

EQUIFAX®



Open Banking

Helping businesses approve more customers with more confidence.

Why Open Banking?

Open banking is transforming the way organisations assess their customers. It's helping businesses approve more customers with more confidence, reducing manual processes and ensuring they can make more informed decisions about their customers.



Carl Riches
Product Sales Director
Equifax UK

More than 7 million UK consumers and businesses have already used open banking¹.

It's clear as its value becomes increasingly recognised, transaction data insights accessed via open banking is becoming an integral part of the data mix, complementing traditional credit bureau data and other data sources.

We're seeing the adoption curve accelerating among the consumer market as bigger players in the credit broking and intermediary space adopt open banking technology.

Around a third of Equifax monthly open banking API volume is now coming from brokers and intermediaries.

Our clients are using open banking in a number of different ways, from improving identity verification, helping consumers access cheaper bills, powering debt advice conversations as well as helping consumers demonstrate affordability for credit.

Initial concerns that individuals wouldn't consent to the use of open banking are inaccurate. A car finance lender working with us reported **a 90% opt-in rate when customers were given the option to choose open banking** to assess their income and expenditure as part of a collections journey.

A 90% opt-in rate when customers were given the option to choose open banking

90%



What's more, during consumer feedback for one of our utilities clients, more than **80% of consumers suggested they would use open banking again.**

The **rising cost of living is making it increasingly important** for all organisations to take into account individual circumstances when making decisions about consumers.

Inside this brochure we'll explain how Equifax can help you make the most of open banking data, hear what our customers think about the technology and we'll describe the open banking innovations we've built to help you make better decisions about your customers.



Faster, more accurate credit risk & affordability decisions

Instantly create a more accurate view of disposable income. Helping you reduce the need for manual referrals and speed up credit applications.



Approve more customers, with more confidence

Verify income and affordability for more customers, even those with little or no credit history. Your customers are better able to demonstrate affordability.



Enhance regulatory compliance

More robust affordability and credit risk assessments ensure better consumer outcomes and can help you comply with industry regulations.



Better customer authentication

Implement seamless and reliable customer authentication at the point of application. Enabling you to fast track applications and reduce the likelihood of fraud.



More affordable debt repayments

A more accurate view of disposable income helps ensure debt repayments are affordable and sustainable, helping you reduce payment plan breakages.



Reduce manual processes

Enabling you to pre-populate manual income and expenditure assessments and removing the need for manual bank statements.



Increase automatic income verification

Increase your automated income verification rates by 20%¹ ensuring you can approve more customers automatically.



Support vulnerable customers

Spot potential vulnerability, enabling you to reach out to customers, assess their current financial position and provide proactive support.

Why Equifax?

As a leading global data analytics and technology company, with a wealth of experience and a strong track record in data security and turning complex data into actionable insights, Equifax is the ideal partner to help organisations harness the power of open banking.

Having collaborated on a number of open banking innovations since 2018, Equifax acquired long-term open banking partner, AccountScore in 2021 - ensuring our clients continued to benefit from the best of both worlds; the data and analytics capabilities of one of the world's longest serving credit reference agencies coupled with the expertise of an agile fintech.

AccountScore, was born out of a balance sheet lender and started building out a rules based approach to categorisation years before open banking arrived.

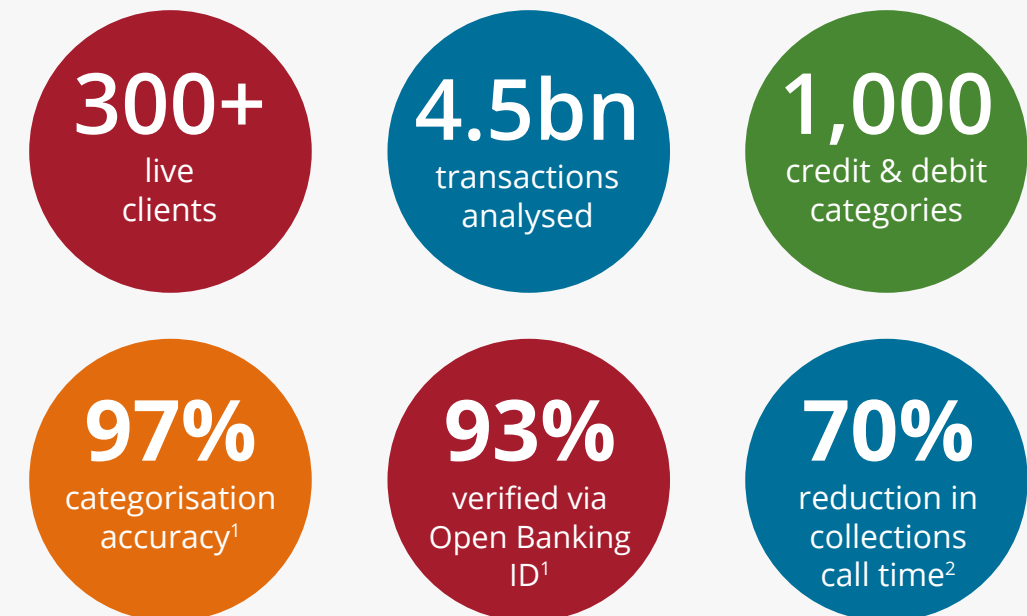
This gave us a head start and enabled us to deliver the first live up use of open banking in a credit journey working with HSBC in 2018. Use of our open banking services has grown significantly over the last couple of years and we're already working with more than 300 organisations, providing tangible benefits to both consumers and businesses across a wide variety of use cases.

In our 2023 industry survey, accuracy of data categorisation was highlighted as the most important factor when choosing an open banking solution and this is one of the main reasons our clients choose Equifax, having done their own due diligence to compare open banking solutions providers.



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Equifax Open Banking by numbers



Sources: ¹Equifax internal analysis 2022. ²BPO Collections 2020

Why Equifax?



Market-leading categorisation

We regularly monitor and check the performance of our categorisation, which shows 97% accuracy¹. This ensures any income and expenditure summary we provide is likely to be approved by your customer as being accurate.



Combination of data sets

By combining open data with traditional bureau data sources, we are able to offer a holistic view of individuals, enabling more accurate credit risk and affordability assessments and helping you make better informed customer decisions.



Advanced analytics

Our 120+ year heritage as a Data & Analytics business makes us perfectly placed to turn raw transaction into meaningful insights. Our advanced analytics capabilities enable organisations to derive valuable insights, empowering decision-making and policy formulation.



Account ownership data

Our unique visibility of what accounts an individual holds (sourced from bureau data), enables us to understand whether someone is sharing a joint-account or may hold one or more additional accounts with significant transaction data and may need to share with you.



Unparalleled data security

Our security protocols adhere to industry best practice, ensuring the utmost safety and confidentiality of sensitive information. Our unique access to bureau data allows us to use the bank's own secure customer authentication to seamlessly check your customer's ID.



Regulatory compliance

Navigating the regulatory landscape can be complex. Equifax are well-versed in regulatory compliance and ensure that all open banking solutions adhere to the latest industry standards and regulatory requirements.



98% UK coverage

We offer access to 98% of UK current accounts and we continue to add account providers as they come onboard with open banking. We also have connections to all major credit card providers in the UK to enhance visibility of your customer's transactions.



Enrich your own transaction data

Ability to ingest external raw transaction data in real-time or batch to enable you to enrich your existing customer data using our categorisation and insights to get the best value for your product and for your consumers.

What our customers think

We did a very extensive review of all the current providers of open banking solutions. We tested how much of the data was being categorised and how accurate that was across 6 or 7 different companies and on that test AccountScore, an Equifax company stood out way and above all the other providers.

Luke Enock, CEO, Oakbrook Finance

We needed to source an innovative approach to improve the accuracy and efficiency of our affordability assessments, Equifax worked closely with us and provided a new solution which ticked all our boxes. I'm thrilled with the result that this partnership has delivered for both United Utilities and our customers.

Michelle Atkinson, Head of Income, United Utilities

Open banking helped us accept more customers. For every one customer we would reject because of adverse open banking information, there's six or seven customers that we would not have been able to accept without that much better view of their risk offered by open banking which helped us to understand their financial circumstances.

Gerald Chappell, CEO, Abound

Working with Equifax has helped us develop an award-winning collections portal which uses open banking to streamline the data gathering needed in an income and expenditure assessment to achieve a more realistic affordability position in minutes, by removing the burden of lengthy calls or paper-based processes.

Tom Feest, Head of Collections and Recoveries, PSA Finance

Meeting with Equifax, it was immediately clear they had the right mix of technology and insight to solve the problem our clients' customers are facing. People want to be able to share information safely and discreetly and often that means doing so online. This also helps to save agent time sourcing information manually, and improves accuracy when determining consumers' income, expenditure and ultimately what they can afford to repay.

Susan Rann, CEO Paylink

Once we'd experienced the Equifax categorisation engine our credit risk team were comfortable we had a provider that could help us overcome some technology and underwriting risks. It was the categorisation which influenced our decision to choose Equifax as our Open Banking provider as it gave us the opportunity to create a lot more efficiency in our customer journey.

Andrew Wayland, CMO Everyday Loans

Want to know more?

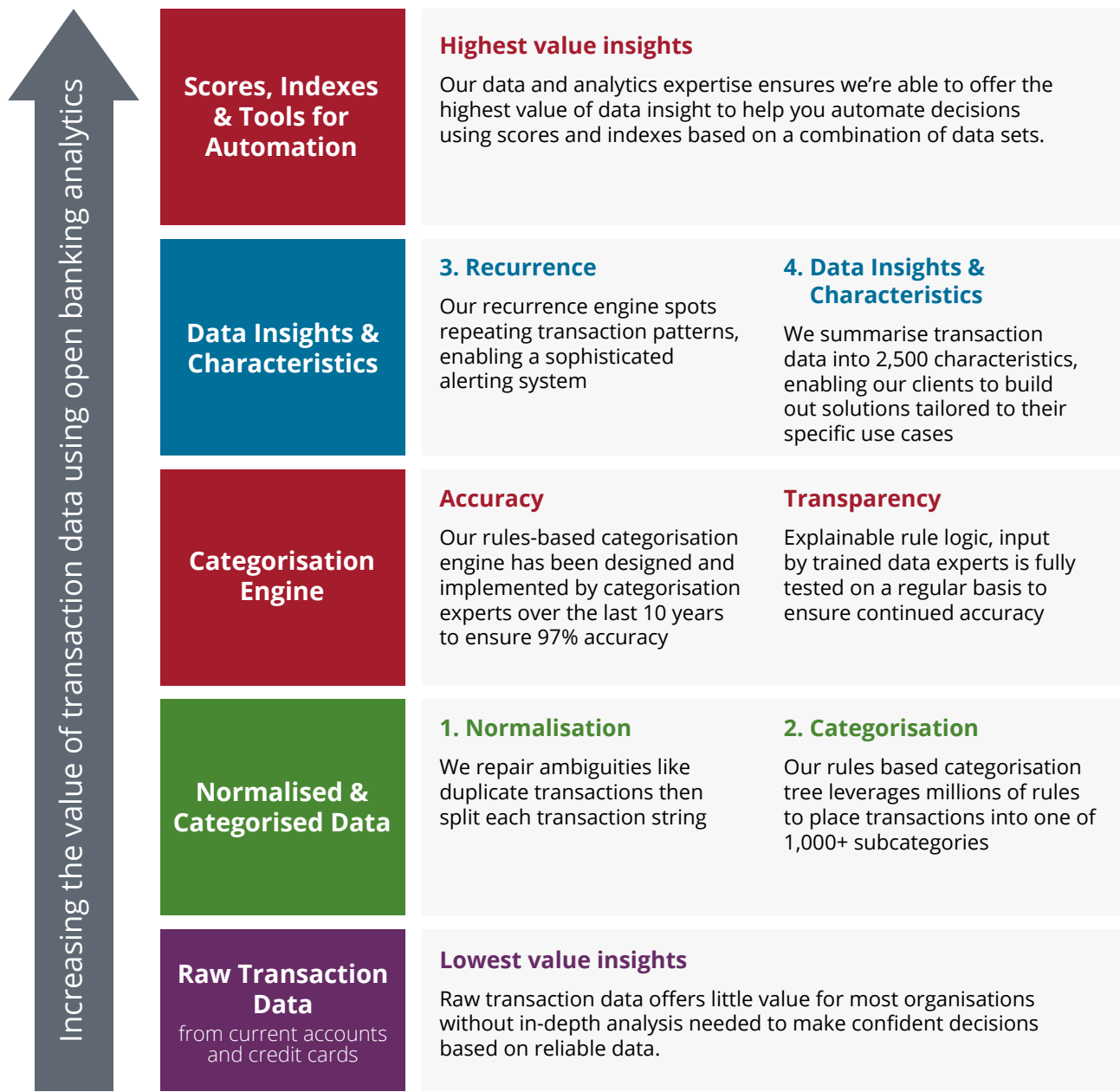
Scan this QR Code to visit our YouTube channel and hear for yourself why our clients are choosing Equifax as their open banking partner.



Adding value to improve decisions

We apply 10 years worth of learnings and expertise in categorisation, to translate the data into meaningful and actionable insights.

The table below shows how we add increasing value to your data through various stages of our open banking analytics process.



A typical Open Banking journey



Want to know more?

Scan this QR Code to watch our video animation which explains a typical Open Banking customer journey



Financial Health Index

Assessing affordability and credit risk is a key part of every credit application, but are you seeing a complete picture of your customers' finances?

By enriching and categorising current account transaction data, we can accurately determine a customer's financial health.

Designed to be used in conjunction with existing credit scoring models, methodologies and decisioning, Equifax Financial Health Index is highly correlated with credit risk outcomes, affordability and the likelihood of customers being approved for new credit.

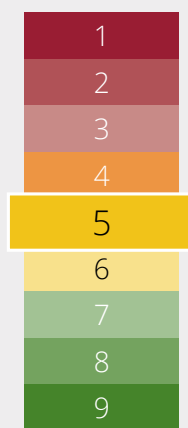
Because it uses transaction data, it doesn't rely on your customers having a history of credit, in order to determine their ability to pay back a loan, credit card or mortgage.

This means that you can accurately assess the creditworthiness of UK residents with thin files, who would traditionally struggle to get credit.

A single metric to summarise a customer's financial health

This easy-to-use index can then be used within a scorecard to facilitate the automation of the lending process. Along with the index we also provide the high and low risk factors so you and your customers can understand how the index has been calculated.

Appear to be struggling financially



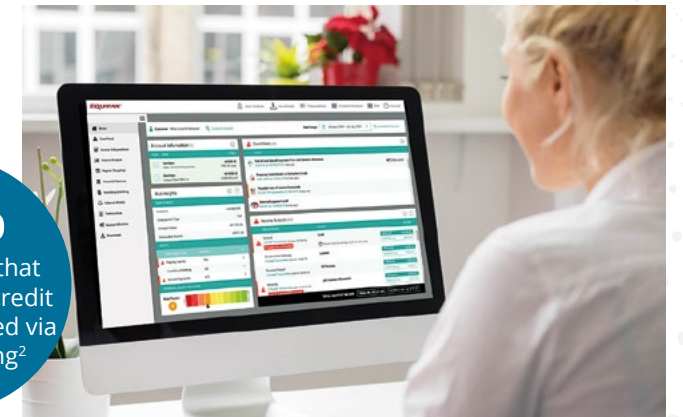
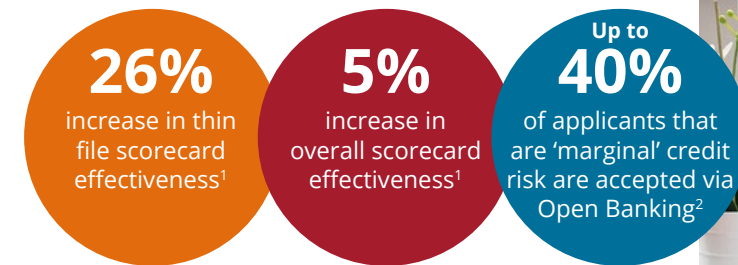
Demonstrating great financial health and are likely to pay the credit back

Higher credit risk characteristics

- High cost short term loans - both credits and debits
- Debt management plan payments
- Court fees
- High cash withdrawals vs. turnover
- Overdraft charges
- Unpaid transaction fees / returned items
- High gambling usage relative to income

Lower credit risk characteristics

- Amount of salary and income - total, minimum and trended
- Rental and mortgage payments
- Financial commitment payments
- Pension payments
- Council tax payments
- Insurance payments
- Utilities payments



Why do I need transaction data?

The inclusion of transaction data provides considerable benefits above and beyond traditional credit data.

Additional payments

The Financial Health Index contains additional payments data not available to CRAs, such as; council tax, insurance, savings and investments payments.

Missing information

It can fill in the gaps in incomplete credit data assets, such as rental and utilities payments.

Granularity

It uses granular transaction data to identify salary and is not limited solely to credit turnover. This means lenders will be able to confidently verify more incomes.

Real-time

The Financial Health Index uses real-time data extracted from the banks online banking systems. It can identify up-to-the-minute account activity, which may take more than four weeks to appear on a credit file.

How does it work?

Financial Health Index uses transaction data obtained through Open Banking or our clients own supplied transaction data.

The data is firstly enriched and categorised. The Financial Health Index is then calculated by analysing and ranking key metrics such as:

- Behaviours of the debit and credit transactions observed in a customer's current accounts
- Attitudes to spending and saving
- Early warning to changes in lifestyle and financial status

The output is a single metric, which can be used by lenders to supplement a traditional credit score which may help you offer affordable credit to more customers.

The insights that make up our Financial Health Index are designed so they can also be integrated into a consumer-facing solution to play back an up-to-date view of your customer's own financial health. Helping them to better understand their current financial position.

Want to know more?

Scan this QR Code to download our Financial Health Index product sheet for more detailed information.



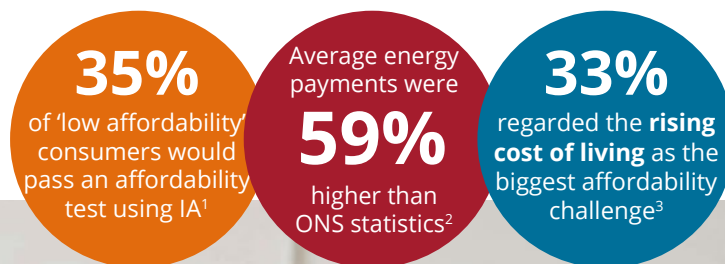
Individual Affordability (IA)

Assessing affordability has long been a priority for lenders driven by FCA regulations which suggest lenders must take reasonable steps to assess a customer's ability to make repayments.

The implementation of new Consumer Duty regulations have amplified the need for more robust ways to assess affordability, whilst the rising cost of living has driven an increased focus on affordability.

Traditionally, lenders have relied on self-declaration or government statistics from the Office for National Statistics (ONS) to estimate expenditure. Whilst ONS data provides a benchmark, it's unlikely to provide an accurate long-term view of individual expenditure.

This is why we've created Individual Affordability, combining the very best sources of data through a single channel to help you make the most accurate affordability decisions.



How does it work?

Individual Affordability combines transaction data accessed via Open Banking with Equifax credit data and statistical data from the ONS and Minimum Income Standards (MIS) - all delivered through a single channel to simplify your affordability assessments and provide a complete view of income and expenditure.

We've built robust algorithms to ensure you choose the best possible source of data on an individual basis to calculate disposable income and provide the most comprehensive assessment of affordability.

How can it help?

Our Individual Affordability decision module uses the most accurate data point on an individual basis in every instance, helping you

- **Make more accurate and robust affordability assessments.**
- **Factor the rising cost of living into your affordability decisions**
- **Streamline manual underwriter reviews of income and expenditure**
- **Meet regulatory requirements**

Our Individual Affordability solution will ensure you are using the most comprehensive data available to evidence robust affordability assessments.

Why do I need a combination of data to assess affordability?

Every data set has gaps which can be overcome by using them in combination to ensure more accurate decisions.

There can be significant disparities between statistical estimates like ONS and Open Banking data. For instance, in our own analysis, we observed that actual energy expenditure (calculated using Open Banking data) was 59% higher than ONS estimates had predicted on average. And this is just one example.

Factoring inflation into your calculations doesn't necessarily guarantee accuracy either. Consumer expenditure fluctuates as prices rise. Our data shows us whilst income levels have generally increased, overall net disposable income has remained relatively static as people have adjusted their spending habits.

Bureau data provides a number of key affordability indicators, but is unable to track things like utility bills and basic living costs.

Our analysis shows **the combination of credit bureau, Open Banking, ONS and MIS data offers the highest information value** and is the most predictive in making decisions about consumer affordability⁴.

Sources: ¹Equifax 2023. Consumers were classified as having low affordability based on CATO Affordability Index - Non tier 1 banding 4 and we observed their performance in the following 12 months and marked them as 'Good' or 'Bad' based on whether these customers had defaulted on any financial agreements. Based on a sample of more than 30,000 applicants who completed an Open Banking journey. ²Equifax 2023 - analysis of Open Banking data vs ONS. Comparing energy payments identified using Open Banking. ³Research carried out for Equifax by Open Banking Expo was conducted in March 2023. Total sample represents 114 decision makers from financial services companies. ⁴Equifax 2023. Information Value is a metric that determines which data in a data set has predictive power or influence on a specified dependent variable, in this case the dependent variable was if an account was in default.

Want to know more?

Scan this QR Code to watch our Individual Affordability explainer video



Income & Expenditure Assessments

Many organisations use income and expenditure assessments to help them to understand how much a customer can afford to pay as part of debt repayment arrangements.



An income and expenditure document like this can often be up to 16 pages long, so can be very time consuming to complete for both you and your customer and is not always accurate.

Traditional affordability assessments like this rely on customers estimating how much they spend, but one in three consumers provide income and expenditure proof with discrepancies¹.

How does it work?

Using open banking we can accurately categorise your customer's current account data into Standard Financial Statement format and share this with you in seconds. Helping you automatically pre-populate a consumer's income and expenditure assessment and offer a more accurate view of your customers disposable income.

How can it help?

Making the task of assessing income and expenditure much easier for both you and your customer and reducing call times. Helping make repayment plans more affordable and sustainable, help find an optimal repayment date, and improve the identification of financially vulnerable customers.

It can also help you monitor change of circumstances, enabling you to adjust debt repayment arrangements to ensure they remain affordable.

How is this already being used?

We're already working with a number of financial services and debt advice organisations to help them remove some of the human inaccuracy and offer a more comprehensive and up-to-date view of their customer's finances when they are in arrears. Enabling them to better understand their ability to afford repayments by assessing their income and expenditure.

Open Banking enabled us to auto-populate consumers' income and expenditure, direct from their current account. We have been able to replace much of the burden of data-gathering to get an accurate picture of a person's income and expenditure in Standard Financial Statement (SFS) format. This means our clients can spend more time discussing ways they can improve their customer's long-term debt position.

Louise Yates, CEO - The Insolvency Panel

Want to know more?

Scan this QR Code to download our Income and Expenditure assessment product sheet for more detailed information.



12%

increase in payment plans maintained²

90%

opted into Open Banking²

70%

reduction in collections call time³

Sources: ¹Money & Pensions Service. ²PSA Finance Case Study 2021. ³BPO Analysis of Income & Expenditure calls, 2019.

CASE STUDY



PSA Finance improved collections journeys by automating Income and Expenditure assessments

Problem

To assess the current financial position of customers in arrears, PSA Finance would typically complete Income and Expenditure assessments over the phone, which can be a lengthy and manual process for both their support teams and the customer.

So they were looking to remove much of the manual process involved in assessing customers, to reduce call times and help them support more customers without increasing staff costs.

Solution

We implemented an Open Banking journey to help PSA Finance automatically populate an income and expenditure assessment , mapped to Standard Financial Statement (SFS) categories.

Saving time sourcing information manually and reducing complexity in determining income and expenditure.

The process could be completed in minutes by customers and they were able to categorise an entire 12 months of bank account information in just a few seconds to a collections portal.



What our client thought...

This helped us streamline the data gathering needed in an income and expenditure assessment to achieve a more realistic affordability position in minutes, by removing the burden of lengthy calls or paper-based processes to verify data manually.

This enabled us to gain a more comprehensive financial picture of our customers to better assess their income and expenditure and allowed us to offer more affordable repayment plans so our customers could clear their debts faster and improve outcomes. By significantly improving our user journey, our customer benefits from improved security in the way they share financial data and a debt resolution can be put into place more quickly.

Tom Feest, Head of Collections and Recoveries, PSA Finance



Significant reduction in call times

Average call times reduced significantly for customers choosing Open Banking, allowing their customer support teams more time to focus on customer support.



9 in 10 consented to Open Banking

90% of PSA Finance customers in arrears opted to use the Open Banking route to assess their income and expenditure instead of the manual route.



Helped identify financial vulnerability

Enabled PSA Finance to highlight customers who are potentially vulnerable and offer appropriate treatment paths based on individual circumstances.



Repayments had a higher propensity to keep

PSA Finance noticed a 12% increase on the number of repayment arrangements which were maintained using Open Banking

Automated Income Verification (AIV)

Identifying income accurately can be complex, but we can help you address complex cases such as joint accounts, self-employment, multiple and adhoc salaries.

Our income solution enables organisations to fully understand the composition of a consumer's income and help drive improved affordability assessments leading to better decisions.



How does it work?

We've developed an exhaustive set of income characteristics to ensure our clients are able to address the widest range of complexities when identifying income.

Using open banking we accurately categorise your customer's current account data into different income components.

We apply income algorithms to assess salary, income streams, income frequency and changes in employment in order to accurately calculate evidenced income.

How can it help?

Our solution can be embedded into your customer journey, giving you immediate access to income insights, improving the number of incomes which are digitally verified.

We can enable you to verify the income of any customer with an online bank account irrespective of credit history to help you:

- Improve management of complex income cases
- Automate manual processes avoiding the need to review granular account information.

How is this already being used?

In addition to helping financial services companies bring more order, speed and precision by automatically verifying levels of income, we're also helping companies in the telecoms and utilities sectors offer more affordable bills to low income families, by proving a customer is in receipt of Universal Credit or has a certain level of income.

Solutions can be tailored by sector and can provide improved insights by providing precise, granular and real-time categorised information through our expert understanding and analysis of transaction data.

Although we have other means of confirming the income and expenditure, AccountScore's advanced data categorisation makes the whole process easier to navigate, thus bringing the workload and time spent reviewing customer applications to the minimum.

Gary McKenna, Director, 1Plus1 Loans

Source: ¹ Equifax Analysis on a Financial Services Client in 2020. ² Percentage of applicants choosing Open Banking over other methods to share additional data for affordability for a tier 1 banking client 2021. ³ United Utilities 2021 customer feedback.

Want to know more?

Scan this QR Code to download our Automated Income Verification product sheet for more detailed information.



CASE STUDY



United Utilities delivers a first-of-its-kind real-time income verification tool to streamline eligibility for social tariffs

Problem

As many as three million people in the UK struggle to pay their water bills¹. Water companies are required to ensure a minimum 7% of households are offered a social tariff, and work to identify financially vulnerable customers who meet this criteria. Customers need to demonstrate income levels that qualify them for the reduced tariff, which can often be a lengthy manual process for both United Utilities and its customers.

United Utilities wanted to make it easier for customers struggling financially to prove their eligibility for a social tariff.

Solution

Equifax helped United Utilities automate and streamline the process of identifying and verifying customer income to make it easier for their customers to prove eligibility.

A combination of data was used to identify customers likely to be vulnerable, who were given the option to use Open Banking to verify their income by sharing a link with the customer during a call and talking them through the process.

The process could be completed in minutes by customers and they were able to categorise an entire 12 months of bank account information in just a few seconds to a collections portal.



What our client thought...

“The United Utilities team prides itself on being industry leading and strives to deliver results through innovative approaches and the Open Banking solution provided by Equifax supports this ethos. We needed to source an innovative approach to improve the accuracy and efficiency of our affordability assessments, Equifax worked closely with us and provided a new solution which ticked all our boxes. I am thrilled with the result that this partnership has delivered for both United Utilities and our customers”

Michelle Atkinson, UU, Head of Income



Created a much simpler customer journey

There was no need to find out information or documentation to declare levels of income and/or benefits – the process was automated.



Identify more complex income cases

We helped United Utilities address complex cases such as joint accounts, multiple and ad hoc salaries, zero hours contracts, benefits and self-employed incomes.



Confirm financial vulnerability

Enabled United Utilities to verify income based on more accurate information and spot customers who may be financially vulnerable.



Increase customers on a social tariff

The water company was able to expand its offer of a social tariff to more customers and help them reach regulatory targets.

¹ Source: OFWAT PR19 final determinations, December 2019

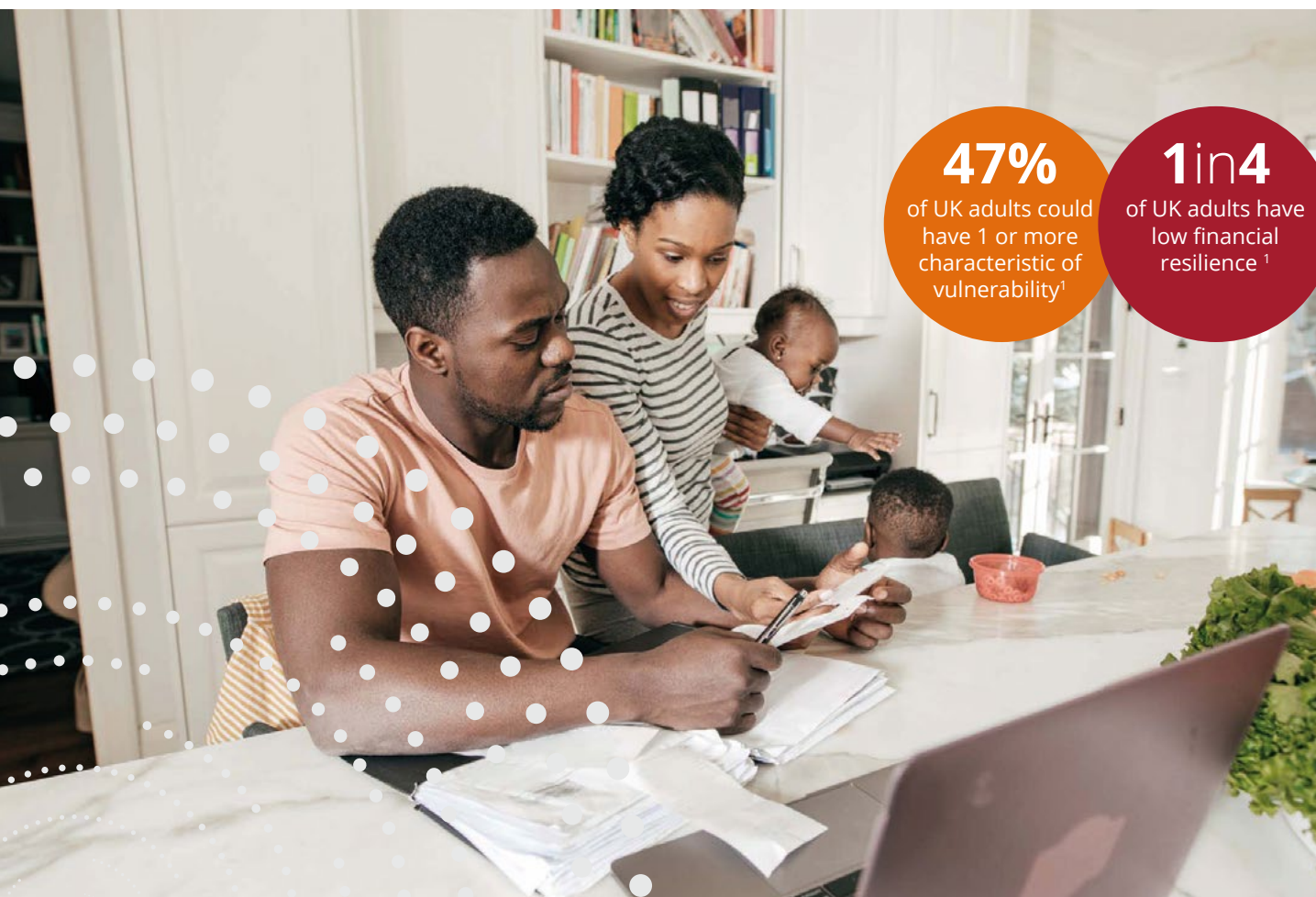
Transaction Vulnerability Indicators (TVI)

In the current economic environment, it's more important than ever to **identify and support consumers** who are **vulnerable or in financial difficulty** and proactively reach out to them with appropriate forbearance steps.

By leveraging the power of open banking APIs, TVI offers a real-time assessment of your customers to help spot potential vulnerability.

Customers in financial distress, are likely to be harder to get hold of, will take up more time on calls and ultimately pay less money in the short-term.

Understanding a customer's current financial vulnerability position can help you create the best engagement strategy and offer appropriate support to ensure the best consumer outcomes.



47%

of UK adults could have 1 or more characteristic of vulnerability¹

1 in 4

of UK adults have low financial resilience¹

How does it work?

We provide a simple and secure open banking journey which your customers can complete in less than two minutes. Giving you instant access to key insights via automated APIs or via our intuitive dashboard.

Our solution identifies key characteristics that indicate vulnerability in an individual's transaction data, based on the FCA's definition of vulnerability.

Transaction Vulnerability Indicators can be used as part of your customer onboarding process to help flag potential signs of vulnerability in new credit applications.

It can also be used to help you manage your existing portfolio or support customers in arrears where it's even more important to look out for signs of vulnerability.

How can it help?

Our insights enable the early identification of potential vulnerability so you can reach out to customers, assess their current financial circumstances and provide **proactive support for your vulnerable customers**.

Which in turn will help you proactively manage risks associated with potential defaults or delinquencies, enhance regulatory compliance and **reduce defaults from both new and existing customers**.

They can also help you implement more effective case handling of customers in arrears, by providing a better understanding of individual circumstances and enable you to offer the most appropriate treatment.

Why do I need transaction data?

Transaction data accessed via open banking provides the most up-to-date and granular information available about your customer and includes key characteristics which identify vulnerability, which may not be visible in other data sources, such as:

Financial Resilience

Identify reliance on other forms of credit, like High Cost Short Term loans which may not yet have shown up on credit files. Over reliance on BNPL as a method of payments can also be an indicator of financial stress, when combined with other factors such as income shocks or debt repayments.

Life Events

Highlighting recent income shocks which could indicate a job loss or a recent bereavement

Changes in circumstances

We can identify a variety of different benefit payments, track the recency and the proportion of income

Problem Gambling

Significant gambling spending can be an important risk factor only visible in transaction data

Want to know more?

Scan this QR Code to download our Transaction Vulnerability Indicators product sheet for more detailed information.



Apply+

Consumers increasingly expect slicker and easier onboarding processes. Online applications can often be long and complicated for customers to complete, causing them to abandon sign ups.

So there's increasing pressure to make customer journeys as easy as possible to reduce the risk of consumers dropping out. This is why we developed Apply+. To help you onboard customers more easily by reducing the amount of manual information required using the power of Open Banking to shorten sign ups.

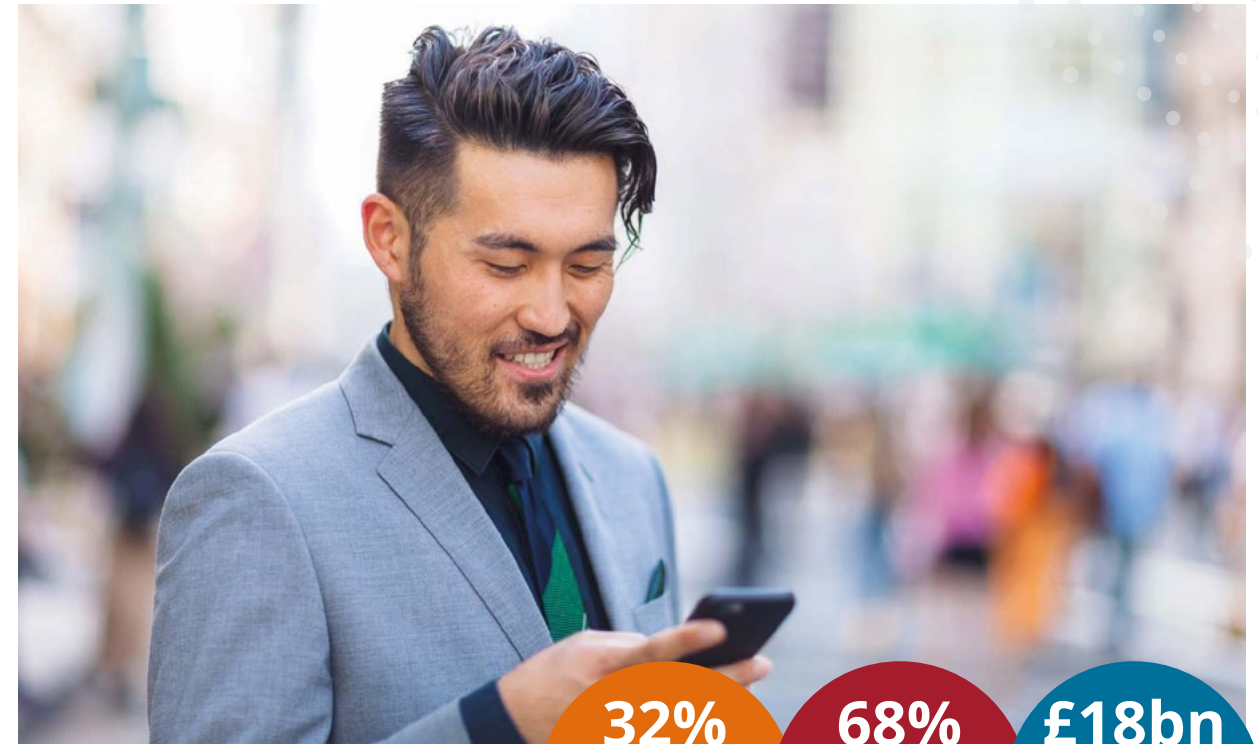
How does it work?

Apply+ leverages the Strong Customer Authentication standards mandated to log into a UK bank account to pre-populate account creation forms with your name, address and date of birth, streamlining the sign-up process.

How can it help?

Removing the need for lengthy signup forms, manual data entry or scanning ID documents. Simplifying your onboarding journey can offer a number of key benefits:

- Boost new user acquisition via increased sign up conversion
- Reduce drop offs / abandonment
- Increase usage and retention
- Convert more sign ups to active users
- Enhance age verification and fraud checks



32%

will abandon an application if forced to take action out of channel¹

68%

have abandoned a financial application²

£18bn

lost in e-commerce revenue due to UK shopping cart abandonment³

The Apply+ customer journey



Your customer shares their bank account data seamlessly using Open Banking and chooses their bank



They authenticate using biometric ID via their mobile banking app instead of inputting manually



We verify your customer's account against our extensive database of bank account ownership



Name, address and date of birth is pre-populated automatically and confirmed with a single click

Adding value across different sectors

Credit and lending

As part of an online credit application, it's not just the name, address and D.O.B. fields that can be bypassed.

You can verify income as well as essential and discretionary spending, removing the need for your customers to fill in pages of information for you to assess whether credit is affordable.

Online gaming

Access to transaction data can help ensure your customers are gambling responsibly and within their means by including an automated financial health check.

It can also be used to age check new accounts.

Online retail

We can help you use the same open banking data to implement on-the-fly affordability checks when setting up new retail accounts.

Open Banking payments

We can help you provide a one-stop payments and sign up option. So your customers are able to make their initial deposit using Open Banking.

This streamlines the process even further by allowing your customers to make a payment and confirm their identity as part of a single unified process via an instant sign-up option.

Open Banking ID

Digitally savvy customers expect slick onboarding processes. Research suggests 68% of consumers have abandoned an application for a financial product¹, over a third because they did not have the right identity credentials¹.

Furthermore, 32% of UK consumers will abandon an application process if forced to take action out of channel².

How does it work?

Open Banking ID leverages the Strong Customer Authentication standards mandated to log into a UK bank account.

We verify a customer's bank account login against an independent database of account ownership, delivering a secure, real-time, customer anti-impersonation assessment, ID Verification and proof of address.

Open Banking ID delivers a superior customer experience than either Document Verification or Knowledge Based Authentication (KBA).

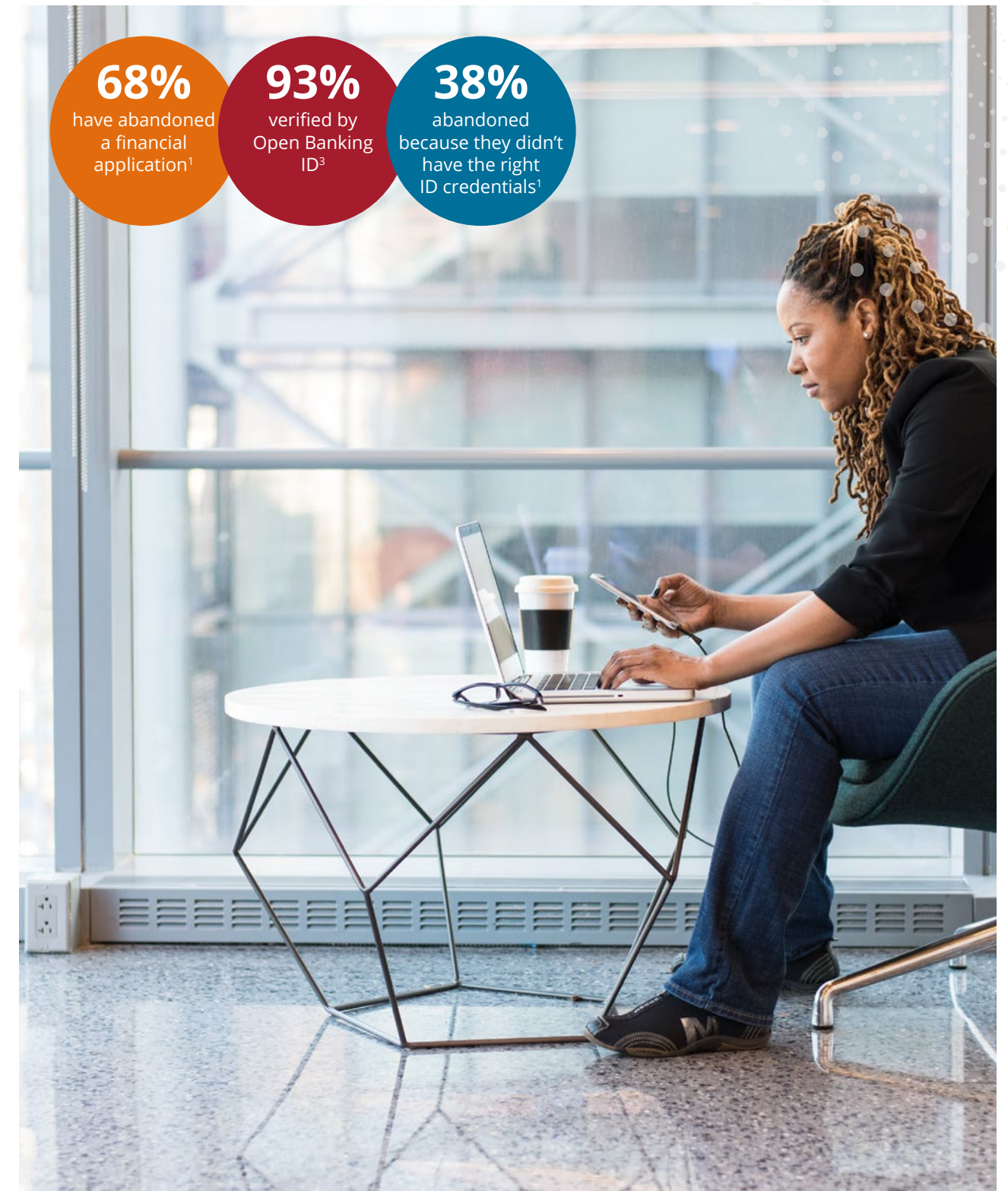
How can it help?

The strong customer authentication and bank account verification provided delivers a superior customer experience than either Document Verification or Knowledge Based Authentication (KBA).

This speeds up the application process for the customer as it removes the need to have ID verification documents on hand, complete manual paperwork and combats the user experience challenges associated with KBA.

How is this already being used?

This technology replaces Knowledge Based Authentication with biometric ID verification coupled with Electronic Bank Account Verification. We are using this technology ourselves to give consumers access to their personal credit files.



Sources: ¹ Signicat Battle To Onboard 2022. ² Fico 2021 UK Banking Survey. ³ Equifax analysis 2021.

Want to know more?

Scan this QR Code to download our Open Banking ID product sheet for more detailed information.



Business Health Insights

Over 160,000 businesses were dissolved in Q1 2023, up almost 9% year-on-year¹. Whilst 2022 was also a record year for UK business dissolutions, with more than 870,000 being struck off the Companies House register last year¹.

The increased cost of living isn't putting people off from setting up a new business. Companies House reports more than 220,000 new incorporations in Q1 2023, 8% up on the same period the previous year¹.

This sort of volatility, driven by rising costs, has made traditional methods of understanding cash flow and business health less effective and getting a true understanding of a company's financial performance is harder than ever.

How does it work?

By enriching and categorising business account data into more than 300 time-based characteristics, we can more accurately determine the current financial position of your customers.

Real-time information on bank account turnover, cash flow and an income and payments forecast is provided via visualised dashboard which can be fully configured to display the key events and data points you require.

How can it help your business?

A simple onboarding process makes it quick and easy for your business customers to share their business account information digitally, which can significantly speed up your decision-making process by removing the need for manual paperwork.

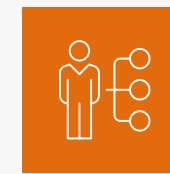
Instant access to real-time, accurate and reliable data could significantly improve how you:

- Assess the current financial position of business customers currently in default
- Reduce the time to make an informed lending decisions
- Help you make more accurate decisions about your business customers

Open banking can also be used to verify commercial bank account ownership, the identity of applicants and their connection to the business, reducing likelihood of fraudulent applications.

This is particularly true for new SME customers who may otherwise have limited data available about them and would have therefore previously struggled to demonstrate affordability.

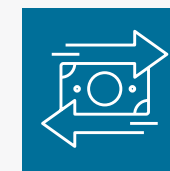
The Commercial Data Open Banking journey



Your SME customer is invited to share their business account data seamlessly via Open Banking



They consent to share data by logging into their business bank account online or via mobile app. This allows you to mitigate impersonation fraud and verify commercial bank account ownership.



Our categorisation engines analyses transaction data to provide accurate liquidity and cash flow information



We can combine with data sources like CCDS and Equifax Business Insights to provide a 360 view



We return actionable insights and commercial forecasting via API or dashboard within seconds



Helping you make more confident and accurate decisions more quickly for every SME customer

Source: ¹Companies House 2023. ² OpenBanking.org Open Banking Impact Report March 2023

8%

rise in new UK businesses in Q1 2023¹

160k

businesses were dissolved in Q1 2023¹

16%

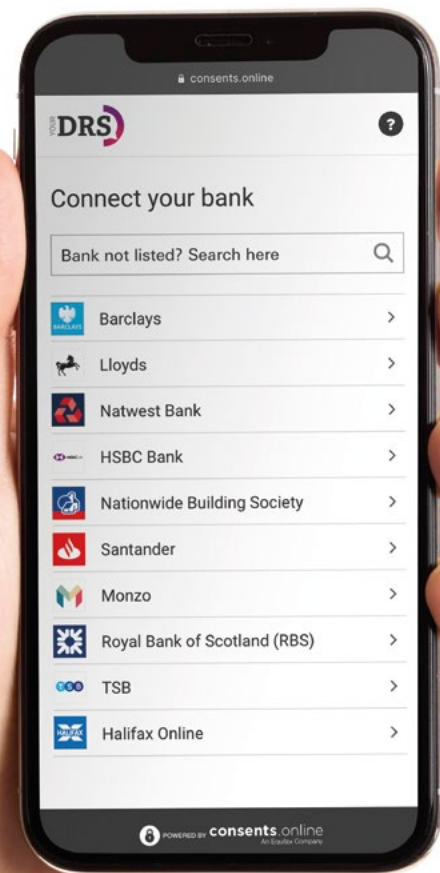
of SMEs are active users of Open Banking²

Want to know more?

Scan this QR Code to download our Open Banking Commercial Insights product sheet for more detailed information.



You can be up and running with an open banking solution in less than 7 days



Using our **Open Banking as a Service®** solution, you can start using open banking data without the significant cost and complication of implementing your own open banking customer journey.

The data is run through our analytics and categorisation engine to provide accurate, reliable and easy to understand insights to help you understand your customer's financial circumstances.

Key Benefits

- No technical integration required
- Access to all major banks / 98% of UK current accounts
- Instant access to real-time dashboards
- Digitisation of manual processes
- Affordability modules are included
- Income estimation and credit risk alert
- Ability to download/export data



How Does it Work?

- We provide a custom-branded sign up journey which enables customers to share bank transaction data safely and securely.
- You receive real-time notifications when a customer signs up using your link.
- We provide secure access to our intuitive dashboard where you can view fully categorised data with actionable insights.

Deployment

This solution offers the simplest technical deployment and the fastest way to access account information, enabling your organisation to begin using Open Banking data.

- **Turnkey:** Provided as an end-to-end solution via a fully customised Open Banking link and your own consents portal
- **Iframe/API:** We can help you integrate solutions into your own customer journey via iframe or API.

Want to know more?

Scan this QR Code to watch our Open Banking as a Service explainer video.





Visit our website to book a free consultation with one of our open banking experts to discover how we could help you make better decisions

equifax.co.uk/openbanking