

Building a new kind of payment network that empowers consumers and helps merchants drive growth

Mission

Our mission is to deliver honest financial products that improve lives.

Values



People come first:

We consider our impact on people's lives before we think about our own interests.



No fine print:

We are completely transparent and honest—with our customers and with each other.



It's on us:

We take full accountability for our actions, never shirking responsibility or passing the buck.



Simpler is better:

We make complex things simple and clear.



Push the envelope:

We never stop innovating, taking smart risks, and raising the bar.



When we started Affirm, we wanted to build something truly transparent, where each purchase plan had a clear end-date, there were no surprises or gotchas, and most importantly, you knew exactly what each purchase would cost you.

We put what is good for our consumers first and will never benefit from their mistakes or misfortunes.

- **Max Levchin**, Founder and CEO



Affirm by the numbers

as of June 30, 2024

>18M

active
consumers

\$293

average
order value

>\$26B

gross merchandise volume
(last twelve months)

\$316M

in late fees avoided by
consumers¹

\$663

average outstanding balance
per user¹

\$0 in late fees,
penalties, deferred
interest, or compound
interest—ever

¹From July 2016 - June 2024; U.S. Only

How Affirm helps consumers

Affirm empowers consumers by offering a transparent and flexible way to pay over time with no late or hidden fees. We provide consumers with increased purchasing power and greater control over managing their finances. We enable eligible consumers to pay at their own pace in biweekly or monthly payments, rather than entirely up front. Unlike most credit cards and other pay-over-time options, Affirm doesn't charge any hidden fees, not even late fees. The interest-bearing transactions we facilitate only include simple interest. This means that the interest is based upon a fixed percentage the consumer agrees to up front at checkout and it never compounds. Consumers who choose Affirm always see exactly what they will pay up front and are never charged any late or hidden fees, even if they miss a payment.

How Affirm helps merchants

Affirm helps merchants of all sizes drive growth and better serve their customers. Overall, merchants using Affirm reported a more than 70% lift in average cart sizes in fiscal year 2024. We've proven that we can increase sales and introduce new consumers to our merchant partners. That's why our partners include household-name brands across home and lifestyle, fashion, beauty, travel, fitness, auto service and parts, and more. This network is further bolstered by the Affirm app and Affirm Card, which give consumers a convenient way to use Affirm as an omnichannel payment method.

Responsibly extending access to credit

We underwrite every transaction individually and—by never charging late fees—we do not profit when consumers fall behind. Our success is aligned with consumers successfully managing their finances.

Our underwriting models assess a consumer’s likelihood of repayment before making a real-time credit decision. Our models consider data beyond just traditional credit scores, including transaction history and credit usage. This approach enables Affirm to responsibly extend access to credit to a wide segment of consumers. For more information on financial inclusion at Affirm, see our [2024 ESG Report](#).

- Monthly payment options through Affirm can be interest-free or simple interest bearing, generally ranging from 0–36% APR, consistent with the 36% rate-cap that has been supported by consumer advocacy groups and bipartisan members of Congress.
- Facilitating simple interest bearing transactions enables us to address more of our consumers’ and merchants’ needs responsibly.
- Simple interest means the interest is based on a fixed percentage that never compounds, so there are no hidden fees.
- Affirm’s financial products have no deferred, hidden, or surprise interest or fees, ever.

How Affirm makes money

Affirm’s success is aligned with consumers and merchants. We win when they win.

- Affirm generally earns revenue from merchants when we help them facilitate a transaction. This is commonly referred to as our merchant discount rate.
- We generate revenue through the simple interest bearing transactions we facilitate on our platform.
- Affirm earns interchange fees when consumers use Affirm’s card products over established card networks.
- We also sell a portion of the assets originated in our platform to third-party investors and recognize a gain or loss on the sale of these loans.
- We make money by providing loan services on behalf of third-party investors that have purchased consumer loans from us.
- Because we don’t charge any late fees, our success is fundamentally aligned with consumers successfully managing their finances.

Alignment of interests

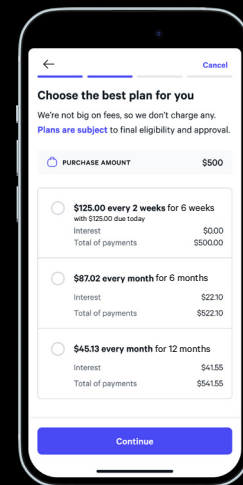
- No ability to revolve by design. No gotchas, no late or hidden fees, no surprises.
- Underwrites every individual transaction before making a real-time credit decision.

Transparent

- Provides a truth in lending disclosure before each transaction so that consumers know how much each transaction will cost.
- Pay in 4 is interest-free. Monthly installments can be interest-free or simple interest bearing with total cost of credit always shown upfront.

Simple and flexible terms

- Enables eligible consumers at virtually any merchant to pay over time with term lengths generally ranging from 6 weeks up to 48 months.
- Details of every loan available 24/7.



For Illustrative Purposes Only

Consumer Snapshot

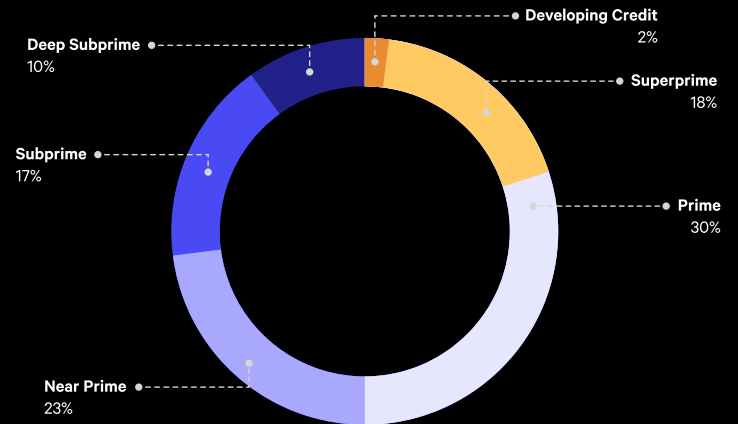
Affirm lends to consumers across all levels of the credit spectrum and underwrites every transaction individually.

FY'24 FICO Score by Consumer

Average FICO score per consumer was 652 during FY'24.

*Based on data between July 2023 - June 2024

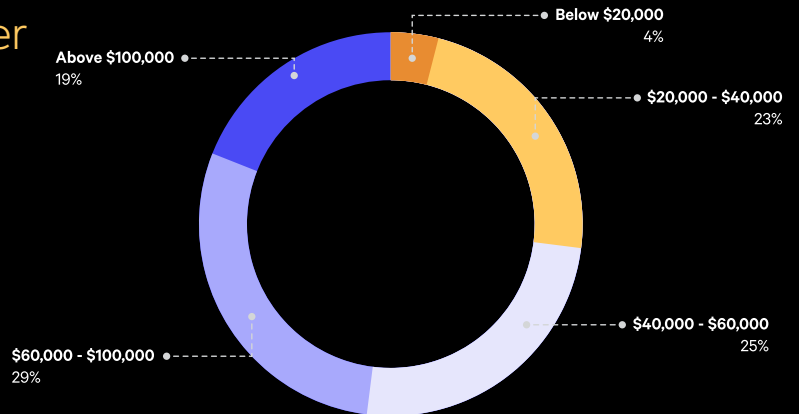
*Superprime: 730+, Prime: 729 - 660, Near Prime: 659 - 620, Subprime: 619 - 580, Deep Subprime: 579 - 0, Developing Credit: No available credit score.



FY'24 Annual Income by Consumer

Average household income per consumer was \$74K during FY'24.

* Based on data between July 2023 - June 2024



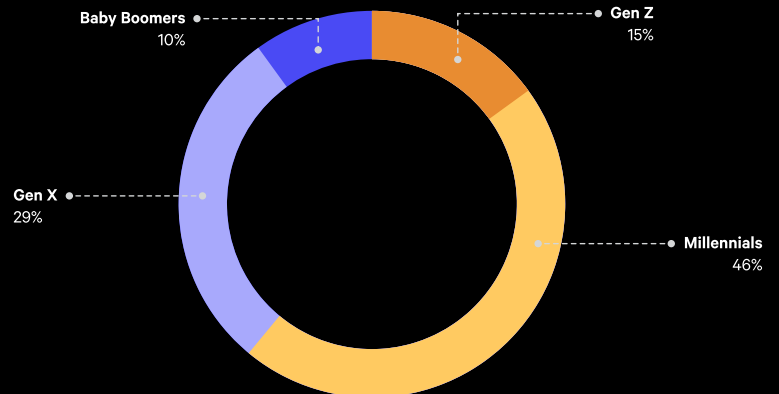
Moreover, Affirm's consumers are both demographically and geographically diverse

In FY'24, our largest cohorts of consumers were Millennials, followed by Gen X, Gen Z, and Baby Boomers.

*Based on data between July 2023 - June 2024

*Gen Z: 1997 - 2012, Millennials: 1981 - 1996, Gen X (1965 - 1980), Baby Boomers+ (before 1964)

*Based on share of unique users



Affirm's consumer base is reflective of the U.S. population, with users from the top five most populated states in the nation comprising over 40% of Affirm's active users in FY'24. Notably, Affirm has consumers in every U.S. state.

Regulatory oversight and approach

Affirm was purpose-built from the ground up with core values of honesty, transparency, and putting people first. By aligning our interests with those of consumers, Affirm has strived for our policies to represent best practices in consumer protection and regulatory compliance since inception. We actively engage with regulators and policymakers as part of our mission to deliver honest financial products that improve lives, while ensuring compliance with applicable laws and regulations.

Affirm is subject to regulatory supervision and oversight, both directly and indirectly, by way of our partnership with our [originating bank partners](#) and under federal and state laws in the states in which we operate. This also includes licensing in states that require licensing of our interest-free Pay in 4 product with no late fees, as well as servicing and collection licenses required of Affirm and its vendors.

For more information on our licenses, see: [Licenses, Notices, and Related Disclosures](#).

Sustainably advancing our mission

At Affirm, our mission is to deliver honest financial products that improve lives. Our purpose is not solely to improve the lives of consumers, merchants, shareholders, and our people, but also the communities in which we operate. We actively manage our environmental impact across our facilities through practices and partnerships focused on addressing climate change, sustainably managing resources, and mitigating our environmental impact. We also empower people, businesses, and communities by promoting financial health, literacy, and inclusion.

Since Affirm's founding, our mission has guided our work to build a great, growing, sustainable business that stands the test of time. We are united by our commitment to improve the lives of consumers, to help our partners grow their businesses, and to deliver lasting value to the communities in which we operate, starting with our special team of Affirmers.



Helpful resources

Environmental, social and governance (ESG) at Affirm

Affirm is committed to conducting business in a sustainable and socially responsible manner by proactively managing our Environmental, Social and Governance performance. ESG considerations are important to how we do business, from how we develop products and services and promote financial inclusion and socioeconomic empowerment for our consumers, to the way we support employees and give back to our communities.

Employee giving at Affirm

The Affirm Cares Employee Foundation is an Affirm employee volunteer-led 501(c)(3) non-profit established by Affirm in late 2019. The Affirm Cares Employee Foundation has donated to dozens of organizations focused on building out Vibrant Communities, Financial Literacy and Inclusion, and Technology Education and Training.

Diversity, equity, and inclusion (DEI) at Affirm

At Affirm, we believe that diversity, equity, and inclusion are vital. We embed DEI into all processes, programs, and structures at Affirm across the employee life cycle—from how we conduct business to how we hire, develop, advance, and retain talent.

Talent at Affirm

Propel Affirm's mission forward by attracting, engaging, and hiring diverse talent, building partnerships, and creating inclusive experiences.

Information security at Affirm

We apply best practices that align with security industry standards for protecting personal information. Our policies safeguard the collection, use, and disclosure of information. We use a variety of methods to keep our network secure and data safe.



Payment options through Affirm are provided by these lending partners: affirm.com/lenders. Your rate will be 0–36% APR based on credit, and is subject to an eligibility check. Affirm Pay in 4 payment option is 0% APR. Options depend on your purchase amount, may vary by merchant, and may not be available in all states. A down payment may be required. For example, a \$800 purchase could be split into 12 monthly payments of \$72.21 at 15% APR, or 4 interest-free payments of \$200 every 2 weeks. The Affirm Money Account is held with Cross River Bank (CRB), Member FDIC. Affirm is not an FDIC-insured bank. FDIC insurance covers accounts held with CRB in the event of a CRB failure. California residents: Affirm Loan Services, LLC is licensed by the Department of Financial Protection and Innovation. Loans are made or arranged pursuant to California Financing Law license 60DBO-111681. The Affirm Card is a Visa® debit card issued by Evolve Bank & Trust, Member FDIC, pursuant to a license from Visa U.S.A. Inc. The Affirm Card is not available to residents of U.S. territories. The one-time-use Affirm virtual card is issued by Sutton Bank, Member FDIC, Cross River Bank (CRB), Member FDIC, or Celtic Bank, pursuant to a license from Visa U.S.A. Inc. Affirm, Inc., NMLS ID 1883087. Affirm Loan Services, LLC, NMLS ID 1479506. For licenses and disclosures, see affirm.com/licenses.

Cautionary note about forward-looking statements

This document contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended, that involve risks and uncertainties. All statements other than statements of historical fact are forward-looking statements, including statements regarding: our strategy and future operations, including our partnerships with certain key merchant partners and commerce platforms as well as our engagement with existing and prospective originating bank partners and card issuing bank partners; the development, innovation, introduction and performance of, and demand for, our products, including Affirm Card; our ability to execute on our initiatives; our ability to maintain funding sources to support our business; acquisition and retention of merchant partners, commerce platforms and consumers; our future growth, investments, network expansion, product mix, brand awareness, financial position, gross merchandise volume, revenue, transaction costs, operating income, provision for credit losses, and cash flows; and general economic trends and trends in our industry and markets. These forward-looking statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

Risks, uncertainties and assumptions include factors relating to: our need to attract additional merchant partners, commerce platforms and consumers and retain and grow our relationships with existing merchant partners, commerce platforms and consumers; the highly competitive and evolving nature of our industry; our need to maintain a consistently high level of consumer satisfaction and trust in our brand; the concentration of a large percentage of our revenue and GMV with a small number of merchant partners and commerce platforms; our ability to sustain our revenue growth rate or the growth rate of our related key operating metrics; our ability to successfully maintain our relationship with existing originating bank partners and card issuing bank partners and engage additional originating bank partners and card issuing partners; our ability to maintain, renew or replace our existing funding arrangements and build and grow new funding relationships; the impact of any of our existing funding sources becoming unwilling or unable to provide funding to us on terms acceptable to us, or at all; our ability to effectively underwrite loans facilitated through our platform and accurately price credit risk; the performance of loans facilitated through our platform; the impact of elevated market interest rates and corresponding higher negotiated interest rate spreads on our business; the terms of our securitizations, warehouse credit facilities and forward flow agreements; the impact on our business of general economic conditions, including the impact of inflation, ongoing recessionary concerns, the potential for more instability of financial institutions, the financial performance of our merchant partners and commerce platforms, and fluctuations in the U.S. consumer credit market; our ability to achieve sustained profitability in the future; our ability to grow effectively through acquisitions or other strategic investments or alliances; seasonal or other fluctuations in our revenue and GMV as a result of consumer spending patterns; pending and future litigation, regulatory actions and/or compliance issues; developments in our regulatory environment; the impact of the reduction in our workforce announced in February 2023, including our ability to continue to attract and retain highly skilled employees; and other risks that are described in our most recent Annual Report on Form 10-K, and in our other filings with the U.S. Securities and Exchange Commission.

These forward-looking statements reflect our views with respect to future events as of the date hereof and are based on assumptions and subject to risks and uncertainties. Given these uncertainties, investors should not place undue reliance on these forward-looking statements. The forward-looking statements are made as of the date hereof, and we assume no obligation and do not intend to update these forward-looking statements.