

Health and financial wellbeing: access beyond credit



Credits

▷ DATA NUBANK AND EDITORIAL COORDINATION

Rafaela Nogueira
Ticá Almeida

▷ EDITORIAL

Ticá Almeida

▷ RESEARCH COORDINATION

Rafaela Nogueira

▷ RESEARCHERS

Alejandra Aristizabal
Bárbara Laurindo
Benjamin Reyes
Felipe Gomez
Guilherme Fernandes
Gabriela Marcon
Juan León
Karina Tolardo
Natali Jaramillo
Taline Kilvia

▷ COLLABORATION

Adriana Botello
Amanda Costa
Caroline Afonso
Gabriela Coelho
Inês Vallandro
Ive Andrade
Jörg Friedemann
Luisa Arboleda
Luiza Pollo

Data Nubank #7

Introduction



Inclusion beyond credit: the seventh edition of Data Nubank shows how innovation and simplicity encourage people to save money with specific goals. Discover how the path to financial well-being goes not only through access to resources when needed, but also through the opportunity to invest without complications.

The financial well-being of individuals is related to two major factors: their ability to raise funds to cover extra or unexpected expenses, and ensuring the availability of solutions to address potential sources of financial stress - solutions that include, for example, ways to save for the future, invest their money or take out new lines of credit. Additionally, it is essential that the population has access to “appropriate, low-cost, understandable, and useful financial products and services designed to meet their needs.”

That is the conclusion of the [Global Findex: o Brasil na comparação internacional](#), a study on Education, Protection, and Inclusion from the Brazilian Citizenship Series by the Central Bank of Brazil. The material, published at the beginning of 2023, also shows how “digital technology, such as the use of smartphones, is a major catalyst for financial inclusion.”

In its first 10 years of existence, Nubank has been strongly associated with financial inclusion through the democratization of access to credit cards, contributing to the reduction of inequalities in this regard, including gender, income range, and region. The [6th edition of Data Nubank](#), published in March of last year, indicated that “considering the analysis period, women, low-income individuals (total household income of up to three minimum wages), individuals aged between 18 and 30, and those living in the Southeast and Northeast regions led the inclusion leveraged by Nubank.” The same survey pointed out that 5.7 million people with no credit history could obtain their first credit card with an approved limit with Nubank between July 2021 and July 2022.

This seventh edition of *Data Nubank - Health and Financial Wellbeing: Access beyond Credit* aims to show that, just like Nubank’s own growth story, the financial inclusion journey we promote goes beyond the democratization of credit card usage. Through the constant development of a portfolio that focuses on creating products that meet the needs of customers, always seeking the most competitive cost possible through innovation, simplification, and complexity reduction, Nubank is now present in people’s lives not only as the “purple card” but also as a service that encourages them to save with a defined objective, with the help of “Money Boxes”, and that offers investment, credit and insurance possibilities.

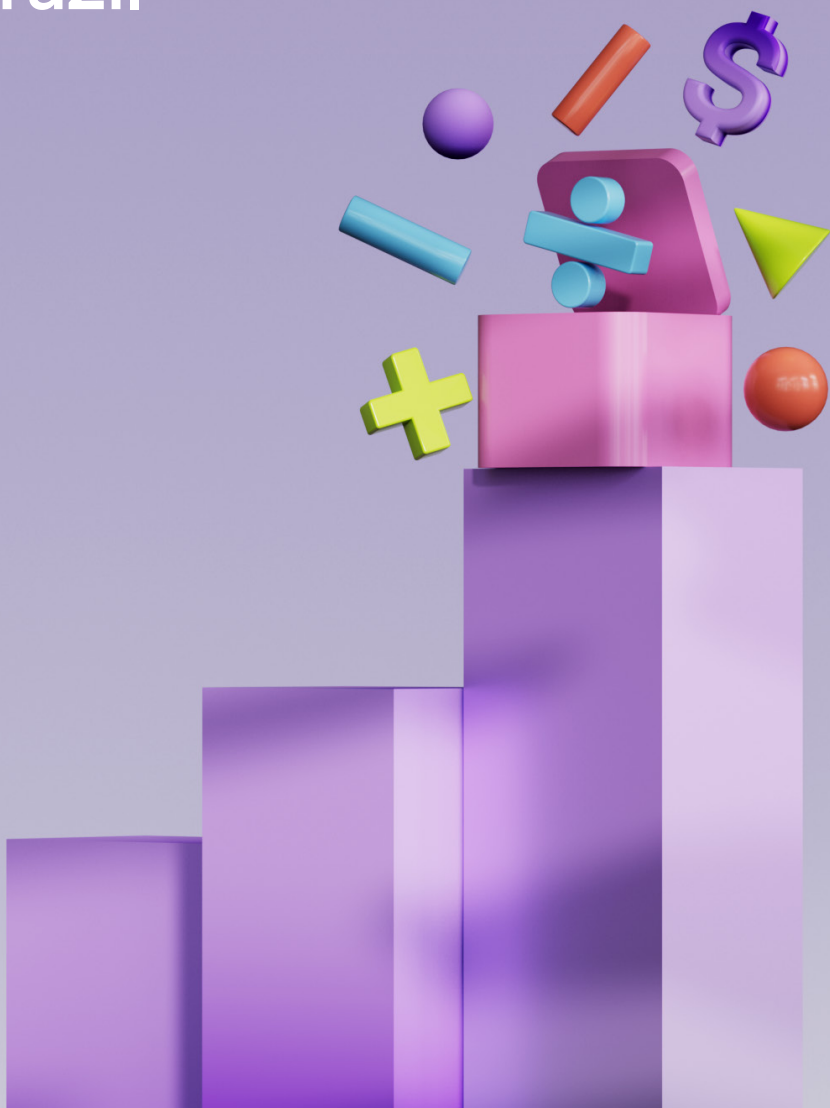
Data from Nubank's financial earnings release indicates that the institution ended 2023 with a total global of 93.9 million customers. Regarding products, there were 41 million active customers with Nubank credit cards, 69 million with digital accounts, and over 7 million with personal loans. Also, by the end of 2023, there were over 1 million active insurance policies and over 15 million active investment customers. As part of this portfolio expansion aligned with customer needs, Nu became the primary banking relationship for over 61% of its monthly active customers by the end of 2023.

The main purpose of this edition of Data Nubank is to show the journey of Nubank customers towards healthy and sustainable long-term financial inclusion that brings more financial well-being to people. Having simple and competitively priced products, being able to access credit, and saving or investing money through different options is crucial to offer the population the assurance that their integration and growth in the financial system will happen in a careful, disciplined, and conscious manner.

Among the highlighted numbers, among customers who had their first credit card with Nubank, the number of those using "Money Boxes" more than tripled in one year, going from 1.5 million in December 2022 to 4.8 million in December 2023. This means that Brazilians who entered the system through Nubank's credit card can now save for their dreams or prepare for life's unexpected expenses.

A new feature of this report's edition includes an analysis of our progress in Mexico and Colombia. The three markets in which we currently operate are at different stages regarding product portfolio and number of customers. However, the mission that guides us in all three countries is to build a relationship that simplifies people's lives and puts them in control of their financial decisions. The sections that explain how this process of disciplined inclusion and focus on long-term financial health is happening in Colombia and Mexico will also show how the path started and experienced in Brazil is being enhanced in other geographies where we are present.

Data Brazil



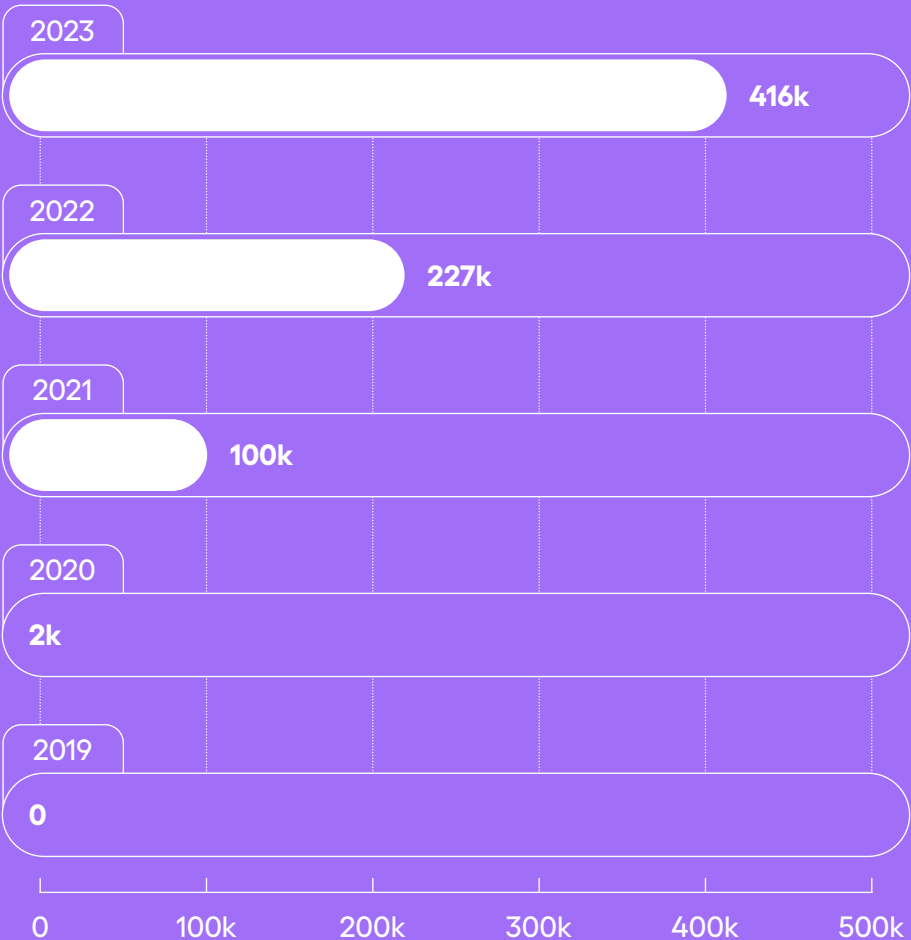
In the past five years, up to December 2023, Nubank has enabled almost **21 million (20,7 million)** Brazilians to have access to their first credit card¹. This has proved to be an important first step in building a path to greater financial well-being. Still, it must be stressed that financial inclusion, if it is to be sustainable, does not only involve democratizing access to credit. Often, this step can only be the gateway for people to take more control of their financial lives, with the opportunity to organize and centralize spending, settle any outstanding debts, and, ideally, save and invest. Our data shows that this is a reality for customers who started their credit card relationship via Nubank: **43% of people who had their first card via Nu in the past five years also saved some money over this period.**

Another piece of data that shows the evolution of people's integration into the financial system is the growing number of life insurance policies taken out by customers who had their first credit card with Nubank - from 2,000 policies in 2020 to 416,000 in 2023.

¹In order to establish that the customer who entered the credit card base at Nubank had no credit history, we analyzed the data in the Central Bank's SCR (Credit Information System) for a period of six months prior to applying for the credit card and also checked whether there was any information in the credit bureaus. If the customer did not have a credit relationship in the modalities during the period analyzed, we considered that they had acquired their first credit card with Nubank. This methodology was reviewed and refined by Nubank for this report and will be used from now on for all the company's studies on inclusion via credit cards.

→ CHART #1

Life insurance policies acquired by customers
who had their first credit card with Nubank:



Money Boxes

One of the most popular ways for Nubank customers to invest their money is through “Money Boxes” - a tool to save money in an organized and personalized way, according to each person’s goals, directly within the app. To have an idea, among the almost 21 million customers who had their first credit card with Nubank from 2019 to 2023, **the number of those using “Money Boxes” more than tripled in a year**, increasing from 1.5 million in December 2022 to over 4.8 million in December 2023.

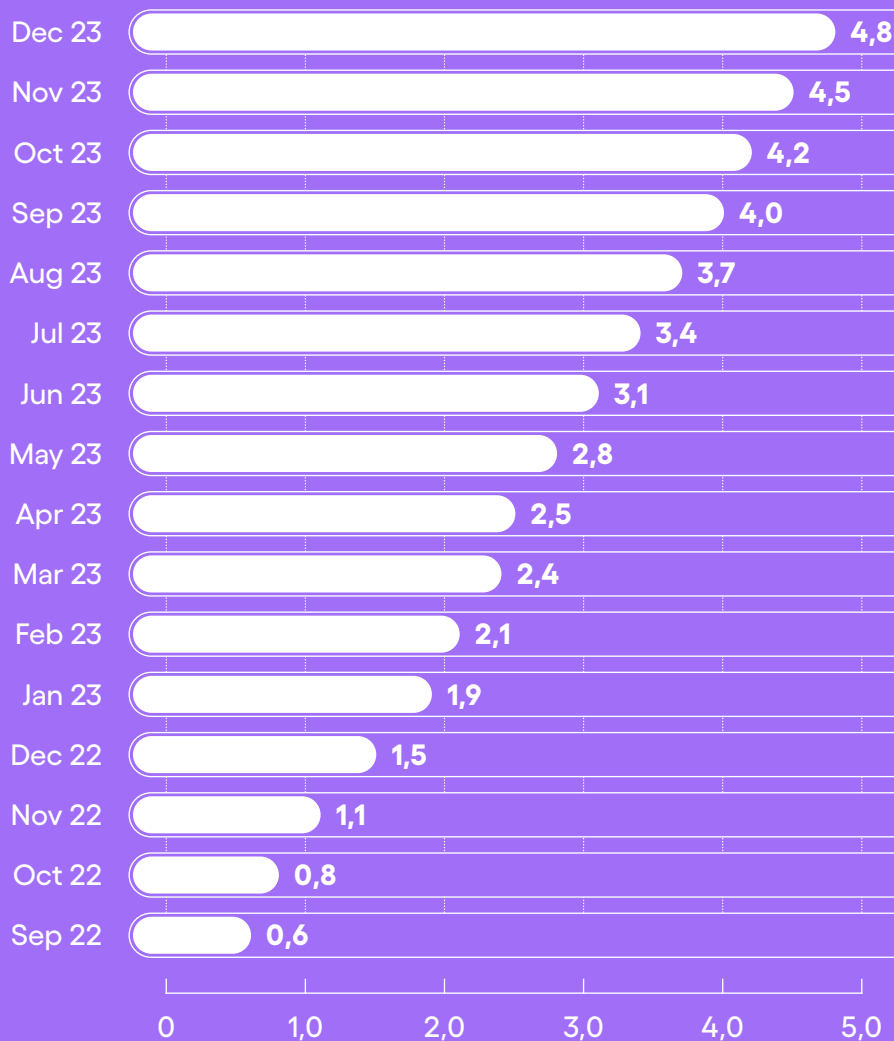
**From 1.5 million
to 4.8 million**

This is the number of customers, among the ones who had access to their first credit card through Nu over the past five years, who had been investing in Money Boxes during 2023



→ CHART #2

Nu First¹ customers who have been using Money Boxes, per month:



¹Nu First - customers who had their first access to credit cards through Nubank

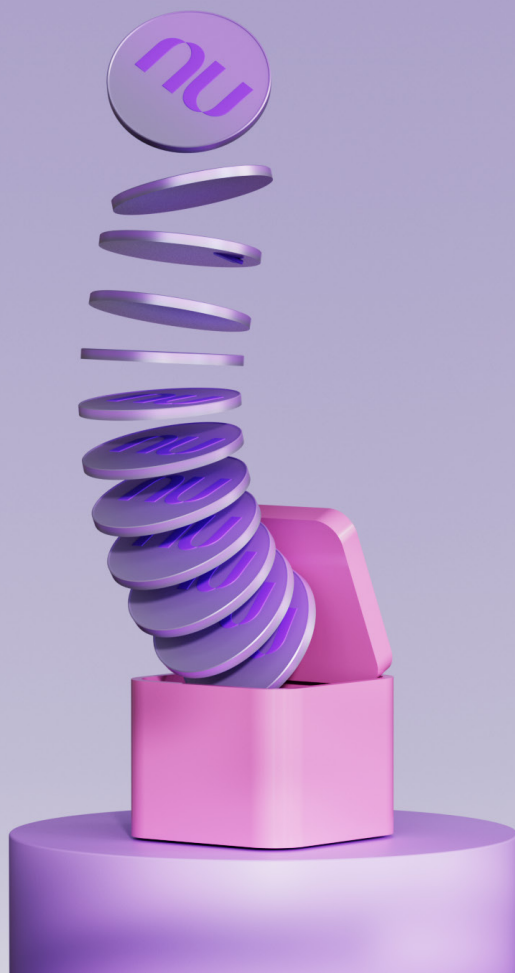
The use of “Money Boxes” is growing not only among people who have been included in the credit card market by Nubank but across the entire customer base. The number of active “Money Boxes” in Brazil **grew from 2.1 million in September 2022, when it became available to all Nubank customers in Brazil, to 16.6 million** in December 2023, as shown in the graph:

→ CHART #3

Number of active Money Boxes each month, in millions:

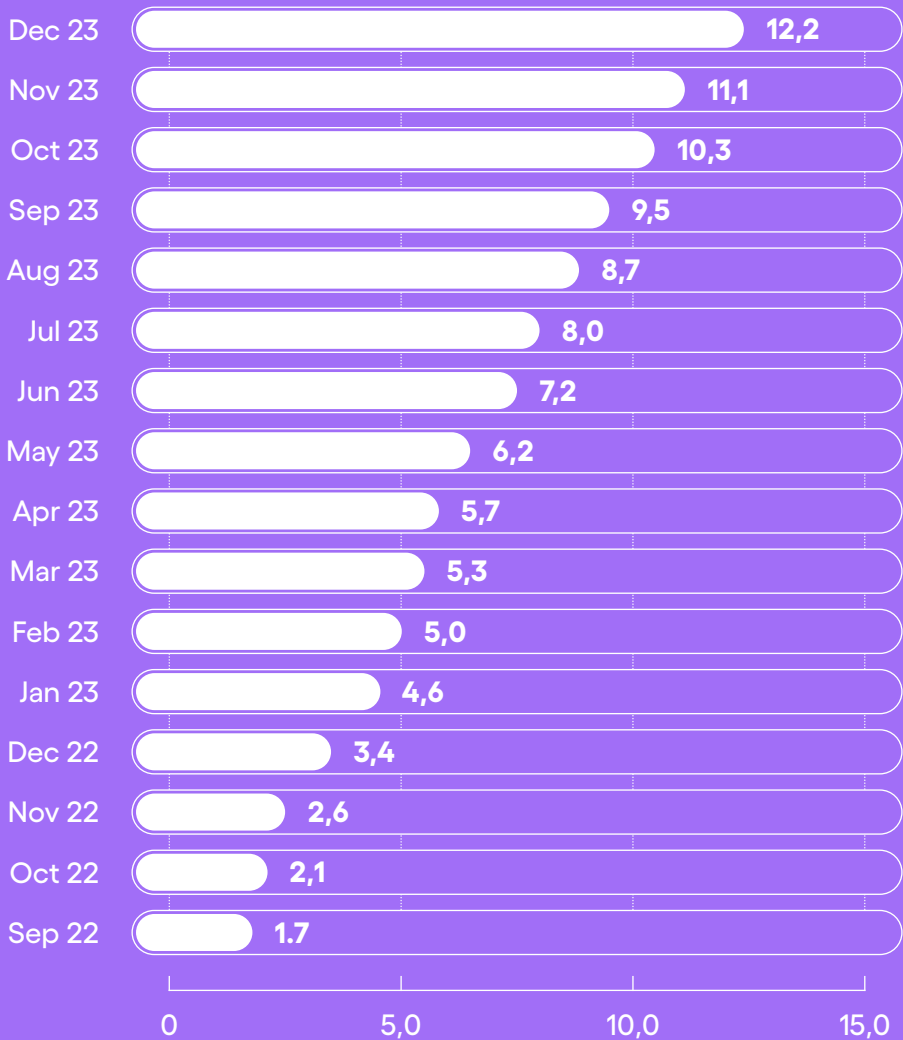


The number of customers embracing this feature has also been increasing considerably: in December 2023, 12.2 million customers had opened “Money Boxes”, **more than three times the number recorded one year prior.**



→ CHART #4

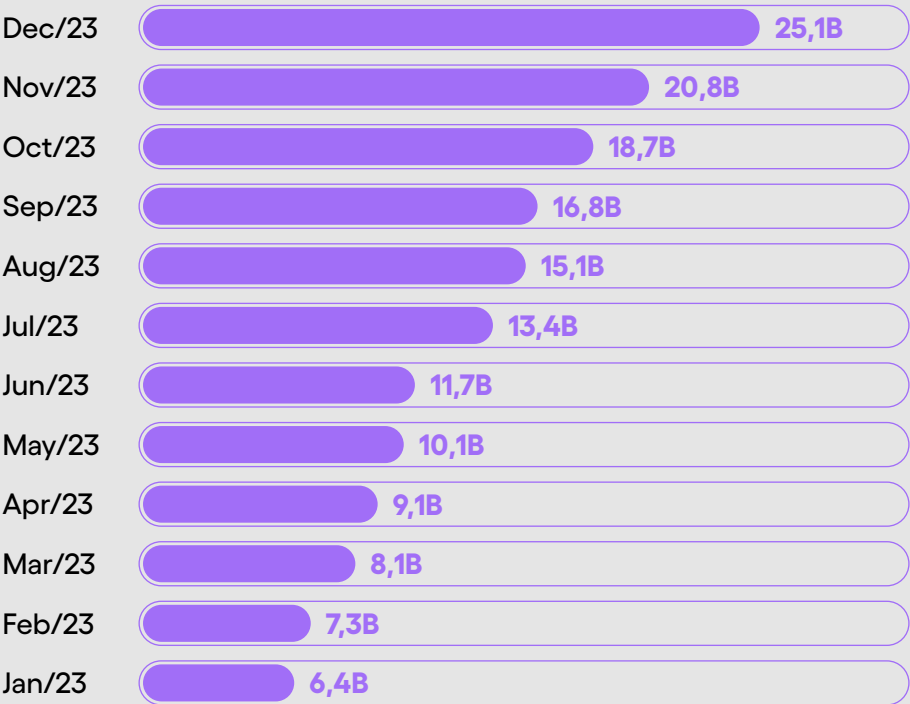
Number of customers with active Money Boxes each month, in millions:



Another indicator of the product's growth is the amount people invest in the "Money Boxes": in January 2023, the total invested was R\$6.4 billion, **almost quadrupling over the course of a year to more than R\$25 billion in December 2023.**

→ CHART #5

Amount of money invested in Money boxes, by month, in BRL



The “Money Boxes” were created to meet customers’ needs who wanted to save money but felt they had little knowledge about the subject or considered investing too complex or not meant for them. “Money Boxes” are easy-to-access and user-friendly tools with simple rules to understand, making them a gateway for people to enter the investment universe.

Each person can create as many “Money Boxes” as they want and give each one their preferred name. However, to make it easier, there are five basic “Money Boxes” available in the Nubank app:

→ **EMERGENCY FUND**

this fund is focused on helping the customer deal with unforeseen financial events, which is why it is the only option for which the investment cannot be changed. The investment behind this Caixinha is the RDB with immediate liquidity.

→ **HOME RENOVATION**

a specific reserve for people to save monthly money for home renovations.

→ **CAREER FOCUS**

for courses and other investments in career development.

→ **MY DREAM PURCHASE**

to fulfill the wish list.

→ **GO ON A TRIP**

as the name suggests, this is intended to raise money for upcoming vacations or holidays.

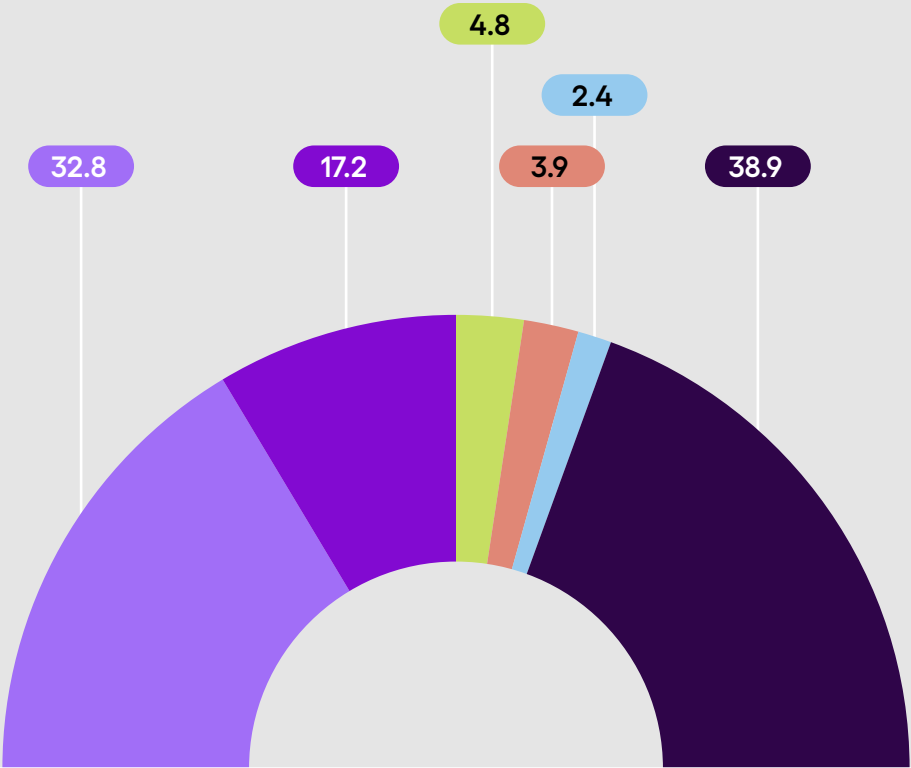
In addition, there is also the “Caixinha” specifically dedicated to Nu Guaranteed Limit (Nu Limite Garantido) resources for customers who choose this option. This allows individuals to increase their credit card limit by leaving an investment amount as collateral. If the credit card bill is not paid by the due date, the investments held as collateral in this “Caixinha” will be used to partially or fully pay the bill, depending on the available amount. This is a way to give people the opportunity to increase their limit while mitigating the risk of indebtedness.

Our data shows that the majority of people who use the “Money Boxes” do so to set aside money for unforeseen events: **32.8% of the Money Boxes active in December 2023 were called Emergency Reserve**, followed by Nu Limite Garantido (17.2%); my consumption dream (4.8%), going on a trip (3.9%) and renovating the house (2.4%).

→ CHART #6

Most popular Money Boxes (%)

- Emergency Fund
- Nu Guaranteed Limit
- My Dream Purchase
- Take a Trip
- Renovate the House
- Other

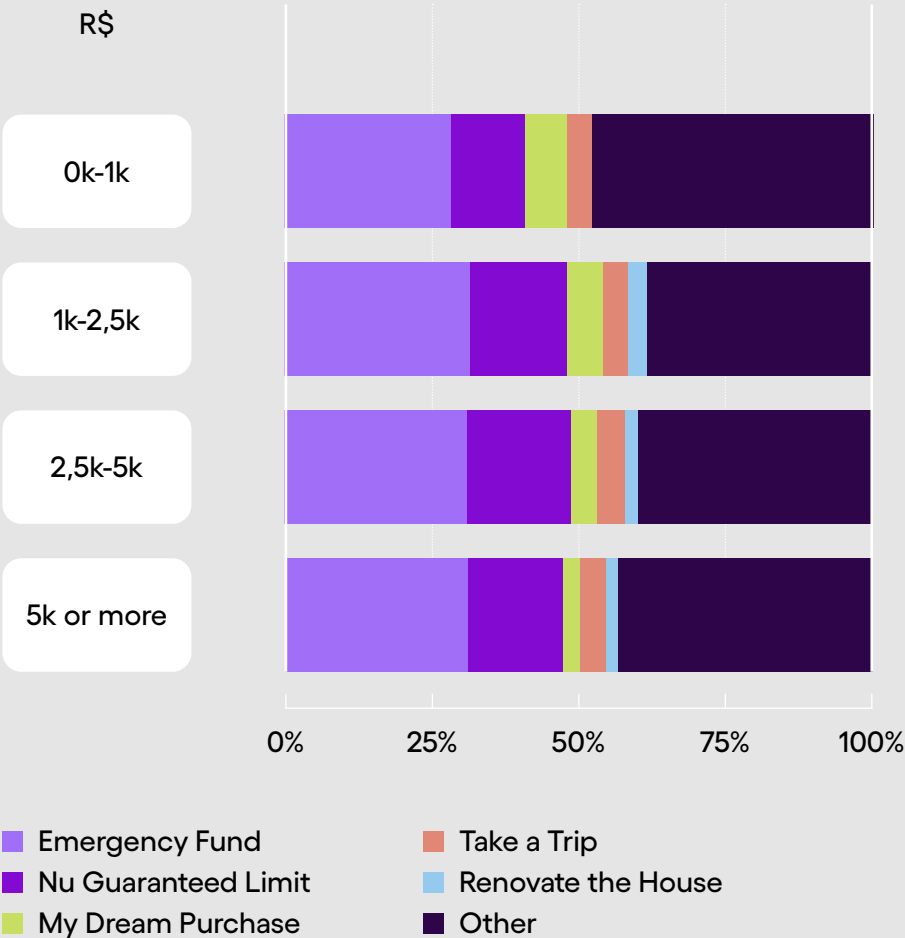


In December 2023, more than 1.6 million different names were created for the “Money Boxes”. Analysis of how customers “baptize” them indicates that they refer to the fulfillment of consumption goals (Car, Mobile Phone, Motorcycle), housing (Renovation, House, Apartment), leisure (Travel), career, studies, and other personal objectives.

When we look at the names of the Money Boxes opened from the perspective of **income bracket**, we see that, in general, this is not an aspect that generates major differences in relation to the main reasons that lead customers to save. However, it is possible to see that customers with higher monthly incomes are less concerned about the goals relating to “Consumption dreams”, which may be because they have more money available to fulfill their desires. **The Emergency Reserve is a common goal among all income brackets**, demonstrating the population’s importance to financial organization.

→ CHART #7

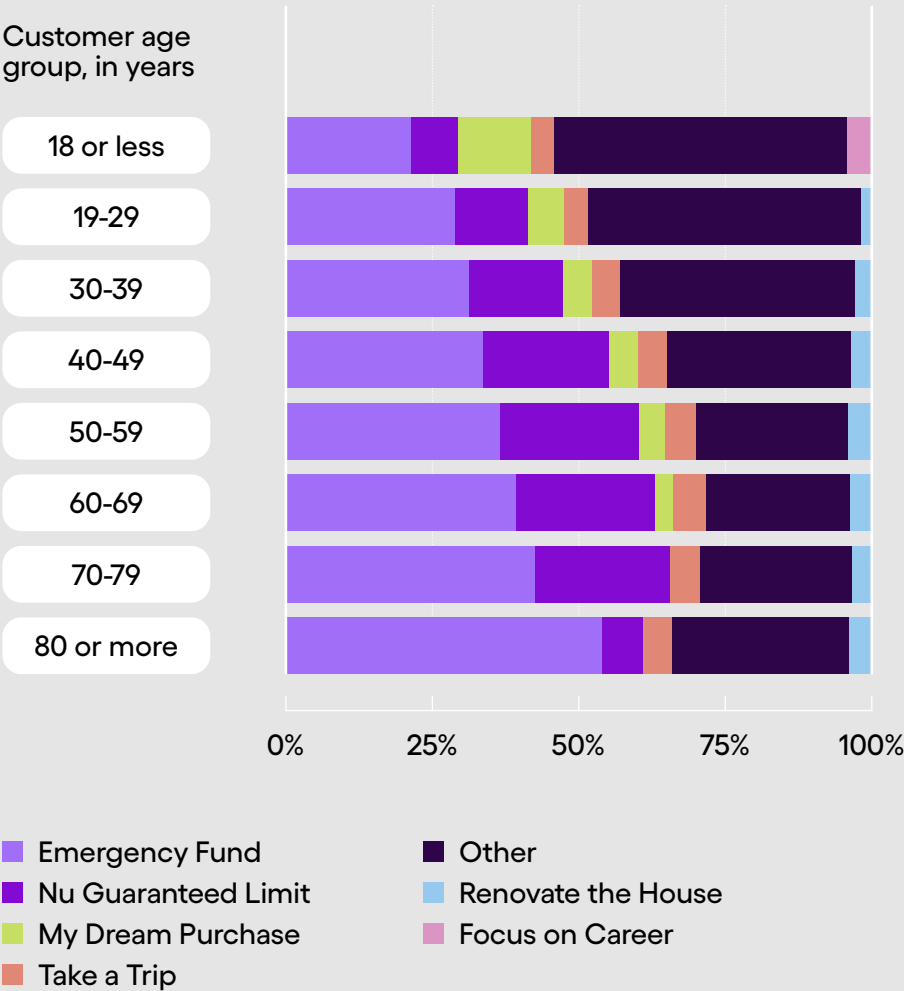
Main names of money boxes by customer income range:



In the age breakdown, it is possible to perceive that, **as the age gap increases, customers' concern about maintaining an emergency fund also increases**. Similarly, we observe that younger customers tend to invest more in their Dream Purchase and, at the same time, distribute their resources among more varied goals (as seen by the high portion dedicated to other “Money Boxes” besides the pre-established ones). Additionally, customers under 18 years old have a greater focus on their career, while others shift their focus to the objective of Home Renovation. Regardless of the goal, people use “Money Boxes” to ensure that their financial objectives are met, allowing for greater comfort through planning their achievements.

→ CHART #8

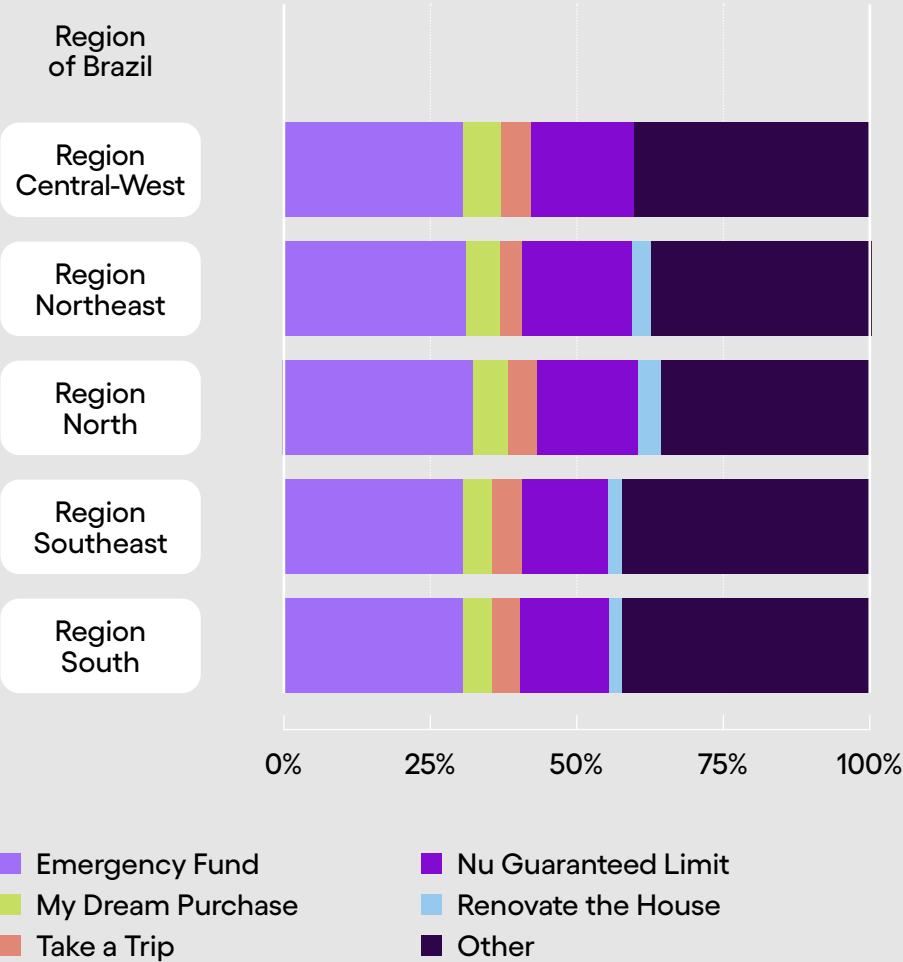
Main names of Money Boxes by customer age group:



With regard to regional particularities, although there are no extremely significant differences between the objectives for opening the “Money Boxes”, it is possible to note that, in general, customers in the North and Northeast save more for “Renovating the house”, a goal that does not appear in the Center-West, where the objective of “Going on a trip” is slightly higher compared to the other regions.

→ CHART #9

Main names of Money Boxes by region of Brazil:

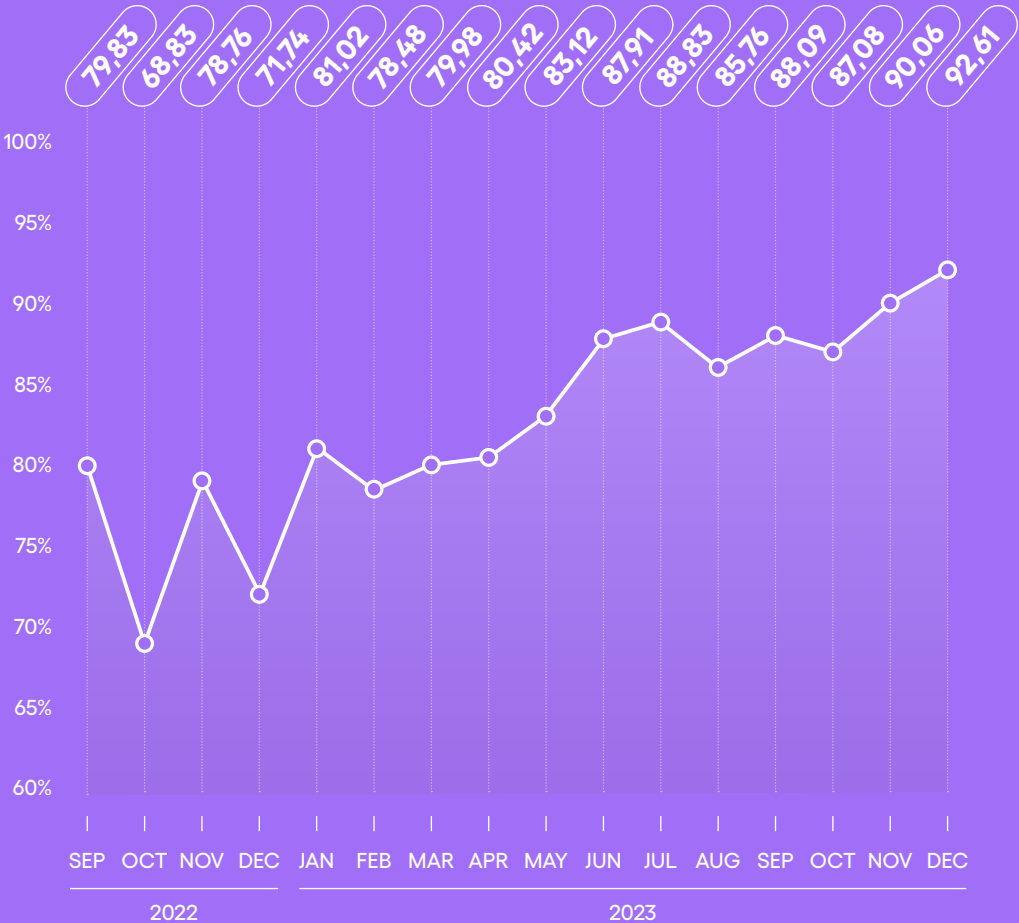


Money Boxes as a first step

Just like credit cards are often the entry point for people into the financial system, “Money Boxes” have proven to be the starting point for Nubank customers on their path to the world of investments. The data shows that historically, from the customers who started investing in other Nubank products every month, at least 70% used “Money Boxes” as their first product to save their money. This figure has evolved and stabilized at around 90% in the second half of 2023.

→ CHART #10

Percentage of customers who started investing with Nu each month
by starting with Money Boxes in %



This is further proof that understanding people's real needs and building a portfolio to meet those needs is the foundation for financial inclusion to become a process that not only provides access to products and services but also keeps people involved in the system in a healthy and sustainable way. This journey is aligned with Nubank's purpose, as it enters its 11th year of existence with the same mission to reduce complexities, invest in innovation, and give people control over their financial lives.

Data Mexico



46% of customers in Mexico did not have a credit card before Nu

After entering the Mexican market with a credit card offer in March 2020, Nu Mexico began making Cuenta Nu fully available in the country in May 2023, with “Money Boxes” (or Cajitas, as they are called locally) being offered as one of Nu Cuenta’s functionalities ever since.

By the end of 2023, Nu was already present with different products and services in 98% of Mexican municipalities, achieving significant figures both in terms of inclusion via credit card and in terms of interest in Cajitas from the account’s customers. According to data from December 2023, **46% of active customers did not have a credit card before starting their relationship with Nu.** In addition, in the same month, more than 1.1 million Nu customers in Mexico had already opened Cajitas, a significant acceleration in adopting the resource compared to May of the same year, when 194,000 customers had put money in Cajitas.

In the process of developing the products and services it offers in Mexico, Nu carried out a study to understand the main barriers to people saving money. In a survey of more than 1,500 people between the ages of 18 and 45, 40% said that what prevents them from saving is unexpected expenses and the inability to close their accounts, while 14% said they don't know how to organize their money and, as a result, 12% said they have no control over their finances.

In this sense, the “Money Boxes” appear as a simple and easy option that gives people the opportunity to start putting their finances in order - creating the habit of saving and showing, in practice, the benefits of saving money.

Data Colombia



Nubank provided the first credit card to 30% of its customers in Colombia

Almost three years after launching its credit card in Colombia, Nubank was already present in 92% of the country's municipalities by December 2023. In addition, according to data from the same month, **Nu was the first institution to offer a credit card to 30% of its active customers in the period.**

As a natural step in the evolution of the products and services on offer to provide people with complete and sustainable financial inclusion, Nu Colombia announced in January 2024 the opening of the launch list for Cuenta Nu.

The product was developed to meet Colombians' growing demand for tools that help them maximize their savings and achieve their financial goals more efficiently without losing the ability to access their money whenever they want. According to a Nu Colombia survey, people feel that their accounts

are designed to pay expenses rather than to save money. More than 50% of Colombians face barriers to saving with existing products in the country, either because they perceive the yield to be too low or because their money doesn't grow due to administration fees and other associated costs.

As is already the case in Brazil and Mexico, Cuenta Nu will also offer Cajitas, an investment option that encourages the start of a savings program with defined objectives.

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