

Carrington Labs Unveils Explainable AI Platform at FinovateFall, Offering a New Lens on Lending

Offering an AI-driven approach to traditional credit scoring, Carrington Labs is poised to redefine credit risk assessments and lending decisions.

NEW YORK, NY, UNITED STATES, September 9, 2024 /EINPresswire.com/ -- In the ever-evolving



At Carrington Labs, we're providing the technology that allows banks and lenders to make smarter, faster, and more inclusive decisions."

Jamie Twiss, CEO of Carrington Labs

world of financial services, [Carrington Labs](#) is taking a significant step forward, introducing its explainable AI-powered platform that offers enhanced credit risk scoring and loan limit recommendations at [FinovateFall](#) in New York this month. Offering a new, AI-driven approach to traditional credit scoring models, one that leverages non-traditional data sources to create predictive features, the [Carrington Labs platform](#) is poised to redefine how financial institutions make credit risk assessments and lending decisions.

Carrington Labs is tackling the limitations of traditional credit scoring by collecting a much larger, fully-consented range of data about applicants, in order to equip lenders with a fuller picture of a loan applicant's creditworthiness. Conducting detailed analysis of line-item transaction data, the Carrington Labs platform uses AI-powered models to generate an alternative credit risk score and loan limit recommendation for each customer.

These AI models are built to be explainable, enabling lenders to have complete transparency in the way product-specific predictions and recommendations are generated. The platform combines the following:

- Data ingestion and pre-processing: The platform ingests different types of alternative data, categorizes transactions, and prepares the data for training and inference.
- Enhanced feature generation: The platform generates tens of thousands of individual feature candidates to find the best predictors of loan outcomes, optimized to a lender's pre-defined commercial outcomes. Generative AI as well as automated feature creation underpin the large

pool of feature candidates.

- Elasticity modeling: The platform conducts programmatic A/B testing, randomizing users into cohorts with different limit journeys to estimate default elasticity and set optimal loan terms that maximize returns while minimizing default risk.

- Frequent refreshes: Ongoing retraining and refinement of the risk models on recent data maintains the relevance and integrity of credit risk assessments, dynamic to economic and competitive conditions.

Carrington Labs is not only setting a new standard in credit risk assessment; it's paving the way for broader adoption of AI in the financial sector.

"AI is not just a buzzword; it has the potential to be a game-changer for the lending industry. At Carrington Labs, we're providing the technology that allows banks and lenders to make smarter, faster, and more inclusive decisions. Our platform is designed to take the guesswork out of lending, providing a much fuller picture of loan applicants and a much sharper view of risk," said Jamie Twiss, CEO of Carrington Labs.

Carrington Labs is showcasing this transformative platform live at FinovateFall in New York from September 9-11.

For more information, or to book a demo, visit www.carringtonlabs.com or contact sales@carringtonlabs.com.

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About Carrington Labs



Carrington Labs is a leading provider of explainable AI-powered credit risk scoring and lending solutions. Its mission is to empower financial institutions with advanced tools and insights to make smarter, faster and more informed lending decisions, fostering a more robust and inclusive financial ecosystem. For more information, visit www.carringtonlabs.com.

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