

FICO® Score XD

Expanding Credit Opportunities

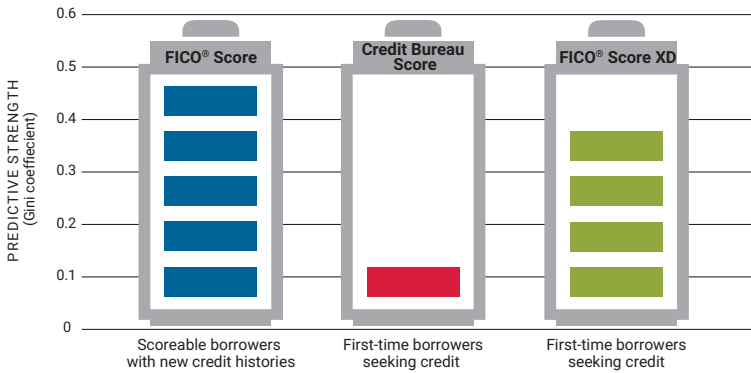
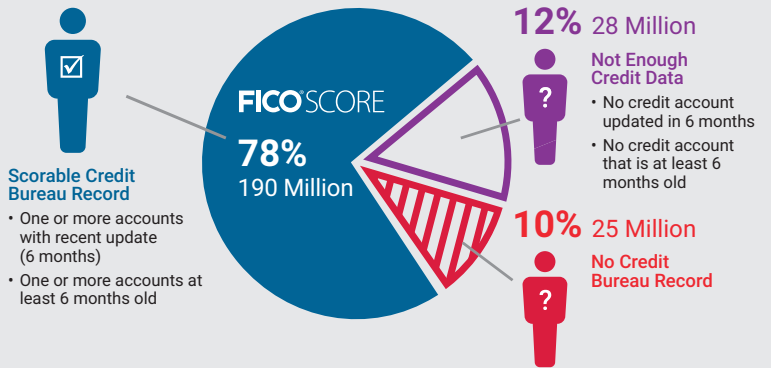


Who Doesn't Have a FICO® Score?

Most Americans have FICO® Scores – the three-digit number that lenders use to make credit decisions. But more than 50 million American adults don't.

Here's why, and what FICO is doing about it.

(FICO® Scores are based solely on credit bureau data.)



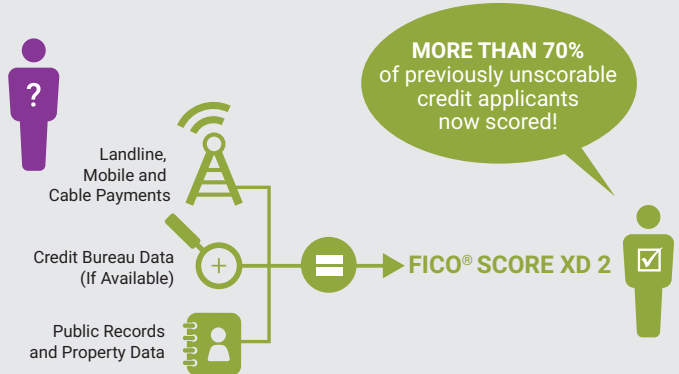
To Solve this Problem, Credit Bureau Data Isn't Enough

When bureau data gets sparse, the score's predictive power drops and it becomes unreliable.

Alternative data builds the score's predictive power and reliability.

Scoring More Consumers

FICO is using FCRA-compliant alternative data sources to give reliable FICO® Scores to people who can't be scored using credit bureau data alone.



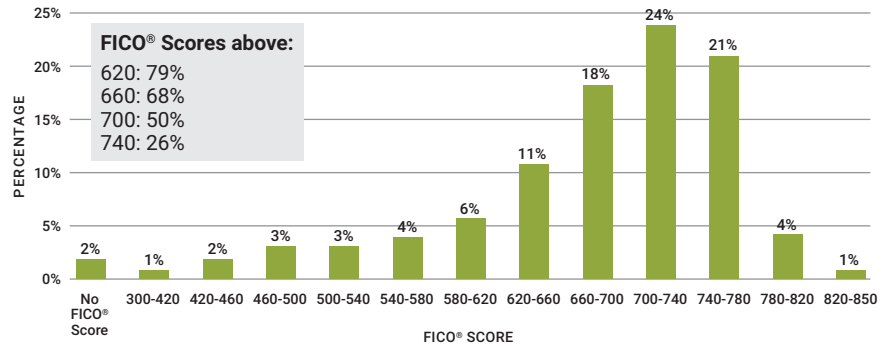
The Path to Mainstream Credit

Most “credit invisible” people with a FICO® Score XD above 620, who then open traditional credit accounts, go on to maintain good credit and achieve high standard FICO® Scores.

This approach can make mainstream credit available to millions more Americans.

Two Years Later: Standard FICO® Score Distribution

“Credit invisibles” with a FICO® Score XD above 620, who then open a traditional credit account



53 Million Adults	Scoring with Credit Bureau Data	Scoring with Alternative Data
NEW TO CREDIT Students, recent immigrants, other active credit seekers 	<ul style="list-style-type: none"> Only inquiries or very new accounts on file. Not enough credit history to gauge credit risk. 	Payment data on non-credit accounts can help these consumers get a FICO® Score months sooner than before.
CREDIT RETIRED Consumers with no credit use in 2 years or more 	<ul style="list-style-type: none"> Only have old data on record. Lenders know a lot can change in 2 years. 	These consumers are generally making payments on non-credit accounts, giving a more up-to-date look at their financial activity.
LOST ACCESS TO CREDIT Consumers that suffered economic difficulty 	<ul style="list-style-type: none"> Often only negative items on file. Relying solely on this negative data makes it hard for people to re-establish credit. 	Alternative data gives people credit for positive payment patterns , such as paying their telco bills.
NO CREDIT BUREAU RECORD Millennials, recent immigrants with no traditional credit file 	<ul style="list-style-type: none"> No record found. Without credit data, these credit invisibles have a hard time establishing credit. 	Using alternative data can help these consumers establish their first foothold in mainstream banking .

Alternative Data Is the Answer

For more information on Expanding Credit Opportunities and FICO® Score XD, contact us at:

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