

# Innovations for Economic Integration: Alternative Data and Broader Access to Credit

## Introduction

For generations, immigrants have journeyed to new countries, bringing skills, dreams, and a drive to contribute. However, many face barriers to economic integration, often struggling to access financial systems that require established credit histories or standardized financial backgrounds. This long-standing challenge has limited their ability to fully participate in and contribute to the economy of their new home.



Alphonse, Dorimène Desjardins and founders of Desjardins Group - 1920

Number of  
Communities

400

Credit  
Volume  
Mobilized  
**\$3M CAD**

Repayment  
Rate  
**98.5%**

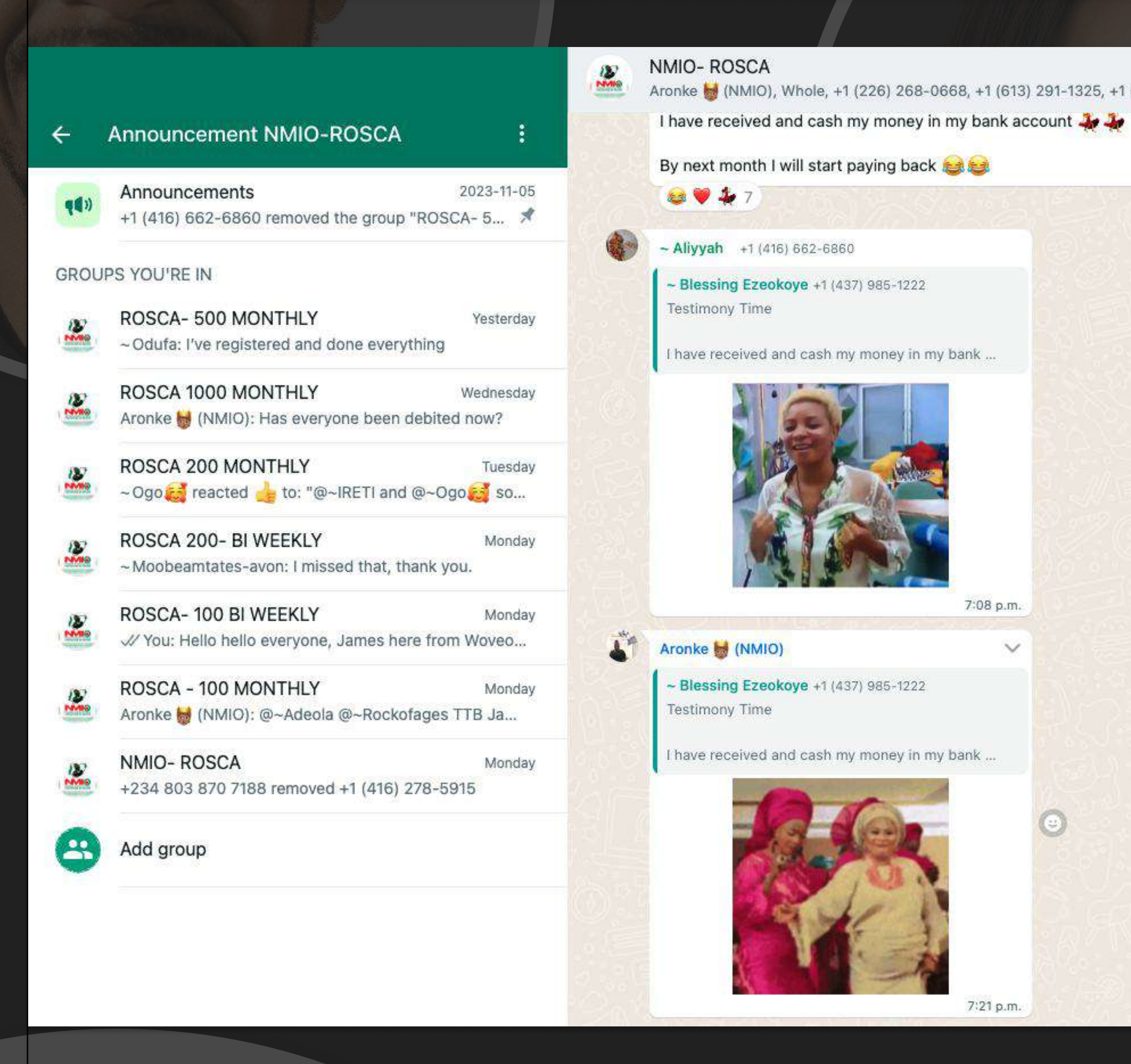
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**Woveo**

## Thesis:

By leveraging alternative data and expanding credit access, we unlock immigrant potential and boost Canada's global standing. Here's why this is crucial:

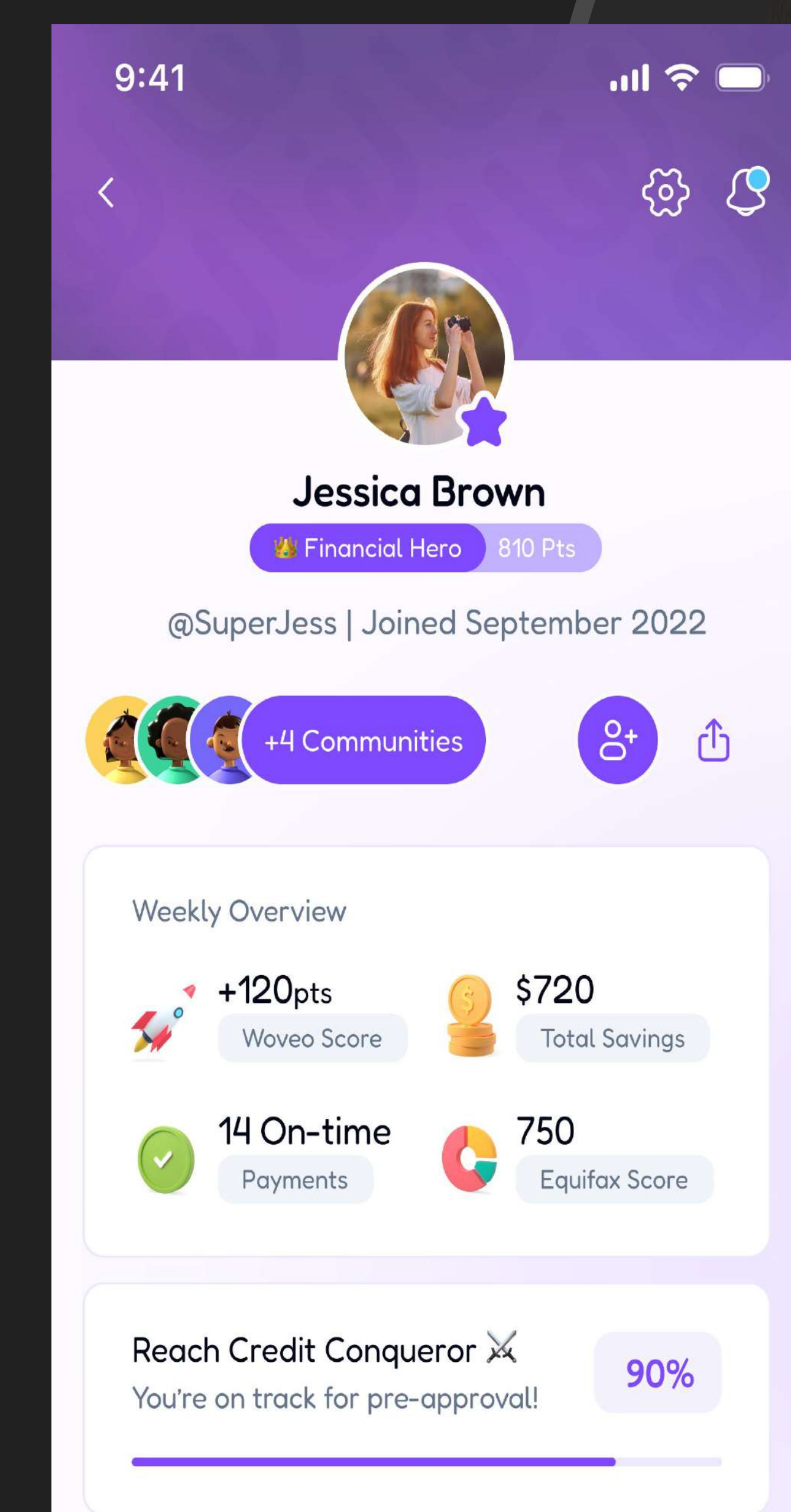
1. **Boosting Economic Growth:** Expanding access to credit allows newcomers to actively participate in Canada's economy, driving local growth and building long-term resilience.
2. **Strengthening Global Competitiveness:** Integrating diverse financial perspectives and using alternative data creates a more adaptive, innovative financial system, making Canada a global leader.
3. **Enabling Sustainable Growth:** Financial inclusion empowers immigrants to contribute to grassroots economic development, sparking a cycle of community-driven, sustainable growth that benefits all.



## A History of Community Credit

Economic integration is Canada's path to future prosperity. By adopting innovative solutions like alternative data and expanded credit access, we unlock newcomer potential and elevate Canada's global economic standing. Historically, communities have overcome limited access to credit by self-organizing and holding each other accountable—a legacy that today's efforts continue to build upon. This work:

- Empowers Grassroots Economic Growth: Credit access enables newcomers to participate in Canada's economy, strengthening community resilience.
- Boosts Competitiveness: Diverse financial insights and alternative data enhance Canada's adaptability and global standing.
- Drives Collaborative, Sustainable Growth: Financial access fuels grassroots development, benefiting both local communities and the broader economy.



## Mitigating Credit Risk: Woveo Credit Score

- Woveo's Social Collateral Model: Group accountability drives a 98.5% repayment rate, minimizing default risk.
- Cash Flow Verification: Ensures members can sustain contributions over \$500/month, adding a further layer of security.

### Risk Mitigation Tools:

- KYC Identity Verification
- Bank Connection and Cash Flow Assessment (via Plaid)
- Woveo Risk Rating
- Social Collateral

## Financing Use Cases

- Housing and Business Startup Capital
- Credit Card Repayment
- Emergency Expenses
- Tuition and Education
- Credit and Debt Repayment (Pay Day Loan Program)
- Home and Business Financing

## Member Benefits

- Credit Default Protection
- Credit Building
- Access to Interest Free Credit
- Credit Score Education and Monitoring
- Social Feed's, Notifications and Automated Transactions
- Woveo Wallet CDIC insurance



## Building an Ecosystem for Grassroots Economic Growth Credit Risk

Our vision is to re-imagine community banking by leveraging partnerships with communities, capital providers, and credit unions. Together, we are building an ecosystem of Community Wallets that enhances access to low-cost credit and promotes financial inclusion. This ecosystem is designed to support the flow of economic activities within communities, ensuring that each aspect builds upon the next, driving sustainable growth and empowering financial resilience.



## Key Findings

1. **Broadened Access to Credit:** Woveo's AI-powered credit scoring leverages alternative data such as community participation and behavioural patterns to offer affordable credit to individuals without formal credit history. This innovation supports economic integration by promoting entrepreneurship and addressing essential needs, while social collateral ensures accountability and reduces default risk.
2. **Enhanced Trust through Automation:** Woveo's use of Generative AI automates the credit life cycle, utilizing real-time data to streamline processes and improve transparency. This technological innovation bridges community finance with secure, scalable systems, creating trust and broadening access to credit for underserved populations, which is key to economic integration.
3. **Community-Driven Credit Decisions:** By enabling communities to make informed credit decisions based on local insights and repayment data, Woveo reinforces creditworthiness and supports grassroots financial ecosystems. This data-driven approach aligns with broader financial inclusion goals, ensuring sustainable economic growth and deeper integration for marginalized communities.

## With Special Thanks:

