

INTERNET-ONLY BANKS TO INCREASE CREDIT LENDING TO INDIVIDUALS WITH MID TO LOW CREDIT STANDINGS

The FSC announced a plan to boost internet-only banks' credit-based lending to individuals with mid to low credit backgrounds from KRW2 trillion at the end of 2020 to about KRW4.6 trillion by the end of this year.¹

Internet-only banks will gradually expand the proportion of their credit-based lending to those with mid to low credit standings with a goal of reaching more than thirty percent of their total balance of credit-based lending by the end of 2023.

Internet-only banks will also seek to further improve their credit scoring systems to more properly evaluate individuals' debt service capabilities based on more realistic customer data as well as alternative credit data.

In this regard, the government will strengthen management and supervision over internet-only banks to ensure their implementation of the plan.

#

For press inquiry, please contact Foreign Media Relations at fsc_media@korea.kr.

¹ Mid to low credit holders are those with credit ratings of 4 to 10 or credit scores in the bottom 50 percentile.