

Credit Scoring Model – Outsourcing Assessment Summary

Prepared by: Vendor Management Office with Retail Credit Risk

Version: 1.0 – submitted to the Management Board for approval

Date: 20/10/2026

Bank: Demo Bank d.d. (fictional Slovenian bank)

Service provider: ScoreCloud Analytics GmbH (fictional), Vienna, Austria

Planned go-live: 01/12/2026

1. Description of the arrangement

ScoreCloud provides a cloud-hosted credit scoring service for unsecured consumer loans. For each application the bank sends applicant data (income, expenses, existing debts, SISBON data, employment, age of account relationship) through an API and receives a score from 300 to 900 and three main reason codes. The score is used in the Consumer Loan Approval Process; applications below 600 are referred to manual review.

2. Criticality assessment

The service supports the creditworthiness assessment, which is a core banking activity. An outage would stop online lending and a defective score would directly affect credit decisions and credit risk. The Vendor Management Office therefore classifies the arrangement as supporting a critical or important function. The pre-contract risk assessment (concentration, substitutability, data protection, ICT security, legal and reputational risk) was completed on 30/09/2026 and is filed with the Vendor Management Office.

3. Contract terms

Area	Agreed term
Service description	Scoring API, model hosting, monthly model performance report
Service levels	Availability 99.9% per month; response time under 2 seconds for 99% of calls; incident notification within 4 hours; service credits for breaches
Data location	Processing and storage in data centres in Austria and Germany (EU) only; no sub-outsourcing outside the EU
Security	ISO/IEC 27001 certified; encryption in transit and at rest; annual penetration test with summary to the bank
Sub-outsourcing	Only with prior written notice to the bank and a right to object
Data protection	Data processing agreement in place; provider acts as processor
Termination	Either party may terminate with 30 days' notice. The bank may terminate immediately for material breach or if required by a supervisory authority.
Audit and access	The bank relies on the provider's annual ISAE 3402 / SOC 2 Type II report. On-site audits by the bank, its auditors or supervisory authorities are excluded by the contract to protect the provider's intellectual property.

4. Model governance

The scoring model is proprietary to ScoreCloud. The provider does not disclose the methodology, the variables used or their weights, and the bank has accepted this. The bank will not perform its own validation of the model before go-live or afterwards; it relies on the provider's statement that the model is "industry-tested". After go-live, Retail Banking will track the approval rate monthly as the performance indicator.

5. Exit strategy

A separate exit plan is not considered necessary. ScoreCloud is a market leader, and if the contract ends the bank can switch to manual assessment. No transition period has been agreed in the contract.

6. Register of information

The arrangement will be entered in the bank's register of information on outsourcing and ICT third-party arrangements after the first year of operation, once the service is stable.

7. Recommendation

The Vendor Management Office recommends that the Management Board approve the contract with ScoreCloud Analytics GmbH and the go-live on 01/12/2026.