WE EAT RISK FOR BREAKFAST!

AdviceRobo

AI in Risk

One platform, two risk solutions integrated

1.
Psychographic Credit Scoring

to increase acceptance and control risk

What does it do
- Scoring of risk profile and creditworthiness of an individual consumer or SME

Benefits for the lenders
- Thin file applicants formerly rejected can be assessed and accepted
- Keep risk level the same

What it is
- Online questionnaire for applicants integrated in your on boarding process
- Algorithms calculate the score and the profile, based on AI

2.
Advanced Risk Analytics

to improve risk monitoring and preventive servicing

What does it do
- Prediction of financial risks on an individual basis, and predictive and prescriptive behavioural treatments to drive good behavior
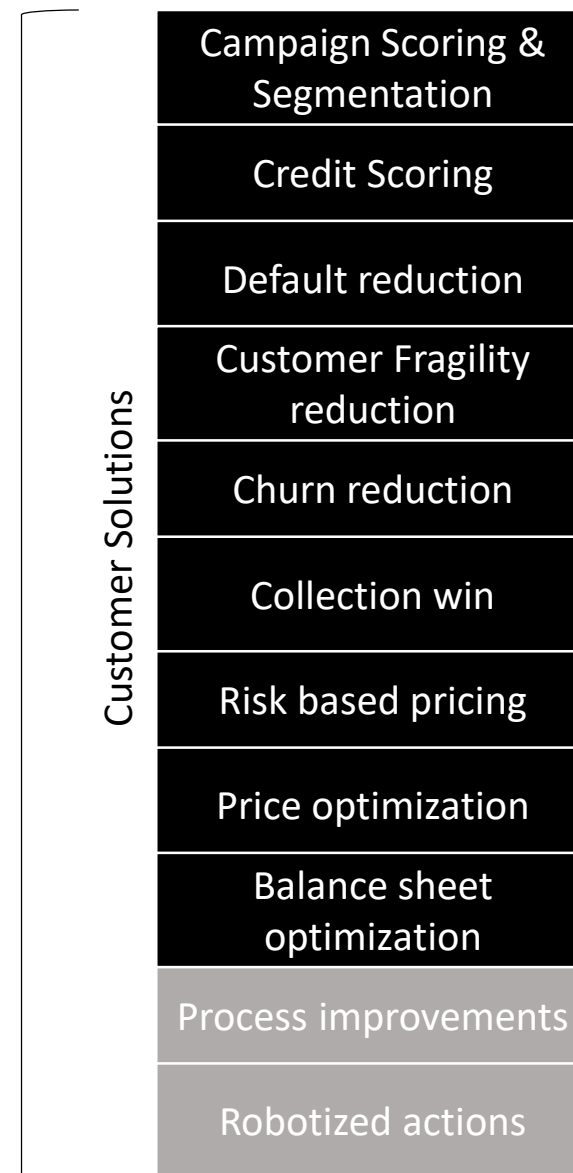
Benefits for the lenders
- Accurate prediction per customer ahead of possible event
- Prevention or servicing strategy will decrease churn, defaults, bad debts, fragility

What it is
- Machine learning models applied and continuously improved based on behavioural data of your customers

ADVICE ROBO

142
Thin File Credit Score

Products & Services

Psychographic Credit Scoring

Advanced Risk Analytics

Smart Risk Robotics

Customer Solutions

Campaign Scoring & Segmentation

Credit Scoring

Default reduction

Customer Fragility reduction

Churn reduction

Collection win

Risk based pricing

Price optimization

Balance sheet optimization

Process improvements

Robotized actions

ADVICE ROBO

4.8
Billion
Thin Files

Expand Credit Access Responsibly

HELLO my name is

Millennial

GENERATION START UP
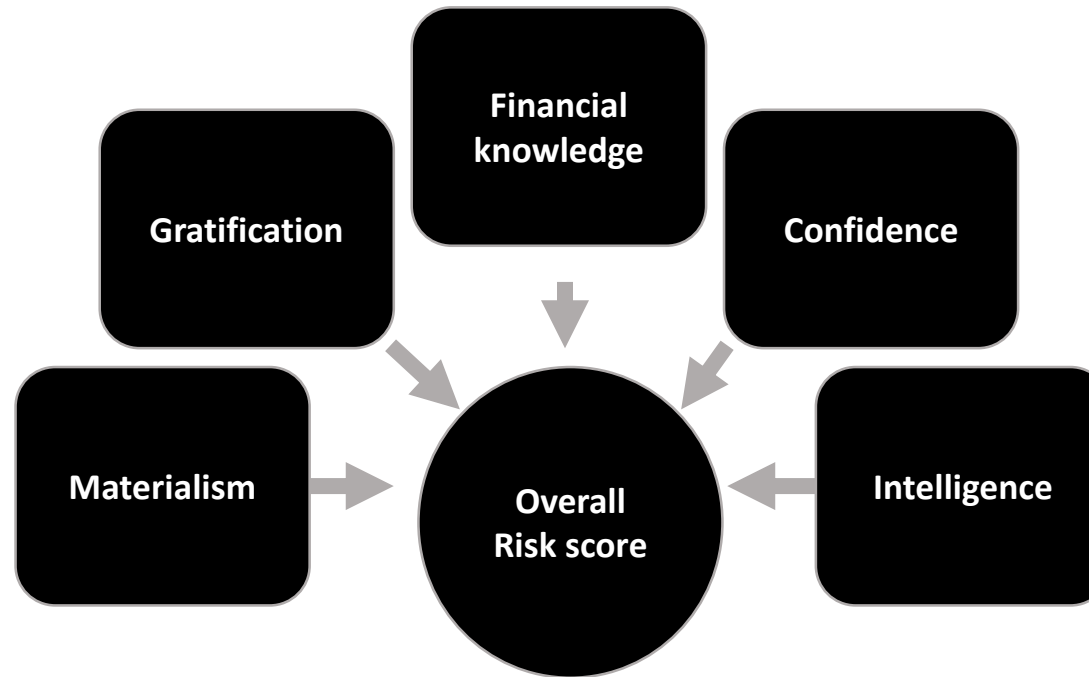
Untapped customer segments

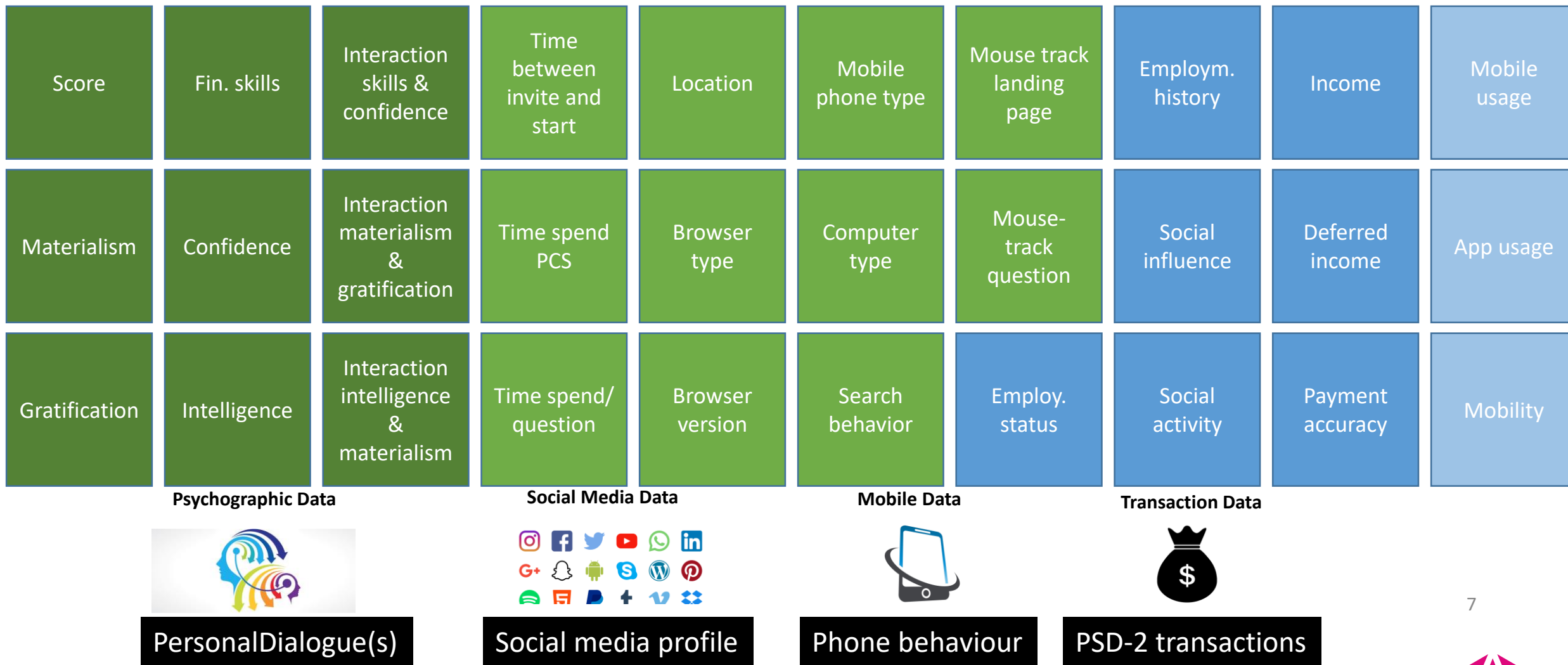SELF EMPLOYED

the eXpat & Migrants

ADVICE ROBO

Psychographic Credit Scoring
What it is

AdviceRobo has globally richest risk data by integration of multiple sources into its psychometric models

Score	Fin. skills	Interaction skills & confidence	Time between invite and start	Location	Mobile phone type	Mouse track landing page	Employm. history	Income	Mobile usage
Materialism	Confidence	Interaction materialism & gratification	Time spend PCS	Browser type	Computer type	Mouse-track question	Social influence	Deferred income	App usage
Gratification	Intelligence	Interaction intelligence & materialism	Time spend/ question	Browser version	Search behavior	Employ. status	Social activity	Payment accuracy	Mobility

Psychographic Data **Social Media Data** **Mobile Data** **Transaction Data**

PersonalDialogue(s) **Social media profile** **Phone behaviour** **PSD-2 transactions**

7

ADVICE ROBO

AdviceRobo has global footprint in alternative credit scoring by combination of direct distribution and partner solutions

★ Direct operations in 13 countries

★ Partner operations in 70 countries

KPMG

Microsoft

Babel

Macro

BNP PARIBAS PERSONAL FINANCE

de volksbank

otpbank

Offices in the Netherlands, the United Kingdom, France and Japan

ADVICE ROBO

AdviceRobo leading customers

Psychographic Credit Score

- Hungarian bank
- Scoring consumer credit

- Argentine bank
- Scoring consumer credit

- British Credit Union
- Scoring consumer credit

<Confidential>
- Spanish digital bank
- Scoring credit cards

- Spanish payday lender
- Scoring consumer credit

- Mexican online credit provider
- Scoring consumer credit

- Brasilian bank
- Scoring credit cards

- Dutch Belgium mortgages bank
- Scoring 'amber' customer

- Dutch bank
- Scoring consumer loans

- Dutch mortgages broker
- Scoring mortgages

- Dutch mortgages broker
- Scoring mortgages

- Dutch bank
- Scoring SME loans

- Dutch German crowdfunding
- Scoring SME loans

- Turkish bank
- Scoring consumer loans

Advanced risk analytics

- French bank
- Behavioural modelling fragility

- Swedish bank, loans
- Behavioural modelling churn

- British credit card company
- Behavioural modelling thin file

- Dutch bank, mortgages
- Behavioural modelling default

- Dutch bank, mortgages
- Behavioural modelling default

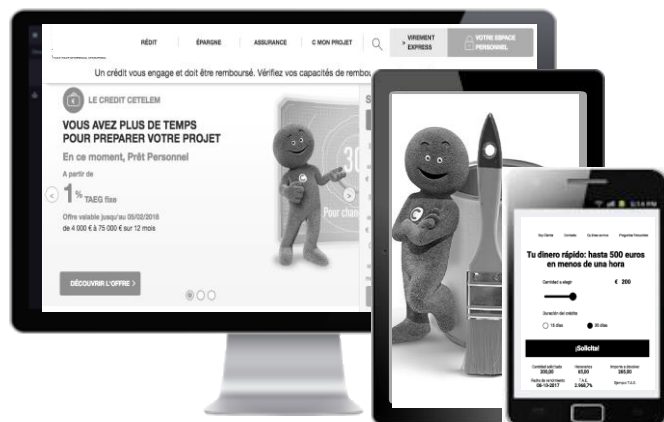- Dutch bank etailer
- Modelling delayed payment

# Psychographic Credit Scoring customer journey

Applicant

AdviceRobo

Lender

Customer

AR score

or

Scorecard
incl. AR score

Fill in questionnaire

Provide score & sub scores

Approval & Provide loan

Take loan & Pay off loan

Feed back loop

Regularly validate (anonymized) on boarding data, payment
behavior and default rates with scores.
Data requirements to be provided.
Privacy proof.
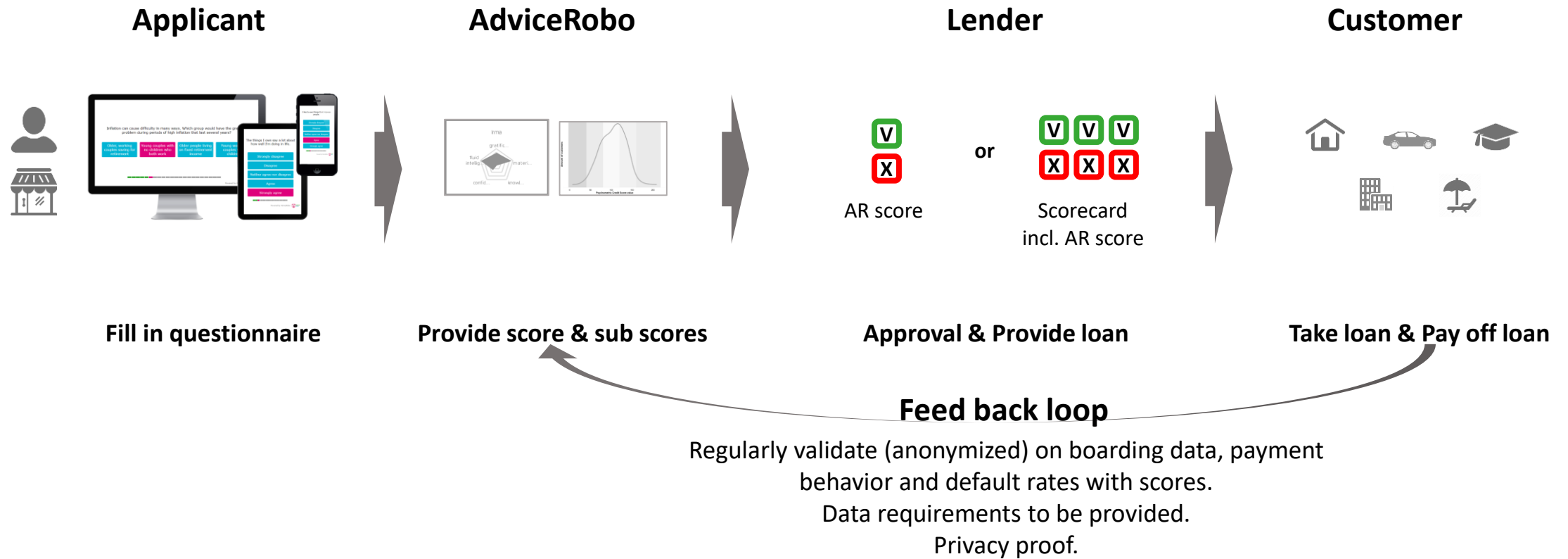
Online interview embedded in any channel for seamless customer experience

Banks' channels

- AdviceRobo plug in to be integrated in any channel (omni channel)

- At any place in the application flow

AdviceRobo plug in
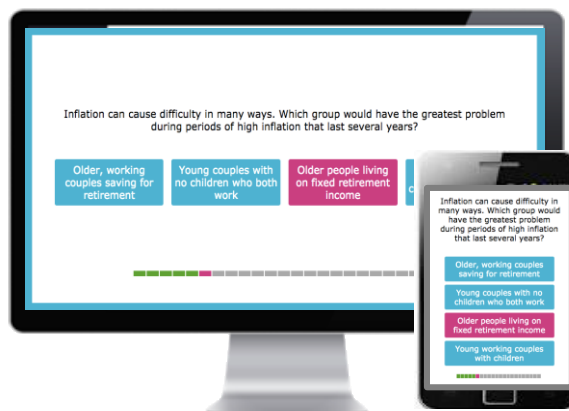
- White label solution

- Responsive design

- Custom branding with banks' colors, font, etc.

- Multi lingual

Banks' back office

- Score and sub scores are automatically and instantly shared with lender

- Lender decides where score and sub scores are landing

Example questions online interview

RoboBank

Algunos de los logros más importantes en la vida incluyen posesiones materiales.

| Totalmente en desacuerdo | En desacuerdo | Ni de acuerdo ni en desacuerdo | De acuerdo | Totalmente de acuerdo |

Powered by AdviceRobo

RoboBank

La inflación puede causar dificultades en diferentes formas. ¿Cuál de los siguientes grupos puede tener los mayores problemas durante los periodos de alta inflación que duran varios años?

| Adultos, parejas trabajadoras que ahorran para el futuro | Parejas jóvenes sin hijos, ambos trabajan | Personas mayores que viven de su pensión | Parejas jóvenes con hijos |

Powered by AdviceRobo

RoboBank

¿Cuál crees que es el precio medio de una entrada de cine en Europa? (Sugerencia: el precio medio en Dinamarca es de 13,44 €).

Por lo menos: 13.44
Pero no más de: 13.44

Continue

RoboBank

¿Cuál es el siguiente símbolo en esta secuencia?

A   B   C   D

Powered by AdviceRobo

Example of score, sub scores & profile

Score and sub scores
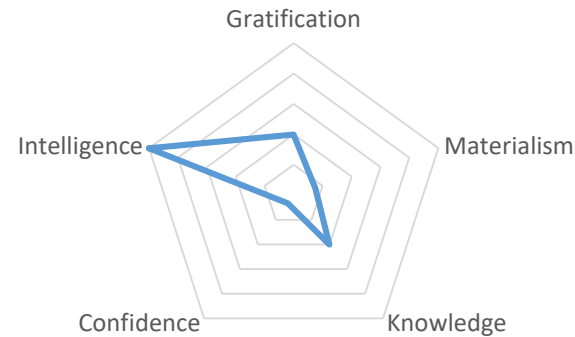
CustomerID=56258 - Total score 175
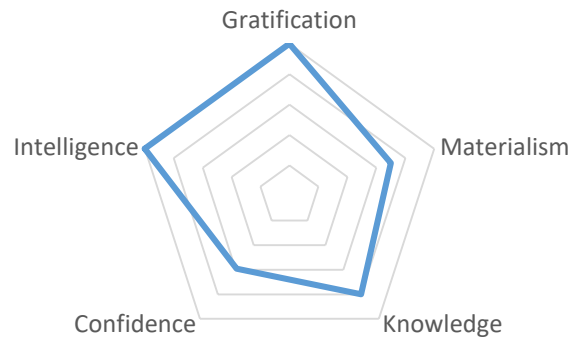
Profile

- Is able to delay gratification for a long period.
- Considers possessions not very important.
- Has an excellent understanding of financial concepts.
- Is quite confident.
- Has very high capacity for logical and abstract thinking regarding problem solving.

Score and sub scores

CustomerID=56265 - - Total score 100

Profile

- Is able to balance the delay gratification.
- **Considers possessions important.**
- **Has reasonable understanding of financial concepts.**
- **Is highly overconfident.**
- Has very high capacity for logical and abstract thinking regarding problem solving.

Benchmarking:

- Total score is between 0 and 200

- Average time to complete 22 questions is 11 minutes

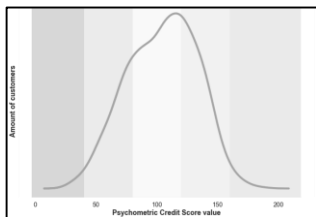- On average, 78% of people who start the questionnaire, end it

Case study: Increased customer base + reduced default rate

Customer

- European Bank

- Micro loans provider

- Case study: Spain

Challenges & Goal

- Target customers have:
    - no credit score
    - no/little data available
- Onboarding paper based, time consuming
- Apply online, psychographic scoring (PCS) model during onboarding

AdviceRobo solution
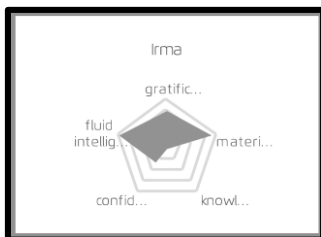
- Integrated online psychographic scoring model

- Acceptance decision based on PCS score

- Analysis of accepted customers versus default rate

Results & Benefits

Default rate

Default rate with AR PCS   Default rate before AR

- 18% increased acceptance rate
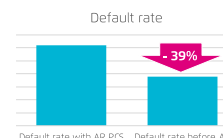
- 38% decreased default rate

- PCS questionnaire and score integrated in onboarding process

Technical integration in more detail
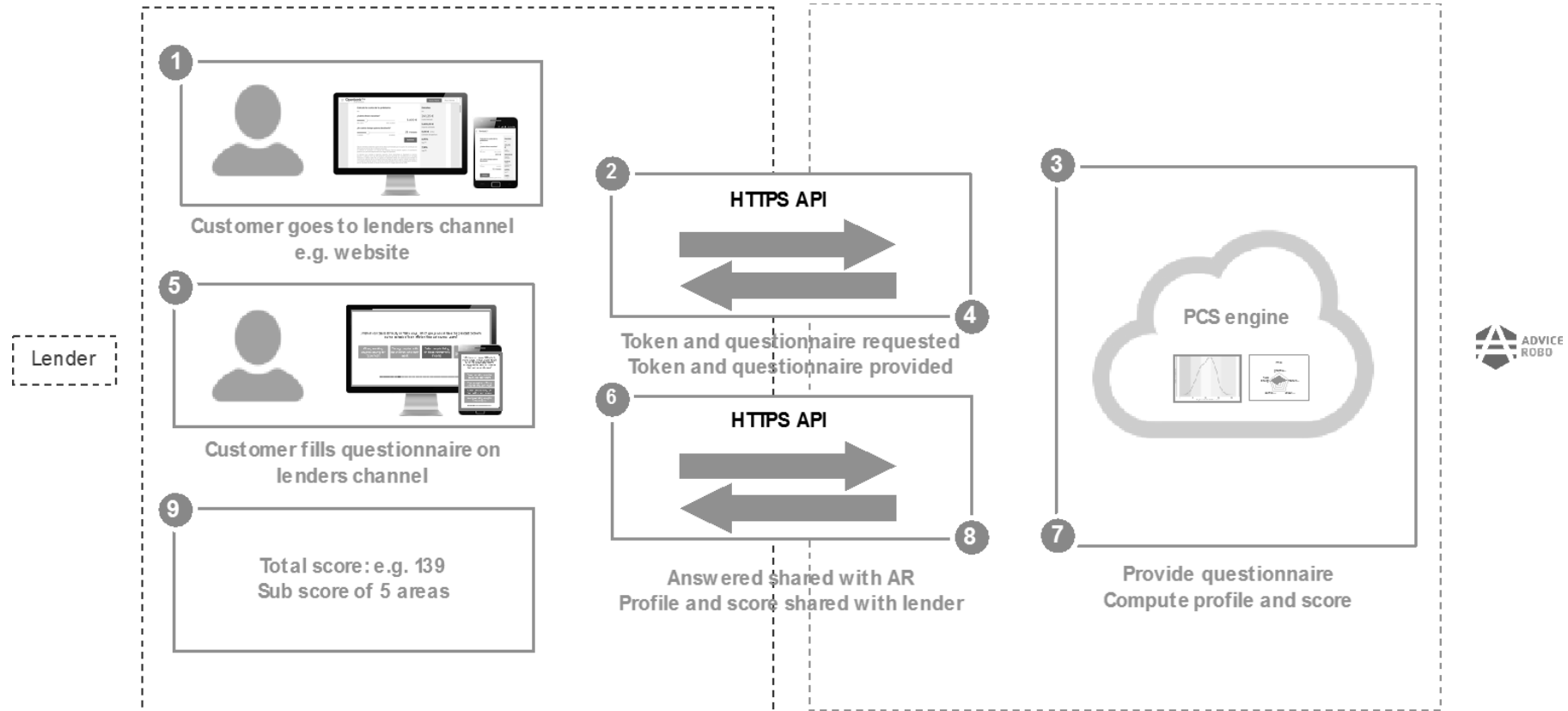
Technical integration details:

- Place plug in on website (Javascript) and brand it
- Provide customer ID
- Connect to API to get score and profile
- Integration estimate: 8-16 hours

The stats

1   **2 million scores in 2018**

2   **15% more acquisition for our customers**

3   **20% lower default for our customers**

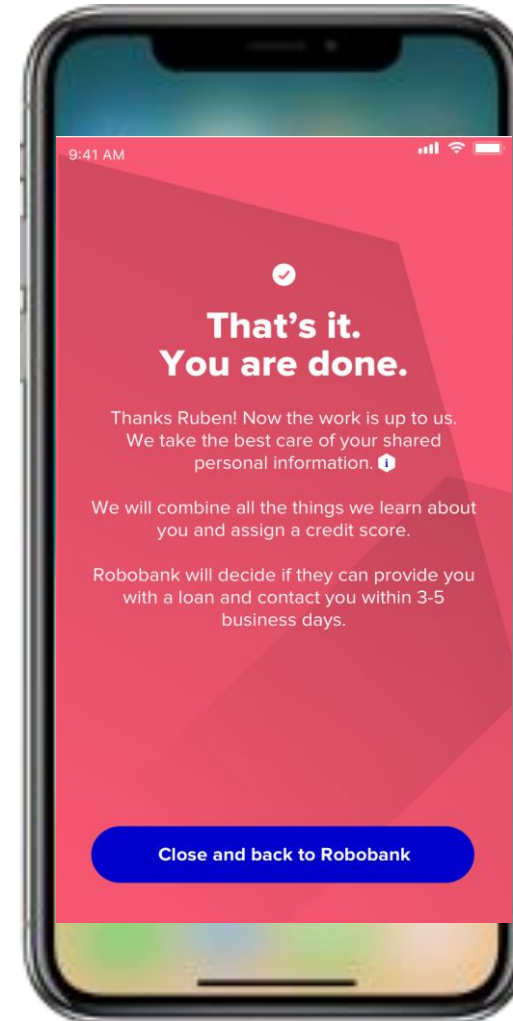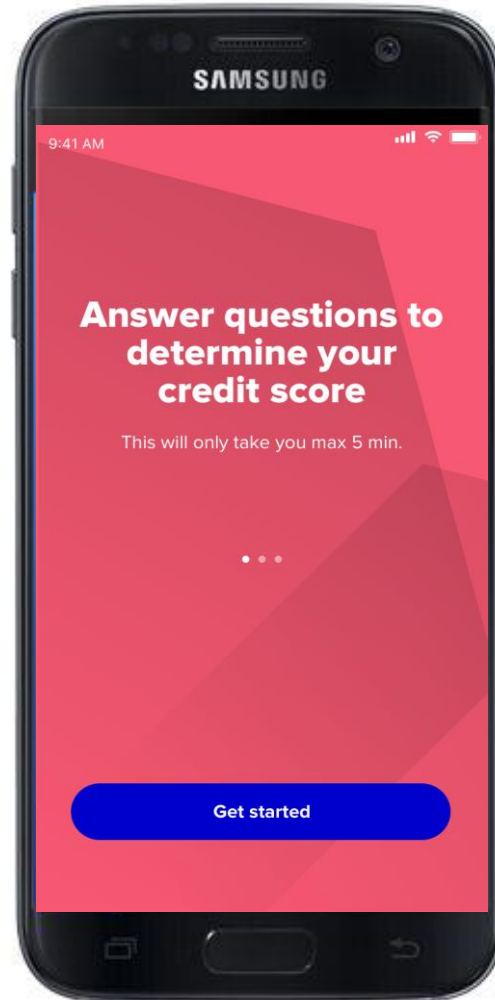**4**   **1 sprint to get it up and running**

5   **Breakthrough in KYC**

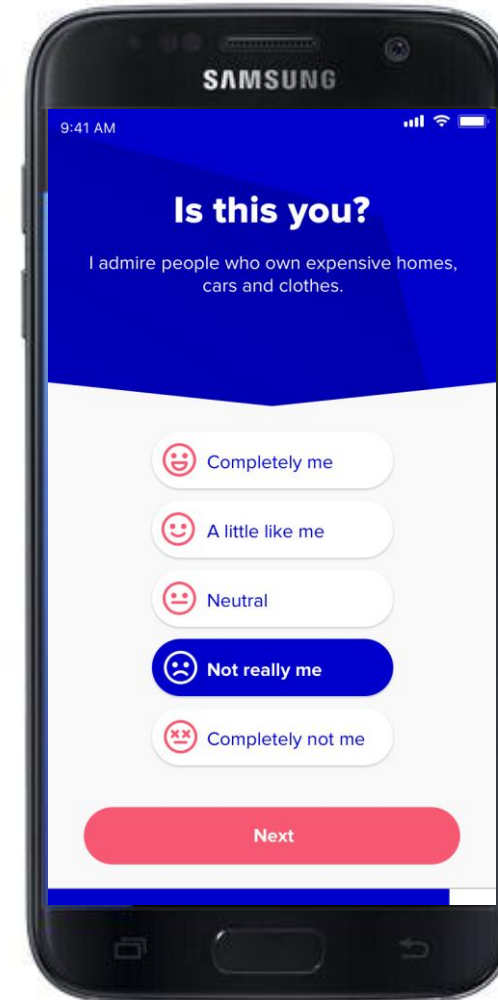ADVICE
ROBO

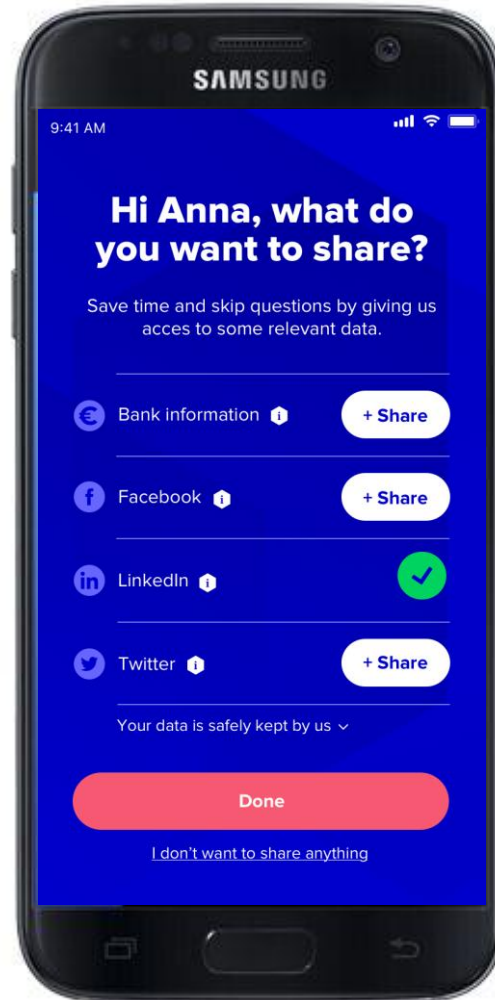**Product launch at Finovate Europe**

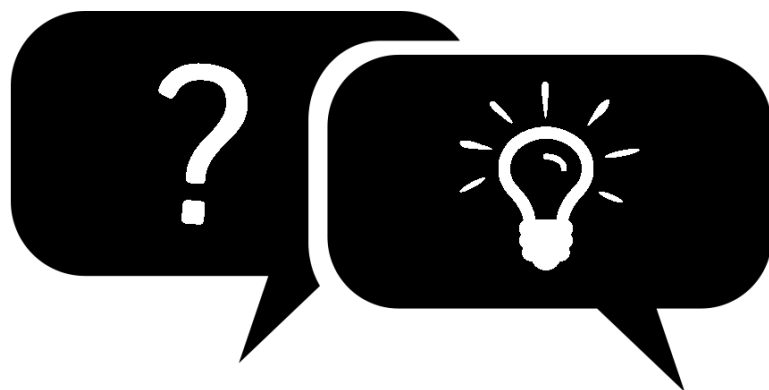# Simple and easy to implement software/API
Easy and convenient CX with personal dialogue program

AdviceRobo's advice: add relevant touchpoints/virtual assistants for more behavioural and social data generation

Next steps

Deep dive meeting (at your premises):

1. Sharing a demo of PCS

2. Business process topics

3. IT and integration topics

4. Compliance topics like GDPR

5. Commercials like the SaaS model

6. Discuss a Proof of Value

ADVICE
ROBO

WE EAT RISK FOR BREAKFAST!

www.advicerobo.com

Rob Dorscheidt
rob@advicerobo.com
+31 6 19463296