



Upstart Joins Office of the Comptroller of the Currency's Project REACH to Promote Greater Access to Credit for Underserved Populations

November 4, 2021

SAN MATEO, Calif.--(BUSINESS WIRE)--Nov. 4, 2021-- Upstart (NASDAQ: UPST), a leading artificial intelligence (AI) lending platform, today announced it has joined the Office of the Comptroller of the Currency's (OCC) Project REACH (Roundtable for Economic Access and Change) to promote financial inclusion through greater access to credit and capital. Since joining Project REACH, Upstart has been focused on the workstream to revitalize small minority depository institutions.

Project REACH brings together leaders from the banking industry, national civil rights organizations, business, and technology to identify and reduce barriers that prevent full, equal, and fair participation in the nation's economy. For example, almost 50 million Americans have no credit score, according to the OCC,¹ which is an enormous barrier to getting a traditional loan.

"Historically, an over-reliance on traditional credit scoring has meant that not everyone has had the opportunity to establish credit, despite being creditworthy," said Nat Hoopes, Vice President and Head of Public Policy and Regulatory Affairs at Upstart. "Less than half of American adults can access prime credit, despite the fact that four in five Americans have never defaulted on an obligation."²

Upstart is one of the first companies to apply AI to the multi-trillion dollar credit industry. Upstart goes beyond the traditional score, using more than 1,000 variables to evaluate each application, which helps improve consumers' access to credit.

Upstart's model provides higher approval rates and lower interest rates for traditionally underserved demographics. For 2020, Upstart's model approved 30% more Black borrowers than a traditional model and provided 11% lower interest rates than a traditional model. The same is true for Hispanic borrowers, despite offering its service only in English. Upstart's model approved 27.2% more Hispanic borrowers than a traditional model with 10.5% lower interest rates than a traditional model.³

In order to promote inclusivity, Upstart's personal loan platform is [available in Spanish](#) with an end-to-end lending experience in Spanish -- including disclosures, application, loan agreement, customer service, and repayment dashboard.

To learn more about Project REACH, Upstart and the Minority Depository Institution (MDI) Workstream, visit: <https://www.occ.gov/topics/consumers-and-communities/minority-outreach/mdi-workstream.pdf>.

About Upstart

Upstart (NASDAQ: UPST) is a leading AI lending platform partnering with banks and credit unions to expand access to affordable credit. By leveraging Upstart's AI platform, Upstart-powered banks and credit unions can have higher approval rates and lower loss rates, while simultaneously delivering the exceptional digital-first lending experience their customers demand. More than two-thirds of Upstart loans are approved instantly and are fully automated. Upstart was founded by ex-Googlers in 2012 and is based in San Mateo, California and Columbus, Ohio.

¹ <https://www.occ.gov/news-issuances/news-releases/2020/nr-occ-2020-89.html>

² According to an Upstart retrospective study completed in December 2019.

³ As of December 31, 2020, and based on a comparison between the Upstart model and a traditional credit model. Upstart does not collect demographic data on borrowers. Upstart uses standard industry methodology to estimate borrower demographic status to conduct access-to-credit analysis comparing Upstart to traditional credit model outcomes.

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Media Contacts

Mike Nelson
mike.nelson@upstart.com

Source: Upstart