investment Fund.

WAW was conceived to help address significant imbalances in the angel investment ecosystem, where women remain a substantial minority, despite data from the UK Business Angels Association (UKBAA) that shows that female angel investors have helped drive more than £2bn of investment in companies across the UK in the past decade.

Data demonstrates that women are much more likely to invest in female-founded companies so this shortage of women angels has a direct impact on broader business and economic inequalities.

Encouraging more women into the world of Angel investing not only increases the volume of funds available for startups, but also introduces a greater chance of businesses founded by women in Wales attracting funding.

In turn, that should result in a more diverse fintech ecosystem, to the benefit of all.



“The support of both the Development Bank and British Business Bank means that we have the firepower necessary to accelerate our work in Wales; encouraging more women to become angel investors and creating new sources of capital for innovative businesses.”

**Jill Jones, Lead Investor,
Women Angels of Wales**

FUNDING

INTERNATIONAL INVESTORS

Welsh companies are also increasingly attracting interest from international investors – Coincover’s round was led by Silicon Valley based Foundation Capital, while MyPinPad’s lead investor was South Africa’s Crossfin Holdings, for example (16). Furthermore, those in the VC and private equity spaces, which have historically been very London-centric in the UK, are also starting to take notice of Welsh fintechs.

Additionally, crowdfunding platforms play a part in the Welsh fintech funding landscape, with two of the largest, Seedrs and Crowdcube, helping close more deals across the high-growth ecosystem than both private equity and VC firms (17).

Such platforms open up another new source of investment for fintechs as they enable non-professional investors to participate in funding rounds.

As is clear, the funding environment for fintech in Wales is evolving, diversifying and maturing with significant support from key organisations. That’s very good news for the industry as more companies start to move from startup to scaling. That said, it should not be forgotten that investors of all types are focused more than ever on profitability rather than growth and are being much more cautious about handing out funds. That means scaleups which can prove themselves profitable, or close to it, with solid sustainability plans will find it easiest to attract capital.

“As fintech investors it is our job to identify and support the very best emerging European fintechs and as we can see from this report, the fintech talent and infrastructure being developed in Wales makes it a region to watch. I had the pleasure of spending some time with the fintech ecosystem in Cardiff recently and saw first-hand the strong foundations that FinTech Wales and the wider community are building, spurred on by the clear passion and energy of existing Welsh fintech success stories. We look forward to continuing our relationship with FinTech Wales and supporting the region in the coming years.”

Tim Levene, CEO
Augmentum Fintech



EMPLOYMENT



EMPLOYMENT

The ongoing difficulty in achieving a consensus over the definition of a “fintech” makes it almost impossible to precisely quantify how many people the industry employs – although a 2021/22 estimate put it at around 16,000, including associated sectors (18).

What we do know is that fintechs have had an unsteady 2022-2023 as wider economic circumstances made investors more cautious and consequently businesses’ focus shifted from growth to profitability. In turn, that has led to redundancies in some circumstances and a generally reduced hiring rate.

That said, this is true of fintechs globally and there are reasons to be optimistic that fintech employment rates in Wales will weather the storm.



EMPLOYMENT

RECRUITMENT OVERVIEW

“Over the past 12 months a number of factors have meant job numbers in the market across the UK have decreased. One of the main factors of this has been due to rising costs of living, war in Ukraine, interest rate hikes and an unwillingness to invest in new start ups and initiatives due to budget constraints. Naturally due to this uncertainty in the market, people are less likely to go look for new roles, meaning less of a need for companies to look for new talent. Whilst in the final quarter of this year we have seen a small amount of growth, we foresee that the rate of growth for businesses will not be as fast paced as previous years.”

“Wales is home to a growing technology sector, with a focus on fintech, cyber-security, and software development. The job opportunities in technology roles have generally been on an upward trend, with several companies setting up offices in and around the South Wales area, in particular, over the past few years.”

“Salaries for technology roles in Wales are generally competitive, up by an average of 12% in comparison to last year, although still trailing behind the likes of Bristol and London. It's reasonable to expect that technology roles will continue to increase as the city attracts more tech companies and startups looking to move out of London.”

**Michael Jones, Regional Manager
Sanderson Recruitment**



EMPLOYMENT

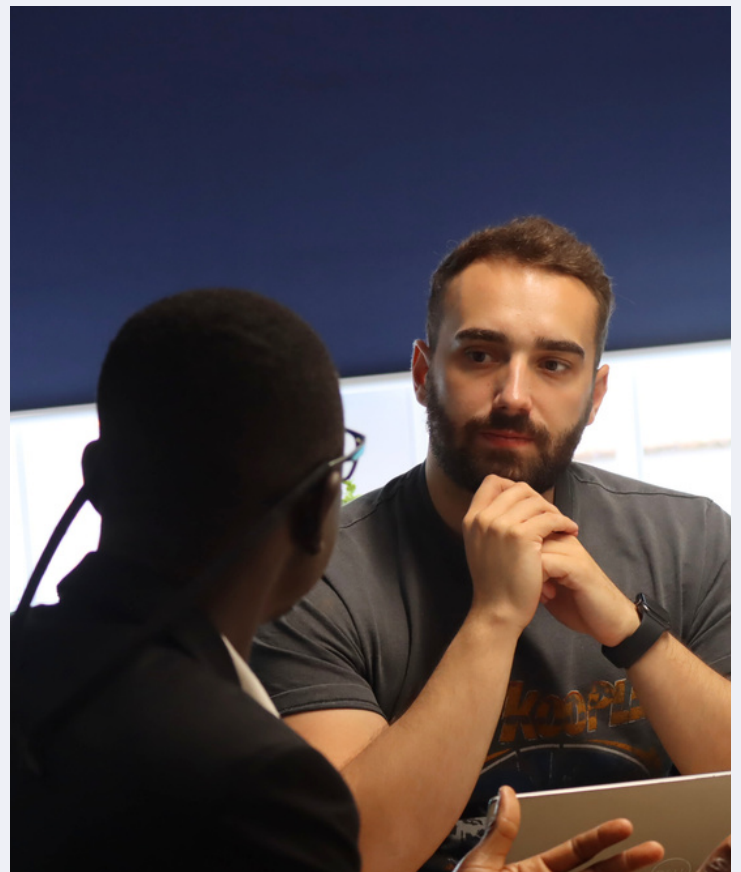


EMPLOYMENT CONTINUED

Whilst employment may have slowed, there has still been a large variety of recruitment activity amongst fintechs in Wales. FinTech Wales promotes over 30 new jobs within fintech in Wales every month (19), for example. It also hosts regular “speed interview” events and recruitment days throughout the year with continuous engagement and job offerings from organisations such as Admiral, Principality, Monmouthshire Building Society, ActiveQuote, Wealthify, Sonovate, Bikmo, Dynamo Cover, and de Novo Solutions to name just a few.

It's also extremely positive to see FinTech Wales Foundry alumni such as Wagonex and Sero's employee headcounts thrive as Sero now employs approximately 80 people, a 158% increase since 2021, and Wagonex has

seen a 50% increase in the number of employees in Wales in the last year with a further 30% increase of staff expected for 2024.



EMPLOYMENT



Additionally, organisations such as Amazon continue to expand their operations in Wales. After acquiring Swansea-based Veeqo, a provider of e-commerce and shipping solutions, the retail giant went on to grow that organisation through the creation of 50 new jobs (20). This is just one example of how Wales has benefited from Foreign Direct Investment (FDI), with 3,062 new jobs created in the country in total over the last 12 months as a result of FDI, an increase of 66% on the previous year.

Continuing the acquisition theme, Tandem Bank, which is headquartered in England but has operations in Wales, bought Cardiff-Based Allium Money, a specialist lender focused on the green energy sector. Following the purchase, the bank will create 100 new jobs in Cardiff (requiring a move to a bigger office), as part of its plans to expand its green-lending business and launch a motor finance division (21).

Other digital-only banks also continue to grow their operations in Wales, — with Starling Bank announcing at the end of 2022 it would create 150 new jobs in Cardiff, taking the total number of people it employs there to over 1,200. The bank stated that these would largely be operational roles in areas such as customer service, customer acquisition and financial crime, and technology roles such as engineers and data scientists — an encouragingly large range (22). Meanwhile homegrown North Wales based Chetwood Bank added 93 team members in the year to August 2023, evidence of its ongoing success (23).



EMPLOYMENT

INCREASED RECRUITMENT PLANS

When it comes to fintech-adjacent segments there has also been expansion, with PwC announcing their plans to create 1,000 new high-skilled jobs with a particular digital and technology-focus in Wales by 2028 (24).

The big picture within employment is that the number of people working in the fintech and adjacent segments is growing, and while we may see a slowdown in that growth over the next 12-24 months, we expect the industry to employ an ever greater proportion of those working in Wales in future.

“We’re delighted to announce that PwC will be creating over 1000 new jobs in Wales over the next three to five years.

“Cardiff is a diverse and business-friendly city and that, coupled with the ‘croeso’ that we’ve received from academia, fellow businesses, Welsh Government and Cardiff Capital Region, has enabled us to invest with confidence in growing our business here.

“The opportunities that we’ll be creating are digital-first and technology focused jobs for the future, and our people will be serving clients all over the world. We’ll be hiring and recruiting people from right across the region, from a whole range of diverse backgrounds, and I couldn’t be more proud and excited for what the future holds in store for PwC in Wales.”

John-Paul Barker
Regional Market Leader
West and Wales, PwC



FUTURE TALENT



CREATING SKILLS & TALENT

Businesses operating in Wales realise that while a significant pool of talent already exists, the growth of the fintech industry spurs the imperative to increase that pool through their own initiatives. As a result, training programmes, apprenticeships and degree apprenticeships have been created.

FinTech Wales, for example, works with training providers and colleges such as iungo Solutions, ALS, Cardiff and Vale College and Coleg y Cymoedd to deliver Coding and Data academies.

These academies attract a diverse range of talent that might otherwise not have access to training in skills vital to the fintech industry. They are typically followed by opportunities to interview with fintechs through the mechanism of speed interviewing days with FinTech Wales' members and others within the Welsh fintech ecosystem. The success of the initial academies is evidenced by the fact that over 81% of learners are either now employed in industry, or have gone onto further training (25).

FUTURE TALENT



"Skills Bootcamps offer a new mechanism to upskill work-ready talent for technical roles in priority sectors like fintech, in a rapid timeframe of just 10 weeks. By working closely with FinTech Wales and their members, we can tailor the content of the Skills Bootcamps to meet the current and emerging needs of employers and the wider sector.

"Imagine hiring an entry-level Software Developer or Data Analyst that has already worked within your technology stack, understands your business, and has delivered projects in your area of expertise.

"Skills Bootcamps accelerate and assure the quality of employer-employee fit and reduce the learning curve from recruitment to the workplace."

Jessica Leigh Jones MBE
Chief Executive Officer
iungo Solutions

"I was thoroughly impressed with the quality of the talent that was created from the Data Academy and was delighted that Finalrentals could successfully hire three people as Data & Implementation Executives who have made an excellent contribution to our company.

"Finalrentals relocated to Wales from Dubai after benefiting from FinTech Wales' Accelerator Programme, the Foundry, which was a real catalyst for our growth. I am forever grateful to FinTech Wales for welcoming me into Wales' amazing fintech ecosystem, and now they still continue to be of huge support to us by creating talent that we need to grow the company and create value for our customers."

Ammar Akhtar, Founder & CEO
Finalrentals



FUTURE TALENT



Another example of organisations looking to create skills for the future is de Novo Solutions, a Newport based IT services company, which has partnered with the University of South Wales to launch an apprentice scheme.

DE NOVO DEGREE APPRENTICESHIP PROGRAMME

During the programme, which is fully funded by the Welsh Government, apprentices split their time between working at de Novo and studying at the university. This benefits de Novo when it comes to finding and attracting talent with the skills it requires, while also making it easier for local people to access training in critical digital skills.

Mark Sweeney, Founder and CEO at de Novo Solutions said: "Not only does it help support our growth objectives by providing access to driven talent looking to establish a career in tech, but - as all candidates are funded by the Welsh Government - it enables us to save costs on recruitment, while investing in other areas of the business - such as on the development of our own tech solutions."
(26)

Apprenticeships can play a vital part in job creation and recruiting appropriate talent, but have historically been overlooked by the digital industries. That's something that's starting to change as the de Novo example shows.

As De Novo's degree apprenticeship scheme illustrates, Wales' universities are aware of the importance of fintech as an industry likely to employ significant numbers of graduates and as of Q4 '22, 22,000 students were said to be engaged in fintech-related studies (27).



FUTURE TALENT

ACADEMIC COLLABORATION

Universities in Wales are globally renowned for their exceptional academic programmes, cutting-edge research, and unwavering commitment to excellence in education. They also exhibit a strong dedication to fostering fintech innovations and nurturing the future of the Welsh fintech ecosystem, as demonstrated in the following updates from Cardiff University, Bangor University and University of South Wales.

The commitment to the development of future employees from organisations of all size and shape is greatly encouraging when looking at how the Welsh fintech industry will be able to scale over coming years. Additionally, Wales' universities sponsorship of fintech-specific research is a welcome resource when it comes to understanding and developing the full potential of innovative financial products and services.



"Fintech research and teaching has seen a productive year at Cardiff University. On the teaching front, fintech topics continue to be taught at the postgraduate level across several of our modules to hundreds of students. For example, at Cardiff Business School, we pride ourselves on encouraging our Finance students to think more broadly, using their education in the discipline to explore new ways of delivering transparent financial solutions embracing new innovations, and ultimately, delivering public value."

Prof. Arman Eshraghi, Chair of Finance and Investment, Cardiff Business School, Cardiff University

FUTURE TALENT



Bangor Business School has introduced a fintech specific undergraduate degree called “Banking with Financial Technology” and fintech modules are included in non-fintech specific programmes such BSc and MSc Business Data Analytics.

“In addition to our fintech specific undergraduate Banking with Financial Technology degree, we also have a thriving research community and have just established a new research group “Financial Innovation and Data Analytics” to delve into many of the key issues in today’s fintech world. With our academic researchers publishing articles on issues ranging from NFTs and cryptocurrencies to Artificial Intelligence and retail trading. Our vibrant research community has been hosting experts presenting on important fintech topics, such as the impact of cryptocurrencies on investing, and we are actively seeking to recruit new PhD students who are interested in fintech topics.”

Dr Laurence Jones, Head of the Financial Innovation and Data Analytics Research Group, Bangor Business School

“The University of South Wales (USW) is committed to developing the next generation of fintech talent in Wales through the provision of targeted up-skilling and reskilling, and by continuing to support the development and growth of our thriving graduate talent ecosystem in Wales. As a Graduate Partner in the Venture Graduates programme, USW works collaboratively with Venture Graduates industry partners such as FinTech Wales to connect this fast-growing sector with the very best graduate talent available from the University of South Wales.

“As a University that prides itself on delivering practical, timely solutions to real-world industry challenges, USW has vast experience in delivering provision aligned with the needs of financial services and the broader fintech sector.”

Julie Bellamy, Director of Engagement and Enterprise University of South Wales



FUTURE TALENT

The logo for Capalona, featuring the word "capalona" in a bold, lowercase, purple sans-serif font. The letter "o" is stylized with a bright green dot in the center. A registered trademark symbol (®) is located to the upper right of the "a".

Universities play a vital role in attracting organisations to start or scale their business, and likewise the beauty of Wales and quality of education are key factors to attract students from all over the world.

Jamie Moorcroft, Director of Capalona, an online fintech platform that empowers small and medium-sized enterprises (SMEs) to easily find the right business funding, explains why Wales is a must for both students and businesses.

"We have a strong, personal and professional supportive network in North Wales, which can be invaluable for business growth and forming partnerships. It's also essential for us to be able to access the local talent resources pool, such as Wrexham University's technology and finance sectors."

Wales also offers an incredible work-life balance. North Wales in particular is called the 'Adventure Capital of Europe', and living here, you can see why! The mountains of Snowdonia and the coast are just a short drive from any location across the Northern counties.

"Wales provides an abundant of opportunities for both businesses and individuals so we'd encourage anyone looking to study or develop a business here."



EMERGING FINTECH SECTORS

EMERGING FINTECH ACTIVITY

Wales' fintech industry encompasses digital banking, wealth management, crypto, cyber-security, payments, B2B services, financial planning, and of course, insurtech, along with companies that sit across multiple segments and in adjacent industries.

Areas that are particularly flourishing in 2023 include "Fintech for Good", insurtech, and in particular the reinvention of motor insurance, and digital banking. Additionally, adjacent segments are contributing to fintech's growth, as is increasing participation in the fintech industry by incumbents through partnerships.

FINTECH FOR GOOD

The term "Fintech for Good" to categorise some of Wales' most interesting fintechs in 2023 is used rather than "Environmental, Social and Governance" because it's broader and encompasses a wider range of companies.

This segment includes companies such as Cardiff-based Zero, an environmentally conscious B-corp digital bank. It was co-founded by serial entrepreneur Richard Theo, co-founder of Wealthify, ActiveQuote and FinTech Wales, and aims to change the way banking works in order to help get the planet to Net Zero.

"Climate change is an existential threat to humanity, and we all have a part to play in arresting climate change so our society, communities and families can continue to thrive. For our part, we are building a new bank called Zero whose mission is to redefine banking for the generation that needs to put the planet first and empower our community's personal journey to net zero. We decided to base ourselves in Cardiff because it gives us access to an abundance of talent, easy access to the UK's financial capital London and a lifestyle for our people that's more aligned to values of the twenties."

Richard Theo, Founder, Zero



EMERGING FINTECH SECTORS



FINTECH FOR GOOD CONTINUED

Fintechs aiming to help people improve their financial circumstances, an area of opportunity highlighted last year, are also starting to make their mark. Credit Canary, that alerts lenders to an increased likelihood of borrower default allowing them to offer support, and Serene, which offers providers a way of identifying and supporting vulnerable customers, both graduated from FinTech Wales' Foundry in 2022, for example. They chose to join the Foundry, despite not being based in Wales, highlighting the appeal of both the program and the wider fintech ecosystem in the country for startup and scaling companies.

Also worth noting when discussing the thriving fintech for good organisations is Smart Money Cymru, a community bank that provides financial services to those typically underserved by

incumbent financial institutions and which has dedicated time and resources recently to improving its digital offerings.

As is IE Hub which this year has formed a partnership with GamCare, a provider of support for those being harmed by gambling (28). The two will work together to create a “holistic solution for those in need”.

Cardiff-based Prove It, meanwhile, is working to create a global financial report for those considered to have “thin-file” credit scores. This enables financial services companies to more easily understand customers' financial positions and consequently extend them appropriate credit. Founded last year, the company gained its first customer at the end of 2022 and by June 2023 it was working with organisations across the UK and Romania – showing the speed at which it is scaling.

EMERGING FINTECH SECTORS

MORE FINTECH FOR GOOD

Another Welsh organisation that's part of the mission to modernise credit scoring in order to create fairer access to funds is AperiData, which operates in North Wales. The company recently partnered with PayPoint, a company that enables those underserved by financial organisations to pay bills. The pair have committed to digitising affordability calculations using open banking data in order to improve consumer outcomes (29).

One more company in this space is Carmarthen-headquartered EthicsGrade, which is trying to smooth the way for organisations in

ESG impact reporting, as well as helping investors better understand the principles of companies their funds are going to.

It's been featured widely in national press and in June 2023 made a splash for introducing generative AI to its platform to help users answer more ESG-related questions (30).

This is an area with huge potential, and one that will continue growing amid individuals' and businesses' ongoing struggles with the cost of living and the simultaneous rising pressure on financial service companies to be held accountable for their actions.



EMERGING FINTECH SECTORS

THE REINVENTION OF MOTOR INSURANCE

Building on Wales' reputation as a leader in motor insurance, companies looking to bring the industry up to date with modern vehicle use are another group that see Wales as a place where they can grow and succeed. Taking inspiration from the success of the likes of Wagonex and Voltric, a new crop of businesses operating in this space are coming to the fore.

Driverly is based in Cardiff and offers a new type of vehicle insurance that is flexible, subscription-based and gives rewards that can be exchanged for vouchers or discounts for good driving. It received authorisation from UK regulator, the Financial Conduct Authority, in February 2023, making it one of, if not the first, insurance provider using dynamic pricing to do so (31).

Another company in this space is Zixty, which puts a new spin on on-demand car insurance by enabling customers to offset their carbon use and advising them on how to drive more sustainably.

The emergence of these companies bolsters Wales' position as a UK leader when it comes to innovation in vehicle-use fintech, which is vital to ensure products and services meet the needs of modern drivers.



DIGITAL BANKING

As noted in the above employment section, companies in the digital banking space that are headquartered in England but have significant operations in Wales, such as Starling and Tandem, continue to expand in the country.

Homegrown banks are also growing, as exemplified by Wrexham-based Chetwood. The bank saw its team grow by 93 people in the 12 months to August, its turnover increase by 255% in the same period and its savings platform SmartSave hit £1 billion in deposits in February 2023 (32). It also moved into the mortgage space in May through the acquisition of English company LendInvest's buy-to-let portfolio (33). For these reasons it was once again named in the Wales Fast Growth 50 list (34).

These developments contribute to the scale of the digital banking sector in Wales, creating a flywheel effect for further expansion and growth.

PARTNERSHIPS

PARTNERSHIPS & COLLABORATIONS

As well as a flourishing startup ecosystem, we are also seeing increased engagement with Welsh fintech from significant international and national organisations such as

Lloyds (35), Barclays (36), Mastercard (37), NatWest (38), and others.

The Royal Mint, for example, has recently partnered with FinTech Wales in order to connect with the national fintech ecosystem in order to support their ongoing digitisation plans.

THE ROYAL MINT PARTNERS WITH FINTECH WALES

With a history spanning more than 1,100 years, The Royal Mint is Britain's oldest company and the original maker of UK coins. Today, The Royal Mint is the World's leading export Mint, a premium British maker at the forefront of manufacturing excellence and the home of precious metals.

Through the partnership with FinTech Wales and their members, The Royal Mint can connect with various Welsh fintech organisations, including entrepreneurs, small, medium and large enterprises, tech suppliers and universities to name a few, while also meeting talent who are seeking new opportunities.

"We are thrilled to become a part of FinTech Wales and its vibrant community, which provides invaluable support and resources to aid our ongoing digitisation plans at The Royal Mint."

"We serve customers around the world and are committed to providing them with a premium service and seamless online experience."

"We might be Britain's oldest company but we are firmly focused on the future. We look forward to collaborating with FinTech Wales and aligning closely with the community it has cultivated, while leveraging our strong relationships with local educational establishments, partners, and the technology sector to further foster growth and contribute our expertise."

**Rich Hobbs, Group IT Director
The Royal Mint**



PARTNERSHIPS

FINTECH PARTNERSHIPS

There's also evidence that the earliest crop of Welsh fintechs are keen to partner with others by working with their newer peers. Go.Compare, one of the first insurance comparison sites in the UK, is working with long-term partner, Cwmbran-based Comparison Creator, for example.

Together they have launched a temporary car insurance comparison service, designed to capitalise on the increasing demand for short-term auto cover (39).

"Short-term car insurance is a product that has grown significantly in recent years. We've seen more and more people looking for this type of cover, so we are thrilled to be able to offer a comparison of this product for the first time.



"It's great that we have been able to launch this product with our long-term partner, Comparison Creator."

Ceri McMillan, Managing Director, Go.Compare



"The fact that Go.Compare has come to us to launch its short term car insurance service is a testament to the hard working team and expertise we have here at Comparison Creator. It is great to see another one of our white label services launched with Go.Compare."

"We provide specialist insurance comparison services for over 12 products and in 2023 have also launched new boilers and a Home Emergency for our north Wales comparison company Moneysupermarket."

Steve Jones, CEO, Comparison Creator

PARTNERSHIPS



WELSH PARTNERSHIPS

It's also worth noting that it's not just financial services companies increasingly recognising the importance of the fintech industry, as exemplified by the partnership between the Football Association of Wales (FAW) and FinTech Wales. The two organisations will work together to promote Wales as a country on the world stage, while the FAW hopes to leverage Welsh fintechs as part of its "drive to become the most innovative association in the world" and FinTech Wales will work with the FAW to promote fintech as a career (40).



"We are beyond thrilled to partner with FinTech Wales – a joint venture that shares our passion for celebrating Cymru's drive, ingenuity, and cutting-edge technological capabilities across sectors which include football and fintech."

"We are keen to work with Welsh suppliers to ensure we can grow and develop as efficiently as possible, whilst also being able to give such brilliant Welsh organisations the exposure they deserve all around the world. Our partnership with FinTech Wales has already opened our eyes to the amazing innovations and entrepreneurship we can work with to create a stronger Wales, and I'm excited at the prospect that the FAW will be powered by fintech solutions created in Wales."

Noel Mooney, CEO
Football Association of Wales

INTERNATIONAL ACTIVITY

INTERNATIONAL RELOCATION

Wales continues to attract companies founded elsewhere that are looking to scale. Previously mentioned examples include Agam, founded in India, Yacooba, founded in Portugal, and

Finalrentals, which initially started in Dubai but relocated to Wales to join the FinTech Wales Foundry. Meanwhile IE Hub has now fully relocated to Cardiff (41).



Bangladesh-founded Agam's relocation to Wales is partly thanks to its participation in the FinTech Wales Foundry Programme, which founder Shabnam Wazed credits with the company's ability to close its recent oversubscribed round. Additionally, the Development Bank of Wales participated in that round, further adding impetus for the company to set up a base in the country.

The proximity of higher-education institutions also appealed, as Agam's analytics team are now based in Cardiff and the company has already set up a number of collaborations with Welsh universities to jointly further research in the field of Artificial Intelligence (AI).

In a recent interview with FinTech Wales, Wazed describes being a founder in Wales as "exciting" because it means Agam is right in the middle of the country's "fast moving, fast growing startup ecosystem"(42).



"Wales is the new hub for technology and innovation in the UK. It has the perfect ecosystem to enable startups to thrive."

**Shabnam Wazed, Founder
AGAM**

INTERNATIONAL ACTIVITY

INTERNATIONAL SUCCESS

Wales' ongoing appeal to international companies highlights the global reputation of the country's fintech industry. These businesses contribute not only to the growth and diversity of the ecosystem, but also create links to other fintech hubs which can be leveraged by their peers looking for international expansion.

On that note, Welsh companies are making great strides when it comes to overseas growth as evidenced by the inclusion of an "exporter" category in this year's FinTech Awards Wales.

Nominees in the category included Finalrentals, which currently operates in 32 countries with a plan to serve 1000 countries by 2025 (43), Capital on Tap which secured a £100 million corporate revolving credit facility to expand its US business (44) and W2, which was highly commended for its global activity. W2 has since been acquired by FullCircl, which will allow these two combined companies to now provide coverage on entities located in 160 countries (45).

The winner of this new category was Sonovate, which offers international and export invoice finance, and partnered with HR-platform Deel in April 2023 in order to more easily facilitate payroll for overseas talent (46).



Embedded finance provider, Sonovate, has partnered with global HR platform, Deel, to support its customers with on-demand, scalable funding solutions as they expand overseas.

The partnership will see Sonovate become the sole funder on Deel's Marketplace, and its embedded finance solutions will be integral to helping Deel's customers to fund and place candidates globally efficiently and seamlessly.

"This partnership marks yet another step change for us, as Sonovate evolves our service to better support larger recruiters and consultancies who want to expand overseas.

"Deel's global platform empowers us to offer our services to more organisations who place workers across the globe, propelling us forward on our mission to fund the future of work. Sonovate customers can now place contractors in more jurisdictions than ever before, with Deel providing access to more than 150 countries, including all of the major markets."

Richard Prime, Co-Founder and Co-CEO, Sonovate

INTERNATIONAL ACTIVITY

The fact that businesses started and scaled in Wales can achieve these levels of international growth shows their calibre and helps to put Welsh fintech on the global stage. That's vital in terms of attracting international funding, talent and helping open doors for less mature companies wanting to follow the same path.

INTERNATIONAL ACQUISITIONS

The final element of international activity of note is the acquisition of Welsh fintechs by overseas organisations. Insurtech pioneer Go.Compare was acquired by English publishing house Future in February 2021, while its peer Confused.com's acquisition by London-based RVU was completed in May 2021. Following on from these examples, international buyers continue to acquire successful Welsh fintechs, notably Welsh insurer Acquis was acquired by US Insurance giant NSM Insurance Group (47) and, as mentioned previously, England's FullCircl acquired W2 Global Data Solutions in August 2023 (48).



"As the UK's first price comparison website for car insurance, Confused.com created something unique which empowered customers to make better buying decisions. And although we're a well-known national brand, we've operated from the heart of Cardiff since we launched in 2002.

"After years of success, Confused.com was acquired by RVU in 2020. With further investment, this was a great opportunity to take our business to new heights with like minded brands, access a bigger platform and to expand our offerings from our base in South Wales.

"The Welsh fintech ecosystem boasts so much talent and continues to go from strength to strength, which should be celebrated. That's why we are proud to continue to promote ourselves as a Welsh fintech."

Steve Dukes, CEO, Confused.com

LEADING THE UK IN GENDER DIVERSITY



FEMALE LEADERS IN WALES

One stand-out feature for Wales is the high percentage of women in senior positions compared to other countries. There are 22,900 active, female-led companies in the country, while 34.6% of active companies have a woman in a leadership position – a higher proportion than any other UK nation (49).

When it comes to fast growth companies led by women in Wales, the figure is 12.1%, which may not seem high, but stands out compared to Scotland (10.7%) and England (8.9%). It's also worth noting that Wales was the only nation to see growth in the percentage of female-led fast growth companies between 2021/22 and 2022/23 (50).

Additionally, 15.8% of active Enterprise Investment Scheme (EIS) qualifying, female-led companies won external capital in Wales last year, significantly

higher than in England (10.9%) and Scotland (10.8%), according to the same source.

This is good news for female founders in all sectors and perhaps results from the diversity of funding sources available in Wales outside of Venture Capital.

Drivers for Wales' excellent performance in this area include the higher percentage of female angel investors in the country than elsewhere in the UK at 28.7% and the presence of a significant number of senior women at prominent Welsh financial services and fintech companies – for example Hayley Parsons who founded Go.Compare, Louise O'Shea, ex-CEO at Confused.com, Anne Boden at Starling Bank, Julie-Ann Haines, CEO, Principality Building Society, Milena Mondini, CEO at Admiral Group, and Lucy Cohen and Sophie Hughes, Co-Founders of Mazuma to name a few.

In addition to these prominent figures there are thousands of women making a significant impact on diversity in Welsh fintech.

LEADING THE UK IN GENDER DIVERSITY



"In 2023, Recruit 121 proudly upholds its commitment to fostering diversity and inclusion in the fintech realm. Our successful placements have elevated more women to senior leadership positions, underscoring our dedication to narrowing the gender gap."

"These appointments not only fuel the ongoing expansion and transformation of fintech but also showcase the wealth of talent and potential that women contribute to the industry. Recruit 121's efforts in 2023 continue to serve as a positive example for the entire fintech community, highlighting the importance of gender diversity in leadership roles and the company's role in making the vision a reality."

**Emma Peterson, Director
Recruit121**

MORE TO BE DONE

Despite this positive news regarding female leaders in Wales, women remain critically underrepresented in technology, with just 24% of tech roles across the UK being filled by females (51). However, there are initiatives from organisations in Wales designed to combat this.

One key example is the recent partnership between FinTech Wales, the charity Chwarae Teg and Code First Girls. Through Chwarae Teg's New Futures project, that was funded by the Learning and Work Institute and the Covid-19 Support Fund, 8 women completed a 14 week, fully-funded, micro-degree in Software, Data or Full-stack, which was delivered by Code First Girls, and were introduced to FinTech Wales' members looking to recruit female talent.



LEADING THE UK IN GENDER DIVERSITY

CODE FIRST GIRLS

A key supporter of the partnership between FinTech Wales, Chwarae Teg and Code First Girls was Wealthify, which recruited three women from the New Futures programme.



“We were thrilled to be part of this initiative, and were so impressed with the women during the interview process that we have now offered three job roles to women through this programme. As a company that has a workforce made up of 57% male and 43% female, and a senior leadership team which is 50/50 male and female, it is extremely important to us that we’re constantly looking at ways to attract and retain more women in tech.”

Sarah Maher, Employee Experience Lead, Wealthify

“Tech is one of the fastest growing industries in the country, with digital skills in high demand. These are lucrative careers of the future, which is why it’s imperative to unlock pathways for women to prosper and achieve fair representation within the sector. It’s encouraging to see the engagement from fintech employers that are eager to diversify their workforces.”

Bethan Baldwin, former New Futures Project Manager, Chwarae Teg



It should be noted that Chwarae Teg has since been forced to close due to a lack of funding.

RECOMMENDATIONS

RECOMMENDATIONS FOR 2024

As a reminder, recommendations last year focused on areas for improvement, including: funding, connectivity, attracting and retaining talent and scaling startups. There is still work to be done in all these areas, but the industry has moved on, and as such, so have this year's key recommendations.

It should also be noted that significant economic and geopolitical instability remains, creating a non-conducive environment for fintech growth and meaning recommendations are appropriate at the time of publication, but may well need to evolve along with the broader environment.

FUNDING

When it comes to fundraising, data suggests that Welsh fintechs need to be asking for more money. Looking at total demand for external capital, Welsh companies combined ask for 4% is significantly lower than a lot of the UK. Interestingly that includes the South West, which makes up 10% of the UK total demand (52). There is also some evidence that suggests companies in Wales tend to ask for less funding at similar stages to the rest of the UK.

"Wales attracted just 2.3% of UK equity investment in H1 2023 — data from our search engine shows that Welsh companies ask for less capital, at lower valuations than their peers."

"Valuation expectations locally depress the growth potential for Welsh fintechs, and therefore Wales. To keep up with global peers, fintechs in Wales need to tap into global capital markets."

**Daniel Sawko, CEO and Co-Founder
shipshape.vc**



RECOMMENDATIONS

FUNDING CONTINUED

It seems that work needs to be done to instil in Welsh fintechs the confidence of their English peers when it comes to asking for funds, and in investors when it comes to looking further afield for the next biggest opportunities.



RECOMMENDATIONS

- FinTech Wales and partners to organise workshops and roundtables to better understand why Welsh fintechs are pitching for less, and to achieve and share further insight into what's going on in other regions.
- More exposure and connectivity to the wider UK fintech ecosystem, including other regional fintech bodies through collaboration between organisations, enabling Welsh fintechs to learn from their peers.

NEW FUNDS

Additionally, the launch of a number of new funds as this report has gone live is extremely welcome. Such funds include the British Business Bank's £130 million Investment Fund for Wales aimed at small and medium-sized businesses (53), the new UK-wide £1 billion FinTech Growth Fund, which was drawn on the recommendations of the Kalifa Review to crystallise its vision and secure the future of the UK's financial services by supporting the UK FinTech sector (54), and the £160M

funding from UK Government and Welsh Government where the Cardiff Capital Region (CCR) will host one of the UK's refocused Investment Zones to support intensive economic growth in South East Wales. In addition to the Cardiff Capital Region, North Wales has also been selected for an Investment Zone in Wrexham and Flintshire (55).

This is all excellent news, however, fintechs will need to be prepared in order to have the best chance of winning a share of the pot.

£130 MILLION INVESTMENT FUND FOR WALES



“Wales is a nation of innovative smaller businesses. These start-ups, scale-ups and established businesses often require initial, or further finance, in order to launch, to maintain momentum, or to develop their full potential.

“This fund, which has been designed specifically for Welsh businesses, is intended to further address the challenges of access to finance and to provide opportunities for business talent in Wales to grow, to develop and to thrive.

“Over the past nine years we have supported thousands of Welsh businesses across urban and rural Wales and with the launch of the Investment Fund for Wales we will be able to go further and deeper, to support hundreds more as they continue to contribute to the ongoing sustainable success of the wider Welsh economy.”



**Louis Taylor, Chief Executive
British Business Bank**

£130 MILLION INVESTMENT FUND FOR WALES



FinTechWales

“Foresight is a FTSE 250 listed private equity and infrastructure manager, with £12 billion of assets under management. For close to four decades, and through various economic cycles, Foresight has partnered with growth companies to achieve their ambitions, enable economies to thrive, and create the high-quality, sustainable jobs that will power tomorrow’s economy.”

“Across the UK and Ireland, Foresight’s Private Equity team supports companies - across all stages, sectors, and transaction types - with investments of £250k up to £10 million. However, we provide much more than investment and share operational insight, guidance and connections, so that the companies we support can achieve their vision.”

“We are delighted to manage a £50 million equity fund for the Investment Fund for Wales (IFW), the IFW – Foresight Equity Finance. Operated by the British Business Bank, this will support a range of small and medium sized businesses across Wales to start up, scale up or stay ahead.”

“For several years, we have been supporting SMEs in Wales – having invested c.£40m – and know that there is a thriving business advisory community and growing business ecosystem in Wales. We continue to see promising businesses across all regions in Wales and look forward to supporting Welsh SMEs to grow, innovate and achieve their business ambitions.”

John Cordrey, Principal, Foresight

UK FINTECH GROWTH FUND

“At FinTech Growth Fund, our aim is to not only provide the capital needed for founders to scale their businesses, but to also engage with stakeholders throughout the nation to support the wider industry. The success of fintech clusters across the nations of the UK is vitally important in promoting innovation and driving the leadership of domestic fintech.”

“I’ve been thrilled to meet so many amazing fintechs from across Wales and I look forward to further engaging with this fantastic ecosystem to support its continued growth.”



**Phil Vidler, Managing Partner,
UK FinTech Growth Fund**

FURTHER RECOMMENDATIONS ON FUNDING

- Deliver further ecosystem support for fintechs from incumbents, investors and industry bodies on how to become investment ready.
- Ensure the wider benefits, and therefore long-term potential, of fintech, are understood by the investment ecosystem through information events delivered by organisations like FinTech Wales and partners, such as the Cardiff Capital Region (CCR) and the Development Bank of Wales.
- Greater collaboration between industry organisations like Space Wales, Creative Wales, Law Tech UK, Legal Innovation Lab Wales, FinTech Wales and Cyber Wales, as well as broader technology bodies such as Technology Connected, Tech Wales Advocates, MSparc, Global Welsh and Tramshed Tech. This will ensure expertise and experience is shared across all industries, increasing the likelihood of Welsh startup and scaleup funding bids succeeding, in order to benefit the country as a whole.

RECOMMENDATIONS

SKILLS

As the fintech industry expands, so does its need for skilled people. Significant work has been done in this area by FinTech Wales and the Welsh fintech community, however, there is still more to be done and it requires a much broader, joined-up effort.

For example, 7% of adults in Wales remain digitally excluded (56), which affects not only their ability to access services but also hinders their ability to participate in today's workforce. This is reflected in the fact that employers are struggling to fill vacancies, with 68% having difficulty finding candidates with technical skills and 19% unable to find those with digital skills (57).



RECOMMENDATIONS

- More promotion of careers in fintech in schools and other educational establishments. Academic institutions that have fintech specific courses have a role to play in outreach, alongside industry organisations.
- Commitment from employers to recruit and nurture new talent.
- Greater funding and support from industry and government to enable the expansion of existing successful skills programmes, including those specifically designed to help people from other industries reskill.
- Greater promotion of available programmes and courses among groups most likely to be in need of them, through academic institutions and community groups.
- Support for recent graduates of training programmes by the government and local authorities, for example by funding their salary for the first 6 months of their job, reducing the risks for organisations that want to take on new trainees.

RECOMMENDATIONS

ORGANISATIONS MUST COMMIT TO NURTURING TALENT

“In order to foster the long-term growth and sustainability of the Welsh fintech ecosystem, it is imperative that we collectively engage in building diverse pathways for skills development.

“It is no longer viable to solely rely on competing for top talent and driving up salaries to unsustainable levels. To truly thrive, companies must find alternative routes to recruit, nurture, and retain talent.

“By actively supporting a range of recruitment and training initiatives, we can broaden access to opportunities within the fintech sector and empower individuals at all levels of the market to flourish. This commitment to nurturing talent at the grassroots level will not only fuel the continued growth of Welsh fintech but also cultivate a thriving ecosystem for years to come.

“It is through these collaborative efforts that we can ensure a sustainable and prosperous future for the Welsh fintech industry.”



**David Sadler, Founder
Sadler Recruitment**

RECOMMENDATIONS



MORE COLLABORATION WITH SCHOOLS

“By working in partnership with FinTech Wales and fintech industry partners across the city, the Cardiff Commitment will continue to promote our growth sectors and create opportunities for schools, children and young people to develop the knowledge, skills and awareness our young people need to support the Welsh fintech economy.”

“Industry plays a huge role in developing future talent and organisations must support schools, from ages 3-18, to embed careers and work related experiences and apply real world context to the new curriculum.”

“Developing long term sustained engagement and creating more school / business partnerships via our school Business Forums will not only help develop knowledge and skills in our children and young people, but will create further awareness amongst parents, carers and teachers who we know are also the main influencers when it comes to the ambitions and aspirations of children and young people.”



**Victoria Highgate, Business Engagement Advisor
Cardiff Commitment**

RECOMMENDATIONS

INFRASTRUCTURE

Progress has been made in reducing Wales' connectivity limitations in the last year, helping fintechs more easily succeed. For example, Ogi, a Welsh broadband provider, has been rolling out ultrafast internet in communities across the country over the past 18 months (58), making it easier for businesses to operate, for fintech solutions such as real-time, digital payments to expand, and for individuals to work remotely. Such initiatives are vital – a recent study found that better rural connectivity could unlock £5 billion for the Welsh economy, along with 25,000 jobs (59) – meaning this is an area where focus should remain.



“Fast and dependable connectivity has never been more important, and with the big data age arriving at our doorstep, we’re ready to equip businesses with the tools they need to not only survive but thrive.”

“A new, bespoke full fibre network capable of between 2Gbps to 10Gbps with symmetrical speeds will soon be available for the very first time right across south Wales, giving businesses the option to expand where they are, rather than move away from the city – and that’s good news for everyone.”

Ben Allwright, CEO, Ogi



RECOMMENDATIONS

REDUCING OUR CARBON FOOTPRINT THROUGH WELSH SUPPLIERS

Additionally, an issue remains whereby Welsh companies as a whole aren't always aware of products and services that have been created in Wales.

Some examples include fintechs such as Mazuma, the UK's leading online accountants for small and micro businesses, Credas, the customer identity verification app that is continuously listed within the top ten on the iOS app store chart (60), and was the first provider in the UK to achieve the highest level of confidence for ID verification certification under the UK Government's Digital Identity and Attributes Trust Framework (61), and Vantage Data Centers. Vantage, uniquely connected to the UK SuperGrid at 400kV and powered

by 100% renewable energy, is the go-to destination for organisations seeking industry-leading colocation and high performance computing services. With 2 million sq feet of space available, Vantage Cardiff is Europe's largest data centre campus. It is an ultra-secure campus with super-fast cloud and fibre connectivity and has delivered 100% uptime since opening in 2010 (62).

This is an issue for both fintechs looking to attract customers and the broader SME industry in Wales, which is diverting resources out of the local economy, and potentially generating larger than necessary carbon footprints by using services from further afield.

There are initiatives in place to try and address this issue, such as the Unleash Conference run by the CCR which aims to help SMEs across South Wales maximise their business potential, but again there is more to be done here.

RECOMMENDATIONS

- Creation of a centralised body dedicated to the promotion and support of Welsh infrastructure providers of all sizes.
- Greater cross-industry collaboration to raise awareness of services available through events and information campaigns.
- Government and local authority support for companies choosing to use Welsh providers.

RECOMMENDATIONS



RECOMMENDATIONS FOR SCALING

Scaling a company is difficult under any circumstances, but recent economic conditions mean leadership teams need more help than ever. Some progress has been made in the area of raising awareness of Welsh fintechs looking to scale through the organisation of international trade missions for Welsh companies and government support for fintechs appearing at conferences.

One example of this was the Money 20/20 conference in Amsterdam in June 2023, Europe's largest fintech event, where Welsh Government funding enabled six companies to attend including Mazuma, Delio, Sonovate, Link Data Management Solutions (LDMS), Credas and W2 Global Data Solutions. There was also significant representation of Welsh fintechs at the event on stage with the likes of ex-CEO of Confused.com, Louise O'Shea, Lucy Cohen, Founder of Mazuma and FinTech Wales CEO,

Sarah Williams-Gardener speaking to huge international audiences.

Industry-driven initiatives such as panels dedicated to scaling Welsh companies at events like Innovate Finance's Global Summit, Insurtech Insights, and the Qorus Reinvent Forum have further spread the word over the last 12 months.

Additionally, a Department for Business and Trade programme is dedicated to helping companies scale in each UK region through the appointment of local "Fintech Champions", whose role is to advise other companies as well as work to promote the fintech industry more widely. In Wales, the first Champion was named as Yoello's Founder, Sina Yamani, at the end of 2022, and since Gareth Lewis, Founder of Delio has joined Sina to be the Fintech Champion for 2023 (63). All that said, scaling still represents a major hurdle for the majority of fintechs in Wales and as such is an area that needs continuous work.

RECOMMENDATIONS

SCALING CONTINUED

Going forward into 2024, the Cluster Development and Growth Programme launched by Cardiff Capital Region (CCR) will provide essential support to scaling fintechs in Wales and the wider ecosystem. The programme, which is part funded by CCR and the UK Shared Prosperity Fund, has allocated £6.6 million to deliver; a demand led skills programme, an academic industry partnership programme, and a high impact business growth programme.

"The CCR Cluster Development and Growth Programme is an important initiative for our Region. The Programme supports our ambition to drive 'good growth' in the region, creating a deeply skilled forward-looking workforce that will supercharge our most promising enterprises and accelerate our journey to net zero.

"The funding demonstrates our commitment to the rapidly expanding regional ecosystem, and alongside our many partners in

government, academia and business, allow us to realise our vision for priority sectors such as Fintech, alongside our other priority sectors.

"By focusing on establishing a solid foundation of skills, knowledge transfer, and business support infrastructure, we are positioning the Cardiff Capital Region as a vibrant hub of talent and innovation, driving sustainable economic growth and attracting new investment to our doorstep."



**Rhys Thomas, COO
Cardiff Capital Region**

RECOMMENDATIONS

- Create forums where leaders who have successfully scaled organisations can offer guidance and support to companies earlier on in their journey.
- Cross-industry scaling programmes that can leverage greater resources and help more companies scale appropriately.
- More coordinated support from large organisations from within financial services and adjacent industries.

RECOMMENDATIONS



GOVERNMENT SUPPORT

In 2022 the UK experienced an extended period of government instability, making crafting predictions and recommendations more complex than usual. Since then, the situation has somewhat stabilised and it's now possible to assess which initiatives designed to promote and support from that period have stuck and what impact have they had.

Changes to the Seed Enterprise Investment Scheme (SEIS), announced just before the publication of this report last year, survived various government budgets and came into force in April 2023. The updated scheme allows more startups to raise a greater volume of funds, and while it's too early to measure the change's impact, it's been warmly received by investors and companies alike. Additionally this year, the Centre for Finance, Innovation and Technology (CFIT), formed off the back of the Kalifa report, hit its stride, with crucial hires being announced and the launch of its first coalition. It's vital that this momentum continues if such initiatives are to have their promised impact.

RECOMMENDATIONS

- Government support at a grassroots level, such as providing funding for companies to hire new and younger talent.
- Government incentivisation for the support of the growth and success of the fintech industry outside of London.
- Greater government support for non-profit organisations working to support and grow the fintech ecosystem.



GOVERNMENT SUPPORT

GOVERNMENT SUPPORT

"We are delighted to support the fintech sector as one of our focus clusters. Having had the pleasure of meeting a number of Welsh fintechs earlier in the year at a Round Table hosted by FinTech Wales, I fully recognise and am extremely proud of the tremendous potential and value that the thriving fintech sector brings to Wales."

"We are committed to actively supporting its growth, as it offers not only innovative solutions but also significant opportunities for job creation and economic prosperity in our nation."



Vaughan Gething,
Minister for the Economy of Wales



David TC Davies,
Secretary of State for Wales

"I am pleased that the thriving fintech sector in Wales continues to go from strength to strength and now provides 16,000 jobs across Wales."

"Building on last year's Cardiff Capital Region's £1.6m investment in FinTech Wales to support the fintech and financial services industry, we're delighted with the news of further investment in Wales from the British Business Bank's £130 million Investment Fund – this is a huge contribution and we hope will greatly benefit Welsh businesses, including in the Fintech sector - providing support to its ever-growing ecosystem."

CONCLUSION



In conclusion, the fintech sector in Wales has witnessed significant progress and growth during 2022/23. The influx of funding from various sources has propelled the industry's expansion, resulting in a stable employment outlook. While venture capitalists remain cautious, the industry has diversified its funding options, reducing reliance on traditional VC investments.

The employment landscape in Welsh fintech remains stable, with established organisations such as banks and professional services consultancies creating new job opportunities. Moreover, the industry has recognised the importance of investing in future talent, highlighting its commitment to long-term sustainability and growth.

Several areas of growth within Welsh fintech have garnered attention, including "fintech for good," addressing pressing issues such as the cost of living.

The industry has also responded proactively to the changing nature of vehicle use, leading to the modernisation of motor insurance. The advancement of digital banking has been significant as well. Collaboration and innovation between incumbents and fintech players have become increasingly common, fostering mutual growth.



CONCLUSION

The international expansion of Welsh fintech, both externally and internally, is a testament to the industry's rising reputation as a fintech hub. This expansion not only highlights the potential for further growth and scaling but also showcases Wales as an attractive location for fintech companies.

Gender diversity in the Welsh fintech industry is a positive aspect compared to its counterparts in England and Scotland. However, there is still room for improvement to enhance representation and inclusivity for all.



To ensure the continued success and development of the Welsh fintech sector, several recommendations have been put forward. These recommendations include increasing funding to support further growth, developing the necessary skills within the industry, fostering collaboration with adjacent industries and key infrastructure providers, renewing and strengthening support for scaling businesses, and ensuring continued government support.

Overall, the fintech industry in Wales has experienced significant growth, secured stable employment, and made advancements in various sectors. The potential for international expansion, combined with the industry's dedication to gender diversity, positions Welsh fintech as a promising and dynamic sector within the global fintech landscape. With the implementation of the recommended measures, Wales will continue to firmly establish itself as a leading hub for fintech innovation, setting the benchmark for excellence in the industry.



LOOKING AHEAD



Looking ahead from Sarah Williams-Gardener, CEO, FinTech Wales

As we look towards the future, the Welsh fintech industry is full of potential. The past year has been positive, with significant achievements, growth, and advancements within our ecosystem. We are proud of the milestones we have reached, the collaborations we have fostered, and the opportunities that lie ahead.

Building on the successes of the past, the Welsh fintech industry has identified several key priorities moving forward. Firstly, increasing funding to support further growth is a top priority. While

funding has increased in the previous year, we will continue to attract a diverse range of funding sources beyond traditional venture capitalists. This will ensure a sustained flow of capital to fuel innovation and scalability within the sector.

We're of course delighted to see such million pound funds being launched and dedicated to Wales and fintechs, however we want to see these investments being made quickly so we can prove our potential and attract further investment into our ecosystem.

Developing the necessary skills within the industry is another crucial priority. The industry recognises the importance of investing in talent and fostering a pipeline of skilled professionals. We will continue to collaborate with academic institutions to provide specialised training programmes and upskilling opportunities for individuals interested in fintech careers. This focus on skills development will not only enhance the industry's competitiveness but also contribute to the economic growth of Wales as a whole.

Fostering collaboration with adjacent industries and key infrastructure providers is another key priority. The fintech industry recognises the benefits of partnerships and cross-industry collaboration in driving innovation and addressing pressing societal challenges. For example, the concept of "fintech for good" will be

LOOKING AHEAD



further explored, aiming to leverage financial technology to tackle issues related to the cost of living and promote financial inclusion. By forging strategic alliances and sharing expertise, the Welsh fintech ecosystem aims to spur innovation and create value across sectors.

Renewing and strengthening support for scaling businesses is also a priority for 2024. The industry recognises the importance of assisting high-potential fintech companies in their journey to scale and grow. This can be achieved through tailored support programmes, access to mentors and investors, and ensuring a favourable regulatory environment. By nurturing and supporting scaling businesses, the Welsh fintech industry aims to accelerate its momentum and solidify its reputation as a hub for innovation and entrepreneurship. ,

Lastly, ensuring continued government support for the Welsh fintech sector is vital. By engaging and collaborating with the government, key policymakers, and industry stakeholders, the industry aims to secure ongoing support for initiatives that foster growth and create an enabling environment for fintech businesses to thrive. This includes advocating for policies that promote innovation, provide funding opportunities, and address regulatory challenges.

By prioritising these areas, the Welsh fintech industry aims to build on its recent successes, capitalise on its international expansion potential, and continue its journey towards becoming a globally recognised hub for fintech excellence and THE region to start and scale, smart and secure fintechs.

FINTECH WALES 2022/23 ACTIVITY REPORT

FinTech Wales is an independent membership association and champion of the fintech and financial services industry in Wales.

As the leading advocate for fintech in Wales, we are dedicated to empowering fintech companies and financial services within the region to achieve remarkable success.

By focusing on four strategic pillars, we are creating a fully inclusive and supportive ecosystem that enables fintechs to thrive.



Skills & Talent

FinTech Wales links industry and academia to increase awareness of career opportunities in fintech, and continuously develop the talent required for the ecosystem to grow.



Funding & Investment

Securing essential funding for Welsh fintechs involves actively cultivating global relationships with investors and influencers to generate crucial investment opportunities.



Ecosystem & Community

We pride ourselves on having a world-leading, collaborative fintech ecosystem that provides essential and valued support for Welsh fintechs to connect, learn and thrive.



Promotion & Amplification

As the voice of Welsh fintechs, we amplify our ecosystem's astounding success on a local, national and global stage. We must be louder and prouder to show what Wales can offer.



FINTECH WALES 2022/23 ACTIVITY REPORT

FINTECH WALES 2024 PRIORITIES

As we embark on our third year of our four-year strategy, we are filled with excitement and determination. FinTech Wales is committed to building on the solid foundation we have established and are grateful for the support of our members every step of the way. With their continued partnership, we are confident that we can elevate Wales as a global hub for fintech excellence.

Our focus remains unwavering as we strive to amplify the strengths of our region, celebrate the accomplishments of our members, and connect with investors and funders who share our vision. We understand the importance of providing support to fintech companies as they navigate the challenges of starting, scaling, and growing within our region, and we are dedicated to influence and guide this support to meet requirements.

Furthermore, our partnerships with universities, colleges, and training providers will ensure a diverse and talented workforce, guaranteeing a constant pipeline of skilled individuals for the flourishing fintech sector. We are equally committed to raising awareness of fintech careers within schools, inspiring the next generation to join our vibrant community.

As we move forward, we will continue to shine a spotlight on our remarkable fintech sector on the global stage, attracting further attention and recognition. Strengthening our member community and fostering relationships with investors will enable us to fuel innovation and support the scaling of fintech companies, propelling them towards even greater success.

In our pursuit of excellence, we will work tirelessly to attract more fintech companies to expand their operations in Wales, capitalising on the unique advantages our region offers. Together, we will shape the future of fintech and cement our position as a leading force in the industry.

As we reflect on our journey so far and look ahead into 2024, we are filled with immense optimism. With the support of our members, partners, and stakeholders, we are confident that we will achieve our mission of establishing Wales as a globally recognised hub for fintech excellence. Together, we will create a thriving ecosystem that fosters innovation, collaboration, and growth. The possibilities are endless, and we are ready to seize them with enthusiasm and determination.

However before we move forward into 2024, it's great to reflect on the achievements of 2023.

MEMBERSHIP

MEMBERSHIP UPDATE 2023

133

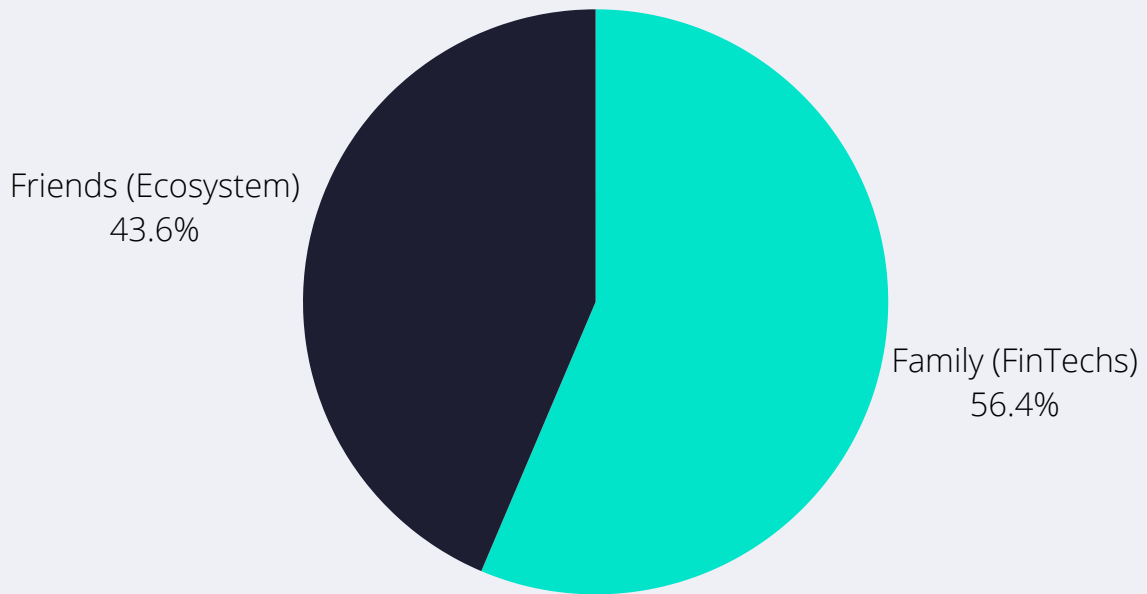
Total Members

75

FinTechs

58

Associates



55%

Increase in membership numbers on previous year

SKILLS & TALENT

SKILLS & TALENT

FinTech Wales' esteemed skills strategy covers two key objectives to ensure Welsh fintechs can attract and retain the skills and talent required both now and for the future.

- Raise awareness of careers in fintech
- Connect FinTech Wales members to work-ready talent

We therefore offer diverse solutions to fintechs in Wales to recruit fresh talent, enhance the skills of current employees, and engage with local communities to cultivate the next generation of accomplished professionals.

Such initiatives include:

ACADEMIES

Over the last twelve months, FinTech Wales has worked in partnership with Cardiff & Vale College, ALS, Coleg y Cymoedd and iungo Solutions to deliver a number of academies to create junior data analysts and front and back-end developers ready to join our ecosystem.

The academies take under-employed, unemployed and career changers through a 12 week programme, which then concludes with a recruitment day where FinTech Wales members get priority access to meet and recruit this new, work-ready talent.

To-date, we've recorded an 81% success rate with individuals from these programmes going on to jobs or further training in FinTech and Tech.

MICRO-DEGREES

To support and encourage more women into tech, FinTech Wales and Chwarae Teg partnered with Code First Girls to offer the Code First Girls Programme to fintech organisations looking to recruit female talent. Funded by the New Futures project, which is led by Learning and Work Institute and funded by the Covid-19 Support Fund, the collaboration between academia and industry saw 8 women go through a 14 week, fully-funded, academy to achieve micro-degrees in Software, Data or Full-stack.



SKILLS & TALENT



UK's FIRST FINTECH SUSTAINABILITY PROGRAMME

Launched in September 2023, FinTech Wales has partnered with The London Institute of Banking & Finance (LIBF) to offer an exclusive, five module course for professionals in fintech to deepen their understanding of sustainability strategies.

Beginning in January 2024, the Sustainable Fintech Leadership programme will help participants respond to pressing environmental and social challenges. The course will provide learners with the base knowledge to develop solid sustainability strategies, empowering them to drive their own organisations forward in this critical area of business.

FinTech Wales has also announced that we will be offering two fully paid scholarships for small businesses, as well as offering discounted programme rates for members.



SKILLS & TALENT

UNIVERSITY PLACEMENT PROGRAMME

In partnership with CFIT, Cardiff University and the University of South Wales, we are piloting a Fintech Placement Programme to offer three essential models for our members to support and make use of the talent available in Wales.

Mentoring

Committing to just one hour of mentoring per month for six months, we're encouraging organisations to inspire and influence students by providing valuable information, advice, and insights into the fintech sector.

Short Placements

The second option for FinTech Wales members to get involved is to offer short placements to provide students with an opportunity to gain practical experience within the fintech industry.

Internships

The final way to show support and seek out the talent required for the future is to offer paid internships lasting 10 weeks.



"The Welsh Fintech ecosystem is a vibrant example of collaboration in the UK. CFIT is working with FinTech Wales, Cardiff University and University of South Wales to create - for the first time - a Fintech Placement Programme."

"This pilot work placement offers a boost to talent and skills in the region and an approach that aligns with the Kalifa review recommendations. We're backing this to succeed in Wales and we're looking forward to working with FinTech Wales to show other fintech clusters in the UK what's possible."

**Ezechi Britton MBE, CEO
Centre for Finance Innovation and
Technology (CFIT)**

INVESTMENT & FUNDING

THE FOUNDRY

The Foundry is FinTech Wales' award-winning, no equity accelerator programme that provides world-class mentorship and support to help incubate, accelerate and scale start-up organisations from all over the world!

Established in 2021, The Foundry has seen phenomenal success with many of the Foundry alumni seeing incredible investment and growth. The programme is recognised globally and forms an essential part of FinTech Wales' strategy to attract international, as well as UK, startups to develop and scale in Wales and enjoy the collaborative benefits the Welsh fintech ecosystem has to offer.



In November 2022, we concluded Season 3 of the Foundry with a pitch at the pitch event at Rodney Parade in Newport, and since then we've seen some great investment rounds, and fantastic growth from our Foundry alumni from all three seasons.



22 Startup FinTech organisations have successfully completed the FinTech Wales Foundry



Over 150 skilled job opportunities have been created from the Foundry alumni in Wales



£26 million investment has been raised so far, with a further £40 million investment expected over the next three years



INVESTMENT & FUNDING



INVESTOR ENGAGEMENT

As part of our ongoing commitment to bolster investment in Welsh fintechs and attract organisations to scale their operations in Wales, FinTech Wales has hosted a series of impactful Investor events. These events have served as pivotal platforms to raise awareness among key investors, showcasing the immense potential and opportunities that our vibrant fintech ecosystem offers. By connecting investors with innovative fintech ventures and providing them with valuable insights, we aim to foster a thriving investment landscape that propels growth and drives economic prosperity in Wales.

24 hours with Tim Levene, CEO, Augmentum FinTech September 2023

With dinner hosted by Deloitte, breakfast and a roundtable discussion on 'Why Wales' in Cardiff Castle, hosted by Ken Poole and his team at Cardiff Council, and a Fireside Chat and a number of one:to:one sessions, hosted by Cardiff Capital Region at FinTech Wales' HQ, it was an extremely busy yet productive 24 hours introducing Tim and Augmentum's Marketing Director, Georgie Hazell Kivell to our amazing Fintech Founders and match funders.

Tim's expertise and background as an entrepreneur and investor is phenomenal, and we are incredibly grateful for the time he spent delving into our fintech landscape.

INVESTMENT & FUNDING



Reverse Pitch Showcase September 2023

With the groundbreaking success of Pitchflix's Rev pitching series in London earlier this year where Investors pitched to Founders, FinTech Wales was extremely proud to be able to bring this to Cardiff to deliver this incredible and unique format.

This one-of-a-kind showcase was the perfect platform for founders and investors alike to kickstart outstanding investment connections. It also provided a great opportunity for investors to discover Wales' most impressive companies.

**Huge thank you to our Investors
who pitched during the event:**

praetura™


mountside
ventures

 **AXIAL**

Foresight

Angylion Buddsoddi Cymru 
Angels Invest Wales

Outward[↑]

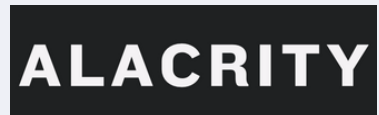
INVESTMENT & FUNDING

A visit from Phil Vidler, UK Growth Fund, November 2023

Towards the end of 2023, we had the pleasure of hosting Phil Vidler, Co-Founder & Managing Partner and David Bartlett, Managing Director of Strategic Engagement for the UK FinTech Growth Fund. Through a series of events and one:to:one sessions we were delighted to introduce them to a variety of Welsh fintechs to help build stronger connections and explore opportunities for future collaboration.



Thank you to our Investor Event Sponsors who helped us showcase Wales throughout the year:



ECOSYSTEM

EVENTS

In addition to the highly successful Investor events previously mentioned, FinTech Wales has delivered a diverse event schedule for 2023, designed to empower and support our fintech ecosystem. Our events offer a platform for fintechs and supporters of our ecosystem to come together, exchange best practices, foster engagement, and drive innovation.

ROUNDTABLES

It's essential for us to ensure Welsh fintechs are heard both within the Welsh and UK Governments. As a result we hosted a variety of roundtables with our members to share experiences, insights, concerns and ideas with a variety of ministers including Andrew Griffith, Economic Secretary to the Treasury, David TC Davies, Secretary of State for Wales, Vaughan Gething, Minister for the Economy of Wales, the Lord Mayor of the City of London, the FCA and others.



SELL-OUT NETWORKING EVENTS

FinTech Wales' monthly sell-out networking breakfasts have garnered widespread acclaim for their exceptional quality and value. These events consistently attract a diverse cross-section of professionals within the fintech ecosystem, creating an atmosphere of collaboration, innovation, and meaningful connections. Participants gain invaluable opportunities to engage with industry thought leaders, share insights, and forge relationships that can lead to groundbreaking partnerships. The overwhelmingly positive feedback from attendees highlights the immense impact these networking breakfasts have had on fostering a thriving fintech community in Wales.

ECOSYSTEM

WOMEN IN FINTECH

We also hosted quarterly Women in Fintech networking breakfasts to actively support and encourage more women into both the fintech and tech industries. These inclusive and empowering events create a safe and nurturing space for networking, mentorship, and professional development.

Through engaging discussions, mentorship opportunities, and inspiring presentations, these events play a significant role in breaking barriers and empowering women to excel in fintech and tech, ultimately driving positive change and fostering a more inclusive industry.

Huge thank you to our Networking Breakfast Sponsors:



ECOSYSTEM



Sponsored by  sonovate

INTERNATIONAL WOMEN'S DAY

In addition to our quarterly Women in Fintech events, FinTech Wales proudly hosted a remarkable International Women's Day panel event in March 2023, which was kindly sponsored by Sonovate. This special occasion served as a platform to showcase and celebrate the incredible achievements of all the women within our fintech ecosystem.

The panel featured diverse voices from different backgrounds, sharing their unique experiences, career journeys, and key insights. The event offered an opportunity for attendees to be inspired and empowered by the stories of these trailblazing women who have made a significant impact in their respective fields.

By highlighting their accomplishments and fostering dialogue, we aimed to encourage greater diversity, inclusivity, and representation within the industry.

The International Women's Day panel event was a testament to our commitment to championing women's contributions and driving positive change within the fintech community.



ECOSYSTEM

LUNCH & LEARNS

FinTech Wales has achieved remarkable success with our lunch and learn events, covering a wide range of topics that have attracted a diverse audience. These events have provided essential insights and knowledge-sharing opportunities on subjects such as Understanding the Political Landscape of Wales, Apprenticeships and Degree Apprenticeships, the Latest Tips on SEO (Search Engine Optimization), Securing the API Blindspot, and R&D Tax Credits.

Participants have praised the depth of expertise and the quality of information offered in these sessions, which have equipped attendees with practical skills and strategies to navigate these critical areas. With engaging presentations and interactive discussions, FinTech Wales' lunch and learn events continue to empower professionals and businesses operating in the fintech industry.

Thank you to our 2023 Lunch & Learn hosts



Cardiff
Metropolitan
University

Prifysgol
Metropolitan
Caerdydd

ECOSYSTEM

RECRUITMENT EVENTS

In addition to our speed interview days to introduce the fresh talent from our academies to FinTech Wales members, we also hosted a highly successful recruitment day. This event showcased the vibrant job opportunities available within the fintech industry and created a platform for direct engagement between employers and aspiring professionals.



The recruitment day not only provided an avenue for members to connect with potential candidates but also offered valuable insights and guidance to attendees on the skills and expertise sought after in the industry. With a remarkable response from both employers and individuals, the recruitment day facilitated meaningful connections and contributed to the growth and diversification of talent within the fintech sector in Wales.



Huge thank you to our members who attended our recruitment events throughout 2023

GO.COMPARE

HODGE

Admiral

pwc

sero

Principality
Building Society
Cymdeithas Adeiladu

sonovate

bikmo

de novo
SOLUTIONS

Dynamo

SADLER
RECRUITMENT

Monmouthshire
Building Society

IUNGO
solutions

ETHICS
GRADE

LDMS

Active
Quote

tci futures

STABLE

Gyrfa Cymru
Careers Wales

comparison
reator

Finalrentals

RECRUIT121
Finance & Accounting Solutions

Identify
Solutions

als

Sanderson

yolk

venture
GRADUATES

ECOSYSTEM



SUMMER SOCIAL

The FinTech Wales Summer Social was an unforgettable evening, leaving a lasting impression on all who attended. We extend our heartfelt gratitude to everyone who joined us for this special gathering.

The turnout was exceptional, and the highlight of the event was undoubtedly the fireside chat between our guest speaker, Henry Engelhardt, Co-Founder and Former CEO of Admiral, and FinTech Wales Chair and ex-CEO of Confused.com Louise O'Shea. Henry's insights into his innovative management style and the remarkable journey that propelled Admiral Group to global success were truly inspiring.

Thank you to our Summer and Festive Social Sponsors

FESTIVE SOCIAL

Following the tremendous success of the 2022 Festive Social, we were delighted to conclude our 2023 event schedule with the FinTech Wales and Ogi Festive Social on the 7th December. This event offered a unique opportunity to connect with peers, share insights, and toast to the accomplishments of the year.



ECOSYSTEM

CARDIFF DELEGATION

As part of UK Fintech Week and the Innovate Finance Global Summit, FinTech Wales was delighted to partner with the Department for Business and Trade, Tramshed Tech, the Welsh Government, Cardiff Capital Region, Cardiff Council, Cardiff and Vale College and Cardiff University to host over 20 delegates from the US and EECAN regions.

The collaboration was a true reflection of how inclusive the Welsh fintech ecosystem is and we were delighted to show our visitors 'Why Fintechs choose Wales' through a series of events held at our own HQ, Cardiff and Vale's Classroom, Cardiff Castle, Tramshed Tech and Sbarc.



AMPLIFICATION

As the voice of Welsh fintechs, we amplify our ecosystem's astounding success on a local, national and global stage. It is our job to be louder and prouder to show what Wales can offer.

INDUSTRY EVENTS

In addition to FinTech Wales' own events to be louder and prouder about what Wales has to offer, We have been instrumental in creating amazing opportunities to promote the ecosystem through various local and national events such as the CCR Unleash Conference, InsurTech Insights, Wales Week London and more.

With the Welsh Government's support, we were also able to support six companies to attend the Money 20/20 conference in Amsterdam in June 2023, including Mazuma, Delio, Sonovate, Link Data Management Solutions (LDMS), Credas, and W2 Global Data Solutions. There was also significant representation of Welsh fintechs at the event on stage with the likes of ex-CEO of Confused.com, Louise O'Shea, Lucy Cohen, Founder of Mazuma and FinTech Wales CEO, Sarah Williams-Gardener speaking to huge international audiences.



AMPLIFICATION



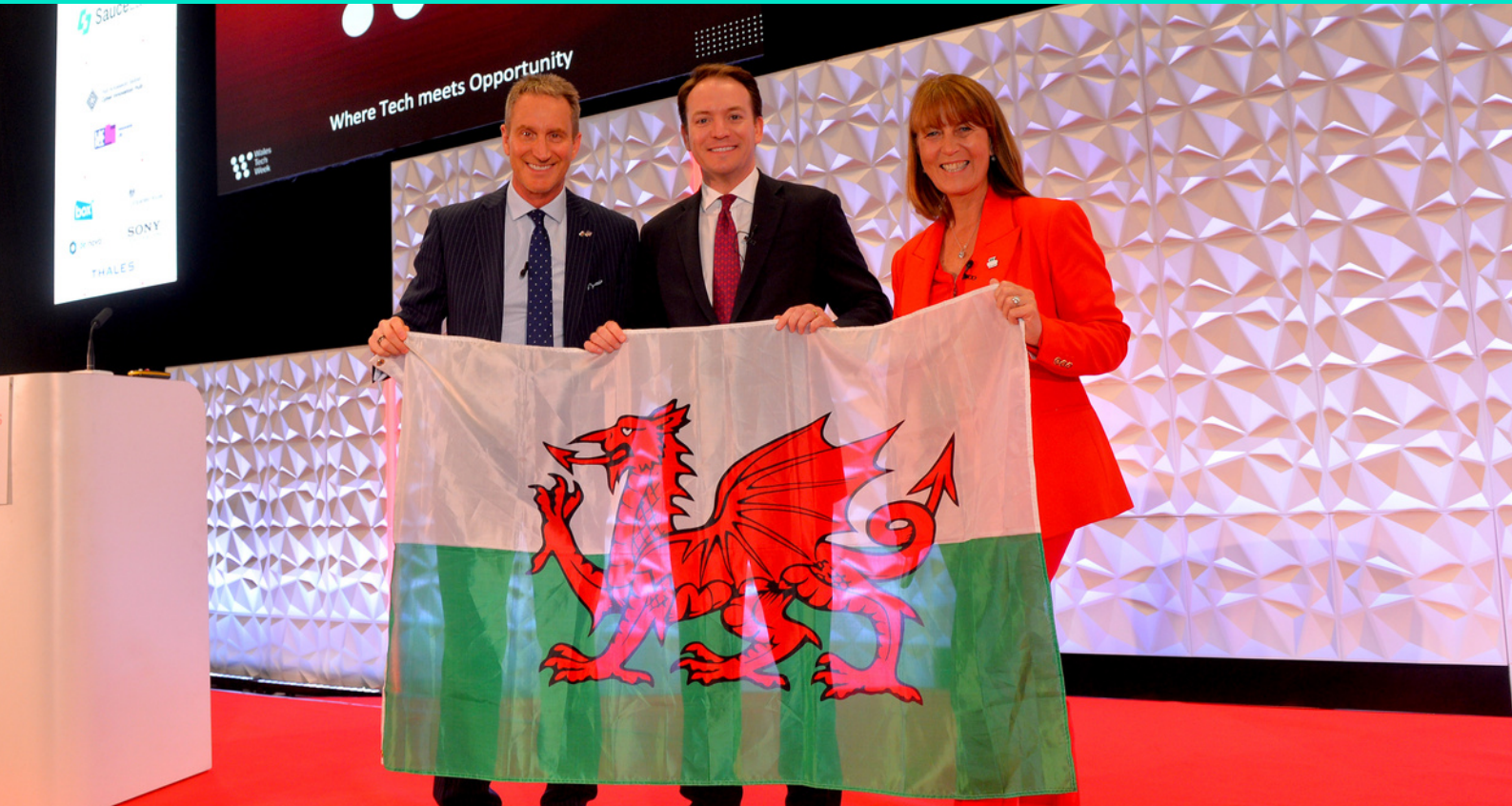
We continue to be huge advocates for the FinTech Awards Wales, created by Recruit121.

Congratulations to all 2023 finalists and winners - this is a great showcase of the amazing talent we have here in our Welsh fintech ecosystem.

“Few sectors in Wales have witnessed such rapid growth, even during challenging times. The expanding Fintech sector is a testament to the convergence of digital skills, talent, and unwavering determination. These awards shine a spotlight on both emerging and established tech companies and entrepreneurs who are driving growth not only for Wales but for the entire UK.”

**Matt Hyde, Managing Director
FinTech Awards Wales**

AMPLIFICATION



Wales Tech Week

FinTech Wales was delighted to partner with Wales Tech Week to showcase the incredible achievements and opportunities Wales has to offer.

The Wales Tech Week team did a phenomenal job to showcase Wales to the world, and we were delighted to collaborate with them.

In addition to hosting a Q&A with Gareth Davies MP, Exchequer Secretary to the Treasury, we were also delighted to showcase a number of FinTech Wales members in the Fintech zone and we'd therefore like to thank our members who joined us for an extremely busy yet exciting three days.



AMPLIFICATION

SPONSORED FINTECH PANELS AT WALES TECH WEEK

Please join us in thanking EY for hosting a fantastic panel event during Wales Tech Week:

How FinTechs are responding to, and addressing, the cost-of-living crisis in Wales and beyond



"We are proud supporters of Wales Tech Week, and were pleased to be able to highlight the remarkable ways in which fintechs are actively addressing the pressing cost-of-living crisis, not just in Wales, but beyond."

"This event provided a platform to showcase the way in which fintechs are leveraging their expertise, technology, and innovation to provide financial support and relief to both individuals and businesses. By driving affordability, accessibility, and efficiency,

"FinTechs are playing a significant role in reshaping the financial services landscape and having a positive, tangible impact on people's lives. Wales Tech Week provides a crucial opportunity to recognise and amplify these transformative efforts, as we work together to build a more accessible, inclusive and prosperous future."

Tom Hill, Senior Manager, FinTech Strategy, EY

AMPLIFICATION



SPONSORED FINTECH PANELS AT WALES TECH WEEK

LexisNexis Risk Solutions also hosted an extremely insightful panel during Wales Tech Week:

How FinTechs are responding to, improving access to finance in Wales: how fintech is reshaping credit decisions to enable greater financial inclusion

In a world grappling with economic disparities and a persistent cost of living crisis, traditional financial models often fall short in assessing the creditworthiness and financial needs of marginalised communities. The panel discussed the latest insight into the current state of financial inclusion in Wales and highlighted some of the exciting initiatives already underway to promote greater fairness and transparency for all using alternative data, advanced analytics and innovative new techniques for modelling.

"We are thrilled to have been part of Wales Tech Week, an incredible platform that showcases the immense potential and innovative spirit of the Welsh fintech ecosystem. This event provided a unique opportunity to highlight how fintechs are revolutionising access to finance in Wales, reshaping credit decisions to foster greater financial inclusion. We firmly believe that by leveraging technology and data-driven solutions, fintechs have the power to democratise financial services and ensure that individuals and businesses of all backgrounds can thrive."

**Sarah McQuaid, VP Marketing,
LexisNexis Risk Solutions UK &
Ireland**



AMPLIFICATION

FINTECH WALES IN THE NEWS

2023 was a great year for amplification for the Welsh fintech ecosystem.

Through various press releases covered in a number of publications we've reached over 15 million readers, which is an increase of 200% compared to 2022.

Big thanks to our PR Partner, Front Door Communications who continuously help us to be louder and prouder about Wales.



Huge thank you for the following press and publications for sharing our news:

BusinessNewsWales



BUSINESS INSIDER

GreenEconomy.Wales

BusinessLive



Financial IT
Innovations in FinTech

Wales247.co.uk

THE FINTECH TIMES

Finextra

*INNOVATE
FINANCE*



AMPLIFICATION

SOCIAL MEDIA REACH

LINKEDIN 2022

326K IMPRESSIONS

19K POST CLICKS

6K LIKES

LINKEDIN 2023

[FINTECH WALES](#)

762K IMPRESSIONS

83K POST CLICKS

16K LIKES

TWITTER 2022

234K IMPRESSIONS

764K POST CLICKS

1.9K LIKES

X 2023

[@WALESFINTECH](#)

272K IMPRESSIONS

806 POST CLICKS

2.5K LIKES

WEBSITE 2022

42.3K PAGE VIEWS

22.3K SESSIONS

16.8K NEW USERS

WEBSITE 2023

www.fintechwales.org

58.9K PAGE VIEWS

32.1K SESSIONS

21.1K NEW USERS

FinTech Wales has experienced yet another year of sustained growth across digital platforms. It is truly inspiring to witness a substantial increase in followers, visitors, and members of our ecosystem engaging with all sorts of initiatives and activity from our community.

This engagement not only enhances awareness of the sector's strength in Wales but also magnifies the accomplishments and milestones achieved by our members throughout the year.



LINKEDIN FOLLOWERS

NEW FOLLOWERS +3,098

TOTAL FOLLOWERS 8,708



X / FOLLOWERS

NEW FOLLOWERS +770

TOTAL FOLLOWERS 2134

AMPLIFICATION



FinTechWales meets

DAN AWAIS-DEAN

WHY CHOOSE WALES WITH

EVERKNOCK

WHY WALES? WHY NOT?

To demonstrate 'Why NOT Wales', we've introduced a series of videos with our Foundry alumni to showcase the multitude of reasons why fintechs should choose Wales as their base for starting and scaling their businesses. These videos provide valuable insights into why they made the decision to establish their fintech ventures in Wales and the benefits they have experienced as a result.

The success stories shared by our alumni serve as powerful testimonials, highlighting the supportive ecosystem, access to talent, strategic location, and numerous other advantages that make Wales an ideal destination for fintech innovation.

We are thrilled to continue this series and are actively seeking contributions from our wider community. If you have a compelling story to tell, please reach out to us, and together, let's inspire others to choose Wales as their fintech hub.

FINTECH WALES TEAM

Whilst small, the FinTech Wales team is extremely mighty and you won't meet a group of people more passionate about developing a thriving fintech ecosystem in Wales.

Whilst sad that this year we have had to say goodbye to our Head of Skills, Gemma Hallett and Marketing Executive, Tiffany Evans, we're delighted to welcome Sophia Wu and David Odunaike to our team.



Sophia Wu
Marketing Manager

Sophia is a seasoned marketing manager with a decade of experience in crafting impactful digital campaigns. She has a passion for achieving marketing efficiency through data-driven decision making and automation. Sophia has worked with organisations within financial services in Wales, bringing operational insights of Fintech companies to FinTech Wales.



David Odunaike
Marketing Executive

David, has over 4 years of combined experience in the dynamic realms of B2C and B2B customer management, particularly within the energy and finance services sector. Armed with a degree in Business Marketing with Management from the University of Gloucestershire, David has consistently demonstrated his ability to excel in roles that demanded a strategic blend of marketing acumen and client relationship management.



Huge thank you to FinTech Wales member Call of the Wild for organising a fantastic day out for the team at Henrhyd Waterfall in Neath. It was a great day to reflect on what has been achieved, set priorities for the year ahead and enjoy the amazing sights Wales has to offer.



**CALL OF
THE WILD**

BOARD & ADVISORY PANEL



FinTech Wales is driven by the skills and expertise from our Board, Advisory Panel and Team. This specialist group of professionals represent a variety of industry leaders including founders and board members of fintech companies, as well as those who work to enable and support the fintech and financial services sector in Wales.

During FinTech Wales' AGM in October 2023, we were thrilled to welcome and announce the election of several new members to our Board and Advisory Panel.



LEADERSHIP CHANGES IN 2024

FinTech Wales has recently announced that Louise O'Shea will be stepping down from her role as Chair in January 2024, and Sarah Williams-Gardener will subsequently transition from CEO into the role of Chair in the New Year.

Having established Wales as a thriving fintech cluster on a global stage, it's now time for a new CEO to lead FinTech Wales and the Welsh fintech ecosystem through its next chapter, which will be focused on attracting and supporting more fintech organisations to start and scale their business in Wales.



"The Board, Advisory Panel and team at FinTech Wales express their sincere gratitude for Sarah's outstanding contributions and remarkable leadership throughout her tenure. We applaud Sarah's decision to embrace this new opportunity as Chair, recognising the invaluable impact she will undoubtedly have on FinTech Wales and its future endeavours."

Louise O'Shea
FinTech Wales Chair

"I'm honoured to have been appointed as Chair for FinTech Wales having received overwhelming support from both the Board and Panel."

"It's been a pleasure working alongside Louise O'Shea for the

past four years, and, during her time as Chair, Louise has ensured that the organisation has gone from strength to strength. I'm stepping into very big shoes.

"Whilst sad that Louise has stepped down, I'm delighted that this has provided an opportunity for me to hand over the reins of FinTech Wales' CEO whilst still being able to support and amplify the amazing things that Welsh fintechs and the FinTech Wales team are achieving."

"My time at FinTech Wales has been truly phenomenal, and I'm delighted to still be able to play a part in such an important and poignant mission."

Sarah Williams-Gardener
FinTech Wales CEO

SUPPORT & ACKNOWLEDGEMENTS



LOUISE O'SHEA

As Louise steps down from the role of FinTech Wales' Chair in January 2024, we would like to express our deepest appreciation for her dedication and outstanding commitment. Louise's passion and unparalleled devotion to our ecosystem have been truly inspiring.

Her transformative leadership has guided FinTech Wales from its inception and has propelled us to unprecedented achievements. She has been an advocate for the growth and long-term sustainability of our ecosystem, leaving a lasting impact on the industry.

Under Louise's guidance, we have attained remarkable milestones and embraced change with exceptional ability. Her genuine care, kindness, and warmth towards FinTech Wales and the Welsh fintech community have fostered an environment of creativity and innovation.

We sincerely thank Louise for her exceptional leadership and for serving as a true inspiration to all of us.

CARDIFF CAPITAL REGION

Following last year's significant milestone with Cardiff Capital Region's (CCR) investment, we are forever grateful for CCR's continued support towards FinTech Wales and the thriving fintech ecosystem in Wales. Their unwavering commitment has played a pivotal role in driving the growth and success of our organisation and the broader fintech industry in the region.

With their invaluable support, we have been able to foster innovation, collaboration, and knowledge-sharing among fintech companies, entrepreneurs, and stakeholders in Wales. CCR's belief in our mission has empowered us to create a dynamic environment that nurtures fintech talent, attracts investments, and positions Wales as an emerging hub for fintech excellence.

We are truly thankful for the ongoing support and collaboration, and we look forward to continuing our journey together in shaping a vibrant and prosperous future for fintech in Wales.

SUPPORT & ACKNOWLEDGEMENTS

SARAH KOCIANSKI

After the resounding success of the Fintech in Wales Annual Report 2021/22, we were thrilled to collaborate once again and therefore commission Sarah to research and write the highly anticipated 2022/23 Report.

Working with Sarah has been an absolute pleasure, as her expertise, knowledge and insights have allowed us to provide a comprehensive and informative overview of the fintech landscape in Wales, demonstrating the strengths of the Welsh fintech ecosystem to the world.



MEMBERS & PARTNERS

We would like to sincerely thank all our members and partners for your essential support, collaboration, and dedication in keeping us focused and driven towards our mission. Your active participation and contribution has been instrumental in shaping the fintech community in Wales and propelling us towards our vision of innovation, growth, and excellence.

Your continued engagement inspires us to strive for continuous improvement, fostering a vibrant community of fintech professionals, driving economic growth, and making a lasting impact on the industry.

BOARD, PANEL & TEAM

And finally, we would like to express our sincerest gratitude to the exceptional members of FinTech Wales' Board, Advisory Panel, and our dedicated team. Your commitment, expertise, and tireless efforts have been instrumental in driving the success and impact of FinTech Wales as an organisation. Your strategic guidance and valuable insights have shaped our initiatives, allowing us to navigate challenges, seize opportunities, and advance the fintech ecosystem in Wales.

Your passion for our shared mission, combined with your diverse skills and perspectives, continually inspire us to push boundaries, foster innovation, and facilitate meaningful collaboration. We are immensely grateful for your support and the countless hours you have dedicated to shaping the future of fintech in Wales. Thank you for your remarkable contributions and for being the driving force behind our collective achievements.

PARTNERS



MEMBERS



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