

WHAT GOES INTO A Credit Profile

Your Credit Profile is an assessment of your creditworthiness. Comprised of a Credit Score and Credit Report, it can determine whether you qualify for a particular credit card, loan, mortgage or service, and on what terms.

INGREDIENTS

Lenders

Information sourced from recognised credit providers, such as:

- Banks
- Credit Unions
- Store Credit Issuers
- Payday Lenders
- Buy Now Pay Later
- Telecommunication Providers*

Public Record

Public record information is sourced from:

- ASIC - Australian Securities & Investments Commission
- The Judicial System
- Utility Providers*

*While these providers do not share the full details of your repayment history, they may provide information on any defaulted accounts or credit advances (e.g. post-paid services).

FINAL PRODUCT

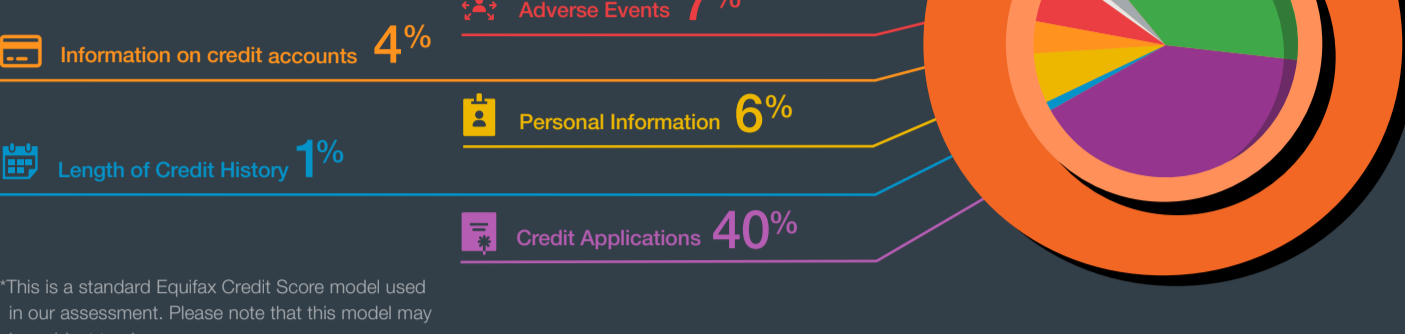
Credit Report

The information collected is used to calculate your Credit Score and determine your borrowing eligibility.

Our Credit Reports detail the positive and negative factors impacting your Equifax Credit Score.



Components of an Equifax Credit Score**:



**This is a standard Equifax Credit Score model used in our assessment. Please note that this model may be subject to change.

How are Credit Scores calculated?

Equifax Credit Scores are a number anywhere from 0 to 1,200. The higher the number, the better the score. Our Credit Scores are calculated based on the underlying data contained in a Credit Report. What can be collected in a Credit Report is strictly regulated by the **Privacy Act 1988** (Cth) ('the Privacy Act').

We calculate the score using private and public information collected directly from you as well as from credit providers and other agencies (e.g. repayment histories, court actions relating to debit and credit, insolvency and ASIC records).



The Privacy Act also mandates a consumer's right to see the data held and dispute it if believed to be incorrect. Request a copy of your Credit Report today at equifax.com.au.

- The Equifax Credit Score is a numerical expression of your risk profile and ability to repay a debt.** The higher the score the lower the risk. Our unique model looks at the relative rating of your credit behavior against the ratings of the entire Australian population to ensure the most comprehensive and accurate assessment.
- This model is based on **decades of experience analysing credit transactions of the Australian consumer.** Looking at a huge number of variables, the Equifax model calculates a score that is a proven predictor of credit risk.
- Every score is unique, you may have the same score as someone else however it is very likely **the result of different contributing factors.**
- Credit scores and credit reports are only some of many factors credit providers consider** when determining whether an individual and/or business is eligible for credit.

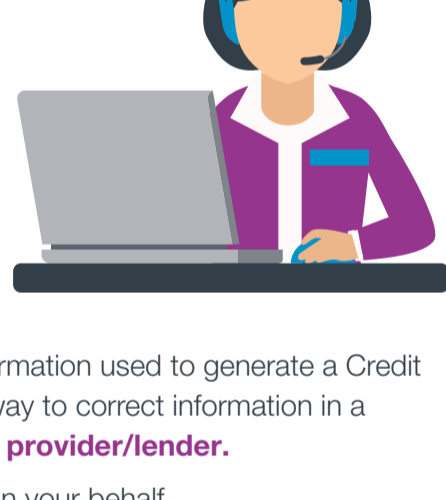
What is NOT included in a Credit Score?

A credit bureau can only hold data permitted under the Privacy Act. This means stricter guidelines on the data used to calculate a bureau credit score.

Credit bureaus such as Equifax are not provided (nor allowed to collect) this information to determine credit worthiness.

- gender
- race/religion
- dependents
- salary
- superannuation
- savings
- cars
- houses
- jewellery

What if something is not correct on my Credit Report?



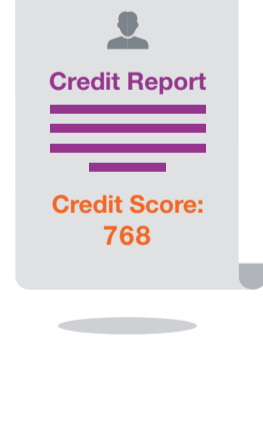
It's important to remember that a large proportion of the information used to generate a Credit Report is provided by credit providers to Equifax. The best way to correct information in a Credit Report is for you to **speak directly with your credit provider/lender.**

If you experience any issues, we can help contacting them on your behalf. **We offer this service completely FREE OF CHARGE.**

How do credit providers use Scores/Credit Reports?

Credit providers ask a series of questions on their application forms **to gain the most complete picture of your credit worthiness.** Scores/Credit Reports are important tools for risk assessment – but lenders typically consider them alongside a whole range of evaluation criteria.

Some credit providers will use a **Credit Score** as a strong factor in their decisions, most often for credit cards and personal loans (unsecured credit).



Others, particularly when considering a mortgage application, may prefer to rely more heavily on the data in a **credit report.**

New Developments

All Credit Reporting Bodies around the world update their scoring models from time to time to ensure they reflect the current credit landscape. Equifax's Credit Score model was most recently updated in December 2020.

Our new Credit Score model uses an enhanced system to more effectively assess the **links between credit activity and future credit risk.** It uses additional Comprehensive Credit Reporting (CCR) information such as repayment history. The CCR changes were introduced as part of recent revisions to the Privacy Act. This means many Australians with an Equifax Score will find their score has changed to some degree.

The **new information** includes items such as:



The transition to more comprehensive data allows Credit Reporting Bodies to have a more complete picture when assessing credit worthiness. This will eventually lead credit providers to place more importance on good credit-based behaviour, helping people to secure credit.

As more CCR information is disclosed, consumers will benefit from the relative strength and improvements of an Equifax Credit Score which is more closely linked to regular on-time repayments of credit commitments.



To find out more, visit equifax.com.au