

CreditVision[®] Score

Expand Your 'Vision' for Enhanced Lending Decisions

India is currently in the midst of a structural transformation from a savings-focused and debt-averse country to a consumption-focused and leveraged economy. The broad trend of volume expansion and account balance compression due to the increasing proportion of short-term, low ticket size consumption lending has continued to exert its dominance.

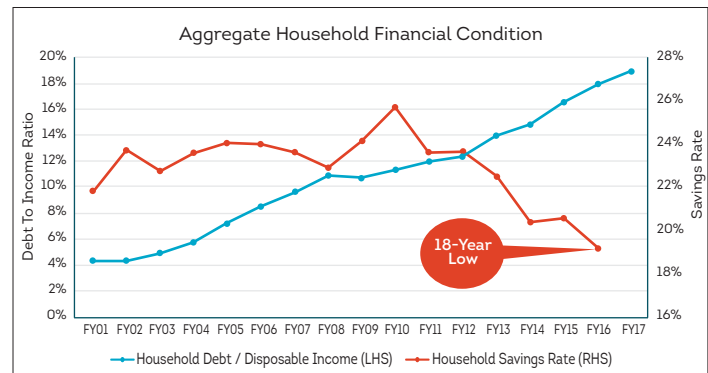
TransUnion's CreditVision[®] Score enables organizations to be more comprehensive in their lending strategy without increasing risk exposure. It consistently outperforms traditional credit scores at assessing risk and future performance.

Our CreditVision[®] Score incorporates richer and more predictive data elements, such as actual payment amounts as reported, extended account-level payment patterns and sufficient period of history for each tradeline. Additionally, the score is developed using product-based segmentation. Specific business rules were used to separate different, critical product segments, such as Agriculture and Gold Loans which have a unique underwriting process.

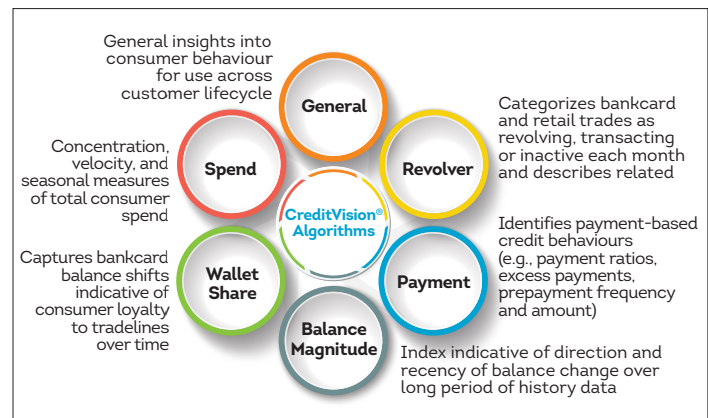
CreditVision[®] Score provides:

- A better way to predict a borrower's probability of default by introducing trended data and more credit attributes.
- An easy way for institutions without capacity or capability to develop custom models to begin utilizing insights from enhanced credit models.
- Utility across the consumer lifecycle - from deciding who to market to through managing existing accounts and prioritizing collections.

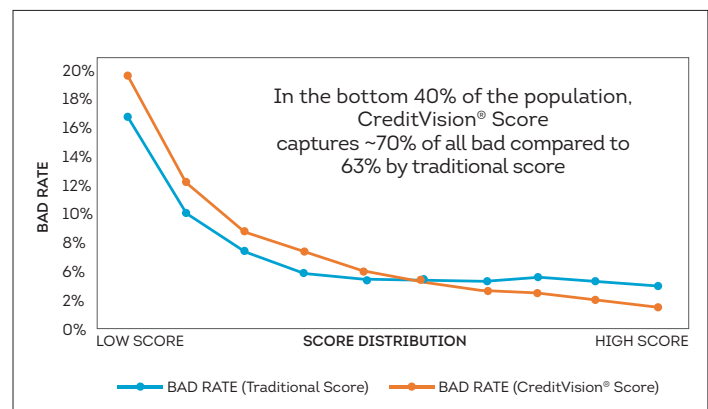
Significant decline in savings rate and increase in household leverage



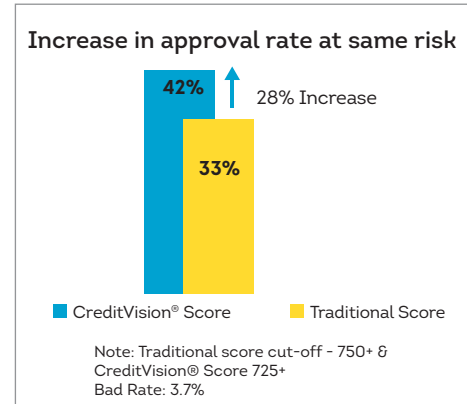
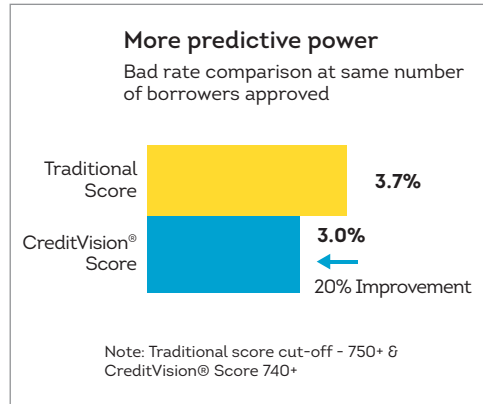
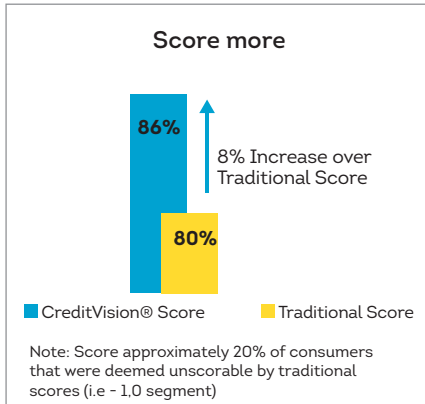
CreditVision[®] Algorithms Details:



Performance Comparison: Traditional Score vs. CreditVision[®] Score



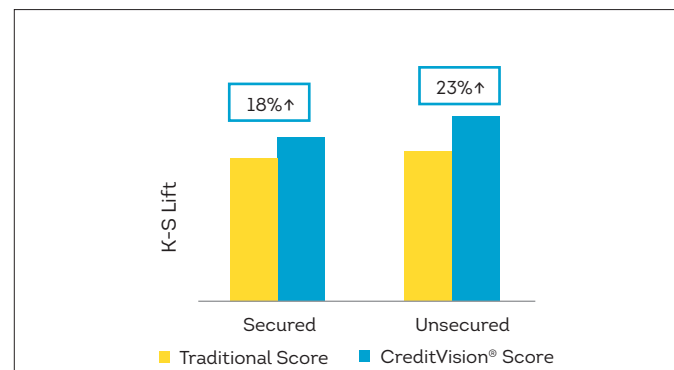
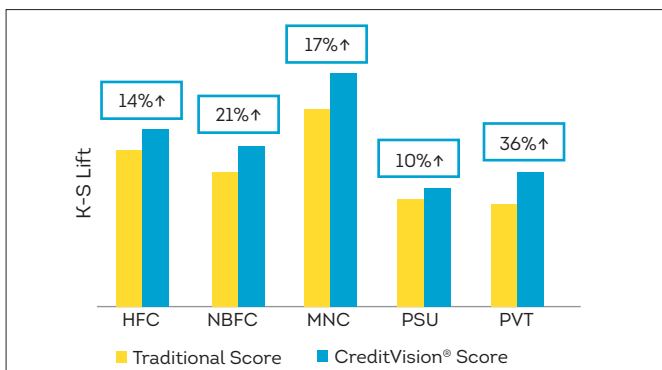
CreditVision® Score in Action: Case study



The CreditVision® Score allows members to:

- Score approximately 20% of consumer inquiries previously deemed unscorable because of low credit age.
- Increase approval rates within the lenders' current risk tolerance, providing enhanced financial inclusion opportunity and increased profit.
- Gain a broader and deeper view of consumer performance with a sufficient period of history of trended credit file data.
- Gain insights into the consumer's ability and intent to pay with the addition of payment data and attributes (payment ratios, excess payments, etc.) in the CreditVision® Score model.

Model Performance by Business Type and Product Level



How the CreditVision® Score works

Across-the-board characteristic mathematical tools were used to identify the most predictive data available in consumer credit files and develop a powerful risk model. The score effectively predicts the structural risk of a borrower - whether a borrower is likely to default (90+ DPD) on one or more tradelines in the next 12 months.

The score has a range of 300 - 900, with higher score indicating better (lower) credit risk, and can be used across credit products and the consumer lifecycle from acquisition to origination to portfolio management.

CreditVision® Score provides a valid score for individuals with a thin file who were deemed unscorable in previous versions of the score.

The Score Output for -1 is provided for individuals who have no credit footprint on the TransUnion CIBIL consumer bureau.