



For immediate release

Ant Financial Unveils China's First Credit-Scoring System Using Online Data

Hangzhou, Jan 28, 2015 – Ant Financial Services Group today introduced its credit-scoring service **Sesame Credit**, which leverages “big data” technology and customer behavior analytics to help make credit more available to millions of consumers across China.

Sesame Credit is the first credit agency in China to use a scoring system based on online and offline data to generate individual credit scores for consumers and small business owners. These ratings provide lenders, merchants and other companies with a reliable tool for assessing their customers' creditworthiness, hence giving more consumers access to a host of borrowing services such as home loans, mobile-phone service contracts, car loans and other types of installment credit.

Making credit more widely available to consumers and small business owners is a primary goal of Sesame Credit, company officials said. “Sesame Credit is focused on those who may have little credit history at traditional credit agencies,” said Yu Wujie, Chief Data Scientist of Sesame Credit. “They may have never obtained bank loans or applied for credit cards. However, they might be active Internet users who shop online a lot, e-pay their utility bills on time, have a stable residential status and have been using their mobile phone numbers for a long time. We will take these and other factors into consideration when assessing consumers' creditworthiness.”

“By leveraging the big data we have and the state-of-art technology we deploy, we believe the debut of Sesame Credit will not only enable credit providers to make holistic and accurate decisions, but will also empower merchants to provide more credit-related services,” said Eric Jing, Ant Financial's Chief Operating Officer. “This will make their everyday life easier and help spur the development of a healthy economic and social environment.”

Powering Sesame Credit's scoring system, which is currently in the beta-testing phase, is Ant Financial's connection to e-commerce giant Alibaba Group. By tapping into Alibaba's vast online ecosystem, Sesame Credit is able to collect data from more than 300 million real-name registered users and 37 million small businesses that buy and sell on Alibaba Group marketplaces including Taobao Marketplace and Tmall.com. Payment histories are also available from Alipay, a subsidiary of Ant Financial that is China's largest online payment provider. Sesame Credit is also working actively with public agencies, financial institutions, and various types of merchants to obtain more data that can effectively reflect consumers' creditworthiness.

Sesame Credit officials stressed that protecting user privacy and personal data is of utmost concern. Data is collected only with the knowledge and consent of the individual subjects of the information. All data is encrypted and segregated. Access to a specific subject's credit scores can occur only with the



authorization of the subject.

Sesame Credit's services are expected to be applied in a slew of daily life scenarios. For example, landlords will be able to check potential tenants' credit scores; employers will be able to make better hiring decisions by checking the credit histories of job applicants; users with good creditworthiness can rent a car without paying a deposit. Sesame Credit is testing the service with some of China's hotels, which are allowing travelers with superior sesame credit ratings to book and stay without paying in advance. In addition, Sesame Credit is also conducting a test program with a Chinese online dating site that allows suitors to check their potential dates' credit ratings to make sure they are not meeting someone who is dishonest or untrustworthy. The credit information can only be accessed with candidates' permission.

Sesame Credit is being launched as an independent brand. The company has been registered as Sesame Credit Management Co., Ltd, operating under Ant Financial.

Sesame Score

Sesame Scores are indications of the users' creditworthiness, which range from 350 to 950 points. Users will be able to check their Sesame Scores both in the Alipay Wallet mobile app and through merchant websites that accept Sesame Credit services. The higher the scores, the lower chance the user may default. The scores are calculated using five different factors, each with different weightings that can vary according to individual profiles:

- **Credit History** reflects a user's past payment history and indebtedness, for example credit card repayment and utility bill payments.
- **Behavior and Preference** reveals a user's online behavior on the websites they visit, the product categories they shop, etc.
- **Fulfillment Capacity** shows a user's ability to fulfill his/her contract obligations. Indicators include use of financial products and services and Alipay account balances.
- **Personal Characteristics** examine the extent and accuracy of personal information, for example home address and length of time of residence, mobile phone numbers, etc.
- **Interpersonal Relationships** reflect the online characteristics of a user's friends and the interactions between the user and his/her friends.

About Ant Financial Services Group

Formally established in October 2014, Ant Financial Services Group is focused on serving small and micro enterprises as well as consumers. With the vision "to turn trust into wealth," Ant Financial is dedicated to building an open ecosystem of Internet thinking and technologies while working with other



financial institutions to support the future financial needs of society. Businesses operated by Ant Financial Services Group include Alipay, Alipay Wallet, Yu'e Bao, Zhao Cai Bao and Ant Credit.

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