

FICO® SCORE: CREDIT SCORING INNOVATIONS 1989 to 2018

The FICO® Score is the independent standard in credit risk scoring, trusted by lenders and investors for decades so they can say “yes” with confidence to more consumers. FICO’s enduring focus on innovation has facilitated access to credit for billions of consumers around the globe.



FICO PIONEERS A NEW METHOD FOR EVALUATING CREDIT RISK, DEMOCRATIZING ACCESS TO CREDIT

1989 ○ FICO introduces FICO® Score, providing a universal, impartial tool for evaluation of credit risk.

1992 ○ FICO secures first AI / ML patent for detecting payment card fraud using Neural Network.

1993 ○ FICO rolls out FICO® Scores for:



Auto



Credit cards



Small business lending

1995 ○ Following wide adoption by lenders, government-sponsored enterprises **Fannie Mae and Freddie Mac** endorse FICO® Scores for evaluating residential mortgages.



FICO’S INNOVATION DRIVES GLOBAL FICO SCORE® ADOPTION

2001 ○ Launch of myFICO.com gives consumers direct access to their FICO® Scores.

2004 ○ FICO® Score offered in markets around the globe, available today in 25+ countries.



2007 ○ 100 BILLIONTH FICO® Score is sold.

2010 ○ FICO receives 100th patent for analytic innovations.



FICO EXPANDS CREDIT ACCESS TO MILLIONS MORE CONSUMERS, REINFORCES STATUS AS THE TRUSTED, INDEPENDENT INDUSTRY STANDARD

2012 ○ myFICO en Español provides consumers with FICO® Scores and credit reports in Spanish.

2013 ○ FICO® Score Open Access gives millions of consumers free access to FICO® Scores through their financial service providers.

2014 ○ FICO® Score 9 evaluates medical debt differently from other debts, increasing the score’s predictiveness and further expanding consumer access to credit.



“The new FICO 9 model, according to the Federal Reserve, will provide best-in-class predictive power across all major credit product lines.”

– The Washington Post



FICO EMBRACES ALTERNATIVE DATA, DEPLOYS INNOVATIVE SOLUTIONS TO ADDRESS EVOLVING GLOBAL CHALLENGES

2016 ○ Launch of Financial Inclusion Initiative to facilitate credit access for the more than 3 billion unbanked and underbanked consumers globally.

Leveraging alternative data, FICO® Score XD extends credit access for 53 million additional U.S. consumers.

2017 ○ FICO offers dual-score solution with bureau and alternative data FICO® Scores for India, expanding credit access to millions of Indian consumers.

For over 25 years, FICO has been awarded **181 US and foreign patents with over 70 patents for innovations in artificial intelligence (AI) and machine learning (ML).**



Current FICO Financial Inclusion Initiative projects throughout the world offer an onramp to credit access for over 1 BILLION consumers.



FICO HARNESSES EMERGING TECHNOLOGY TO FURTHER EXPAND ACCESS TO CREDIT SAFELY, SPUR ECONOMIC GROWTH

2018 ○ 250 MILLION consumer accounts gain access to their FICO® Scores for free through participating lenders.

FICO launches FICO® Score Planner, the only consumer tool for lenders and resellers to help enable consumers to set and track their FICO® Score goals and understand potential action plans. Consumers can then track progress towards their goals or modify their goals along the way.

FICO partners with Finicity and Experian to launch the Ultra FICO® Score, helping consumers to build a credit score based on their checking, savings or money market accounts. The Ultra FICO® Score is based on simple indicators of responsible financial behavior, such as:



Maintaining a bank account over time



Regularly paying bills and making other transactions



Saving and keeping a healthy average balance



Avoiding a negative balance

Read more about FICO’s mission to develop new tools for lenders to empower more consumers.

<http://www.fico.com/en/solutions/fico-scoring-solutions>