



# ESG @ Equifax

We are a New Equifax – a truly **diversified data, analytics, and technology company** that is shifting into our Next Gear and extending well beyond a traditional credit bureau in the 24 markets we serve worldwide. The work we do plays a critical role in the global economy and in the lives of individual consumers, and our dedicated team of nearly 14,000 people around the world is united by a singular purpose: helping people live their financial best.

We believe that our focus on Environmental, Social and Governance priorities is the right thing to do for consumers and our customers and better positions our company for long-term sustainability and shareholder value.

Our ESG priorities are aligned with our corporate strategy and I am personally committed to ensuring that our ESG strategies are associated with clear business actions and remain highly visible across our organization.

To that end, we have continued to make our [Security Annual Report](#), [Sustainable Accounting Standards Board \(SASB\)](#), [Task Force on Climate-Related Financial Disclosures \(TCFD\)](#) and [U.S. Equal Employment Opportunity \(EEO-1\)](#) reports available each year to illustrate our progress towards our ESG goals. We have also introduced a new [Financial Inclusion hub](#) on Equifax.com in keeping with our commitment to transparency, access to credit, and consumer education.

A handwritten signature in black ink that reads "Mark W. Begor".

**Mark W. Begor**  
Chief Executive Officer



# Helping People Live Their Financial Best

A single financial opportunity can be a critical step to establishing individual financial health and generational wealth that can change the trajectory and livelihood of families and communities for generations. **Financial inclusion is at our core and Equifax is committed to helping people** and small businesses to access useful and affordable financial products and services that meet their needs – including payments, savings, credit, insurance and government benefits – delivered in a responsible and sustainable way.

The bottom line of the Equifax Cloud™ transformation is to **deliver better outcomes for our customers and consumers** at scale. And, I'm proud to say that in 2022, we furthered our commitment to supporting financially inclusive lending by becoming the first in the industry to make certain telecommunications (telco), pay TV and utilities attributes available to the mortgage industry alongside traditional mortgage credit reports to provide a fuller picture of consumers' financial profiles. Anonymized Equifax research into the potential benefits of telco, pay TV and utilities attributes found that among 255 million U.S. consumers, 30% could potentially increase their traditional credit score if the attributes are included – helping to increase access to credit. Millions of subprime consumers could also see an average increase of approximately 30 points from use of the additional data, moving them into the near-prime score band and potentially enabling them to receive more favorable offers or rates.

Innovations such as our expanded mortgage credit reports underscore our **leadership in alternative data that supports financial inclusion** and access to credit. While credit reports remain a strong indicator of credit history and past financial reliability, we believe that Fair Credit Reporting Act (FCRA) compliant information that is not included in traditional credit report data has the potential to help responsibly expand consumer access to credit opportunity and support a more inclusive economy. Equifax has invested billions of dollars into unique data, verification insights, fraud reduction tools, powerful modeling techniques and cloud-based technology solutions that empower our customers to bring greater access to financial opportunity to more people in more places.

**Removing the barriers to financial inclusion** requires active collaboration across the full ecosystem of government, community and industry stakeholders. In a joint action with Experian and TransUnion, Equifax extended access to free weekly credit reports through the end of 2023 to help consumers manage their financial health during a period of economic uncertainty.

Equifax has also taken steps along with our industry peers to make significant changes to medical collection debt reporting to support consumers faced with unexpected medical bills. Effective July 1, 2022 paid medical collection debt is no longer included in consumer credit reports and the time period before unpaid medical collection debt appears on a consumer's report has increased from 6 months to one year, giving consumers more time to work with insurance and/or healthcare providers to address their debt before it is reported on their credit file. In the first half of 2023, we will also no longer include medical collection debt under \$500 on credit reports. These combined changes

will remove nearly 70% of medical collection debt tradelines from credit reports and are another step to help people across the United States focus on their financial and personal wellbeing.

On **Equifax.com**, we offer both our [Knowledge Center](#) and new [Financial Inclusion hub](#) to help people learn more about credit reports, credit scores, identity theft and the importance of financial inclusion, as well as other valuable topics.

An important part of Equifax's community engagement is our support for the areas where our employees live and work. [The Equifax Foundation](#) partners with organizations in Atlanta and St. Louis to help low-to-moderate income communities achieve the credit strength needed to live their financial best. In 2022, the Equifax Foundation put our purpose into action by making more than \$1.9 million in direct charitable grants to our Community partners focused on financial inclusion and access to credit. Building financial capability is a critical step to establishing

individual financial health and generational wealth that can change the trajectory and livelihood of families and communities. Additionally, through our Equifax Gives program, we matched a record \$1.1 million in employee gifts for more than \$4 million in total community impact. We also encourage employees to volunteer their time and energy to community organizations by paying employees for 16 hours per year of volunteerism.

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# Demonstrating Leadership in Security

I'm energized that security has become a point of strength and a competitive advantage for Equifax. We've built one of the world's most advanced and effective cybersecurity programs, with a maturity level that has exceeded all major industry benchmarks for three consecutive years and a posture that ranks in the top 1% of Technology companies and top 3% of Financial Services companies analyzed.

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Equifax believes more communication, more collaboration, and more transparency equals stronger security. We actively collaborate with customers, policymakers, and other organization to solve challenges, uncover opportunities in cybersecurity, and earn consumer trust.

In our third [Annual Security Report](#), released in March 2023, we noted our continued optimization of security systems over the last year, driving additional cloud security and augmenting our security toolset for better governance, reduced risk, and less friction for the business. We worked in partnership with other technology providers to co-design solutions that are now available to the market at large, strengthening security across the broader business ecosystem. As part of these co-innovation efforts, we were recognized by Ping Identity with their Cloud Identity Champion award for “work that pushes our industry forward.”

We also continue to actively engage with customers, policymakers, and other organizations regarding the challenges and opportunities in cybersecurity. As part of this engagement, Equifax Chief Information Security Officer Jamil Farshchi has expanded on his Equifax responsibilities by taking on the role of Strategic Engagement Advisor to the Federal Bureau of Investigation (FBI). In this capacity, Farshchi supports the FBI's efforts to strengthen their relationship with the private sector to address the range of cyber threats facing businesses across America.

## Creating a Culture Where Everyone Feels Welcomed

I am committed to the continued creation of a work environment where top performers of all backgrounds contribute at their highest levels. Nurturing a culture where everyone feels welcomed, valued and respected is critical to Equifax's long term success.

Within our senior leadership team, nearly 60% identify as female or as having a diverse racial or ethnic background, and 45% of the Equifax global workforce identify as female. Since 2019, we have refreshed our Board with four new directors who identify as female who bring valuable perspective and expertise, including one member who is also racially diverse. Equifax makes quantitative workforce diversity disclosures available annually in accordance with the [SASB](#) framework, and we were one of the first in our industry to publicly disclose our [EEO-1](#) report.

In support of our commitment to inclusion and diversity and the creation of an environment where all team members can flourish, we also developed and launched the Equifax Inclusive Leader Framework in 2022. This framework is designed to articulate the habits and behaviors expected of leaders across Equifax. The Equifax Senior Leadership Team and our top 100+ leaders around the world completed Inclusive Leadership training in 2022 leveraging this framework. In 2022 we also expanded our diverse slate requirements to encompass all manager and professional roles across the world to ensure that we are actively seeking strong, diverse talent.

## Leveraging the Equifax Cloud to Reduce Environmental Impact

Equifax is committed to reaching net-zero greenhouse gas emissions by 2040, an important sustainability commitment enabled by our Equifax Cloud transformation. As part of that commitment, we have reduced our scope 1 and 2 emissions each year since 2019.

From minimizing energy consumption more efficiently than with on-premise data centers, to replacing inefficient high-carbon physical machines with their more efficient virtual equivalents and eliminating e-waste, cloud technology has the potential to help reduce greenhouse gas in many ways. As a part of our Equifax Cloud transformation we have decommissioned 19 data centers to date, including seven decommissions in 2022. As we complete our North American Cloud transformation in 2023, we expect to close about 15 additional data centers, consolidate development centers, and continue to reduce our software application footprint. In addition to our move to the Cloud, in 2022, we commenced purchase of renewable energy, which has had and will continue to have a meaningful positive impact on our net emissions.

In 2022, we published our inaugural [TCFD](#) report offering transparency into our environmental governance, strategy, and progress. We also submitted our near-term emissions reduction targets to the Science Based Targets initiative for validation. We are committed to providing annual updates on our environmental progress through our website and TCFD report as we move toward our net-zero commitment in 2040.

While I am energized by the progress made on our ESG priorities in 2022 as our ESG program continues to mature and develop - there is still more to do. Equifax is focused on delivering for our investors while supporting our employees, customers, consumers, communities, and the environment and I am committed to ongoing transparency throughout our ESG journey.