



**EQUIFAX**<sup>®</sup>

# The Equifax Equation

Innovative Corporate Citizenship

# Mission and Vision: Delivering Financial Capability

At Equifax, we focus on supporting healthy communities starting with our own internal community of engaged employees. Central to our approach is a desire to engage in a collaborative process with residents, non-profits, fellow corporations, foundations and government stakeholders. We implicitly understand that businesses cannot be healthy and successful if the society around them is ill. As a world class provider of information solutions in the financial sector, we seek to balance our business priorities with complimentary focus areas in underserved communities often with a special emphasis on creating economically healthy individuals and communities. With operations across the globe, Equifax understands that our human and financial investments will vary from community to community. However, through strategic alignment of our resources, insights, and financial partnerships we can transform the communities in which we live and work.

## Proving the *WHY*

In the 21st century, there must be a closer relationship between business priorities and corporate citizenship. As global partnerships and international collaboration becomes the standard, there are new opportunities for corporations to use their skills, expertise and services to make communities better. We must create a new narrative for corporate philanthropy as an investment in society. A collaboration of top executives noticed that, "Most companies still perceive their philanthropy as charity. They do not focus on the actual results of their philanthropy or how it has affected the company's interests." They advocate for a rethinking, where, "Companies view their philanthropy as contributors to breakthrough collaborations and innovations that address complex social challenges." This aim benefits everyone – as communities gain financial independence, goods and services provided by Equifax gain customers, creating a mutually beneficial cycle of financial capability.



# Our Emphasis on Financial Capability

## Financial Capability: What is it?

The President’s Advisory Council on Financial Capability defines financial capability as “the capacity, based on knowledge, skills, and access, to manage financial resources effectively.”

### Knowledge

- What a person knows about positive money management
- Knowing where to go and what to do
- “Financial literacy”

### Action

- What a person does with their financial knowledge
- Does behavior match knowledge?

### Influences

- Factors that contribute to beliefs, attitudes, and behaviors
- External and internal supports and barriers

### Access

- Availability and use of appropriate financial products and services
- Does a person have access to services?



## Financial Education



Supporting individuals to **make, manage, and invest money** toward **asset-building**.

Partner with non-profits, credit unions, fellow foundations and corporations, and neighborhood leaders to create opportunities for financial counseling.

## Small Business Support and Workforce Development



Supporting **small businesses** and **job training** to **promote equity and well being**.

Create insight into capabilities of local workforce, access to practical skill development and mentorship, connections between small businesses and access to credit.

## Innovation and Entrepreneurship



Building **capacity** and support for communities to **develop solutions** that address complex issues.

Drive creativity and innovation across all of our investments with a special emphasis on colocation opportunities with tech and entrepreneurship zones, sponsorship of innovation programs, and access to resources to accelerate new ideas.

# Understanding Our Efforts to Outcomes

Our goal is to move from a traditional approach which places philanthropy first to an innovative strategy where investments are aligned and integrated with our core business strategies.

One way to go about this is to determine the economic development index for our investments

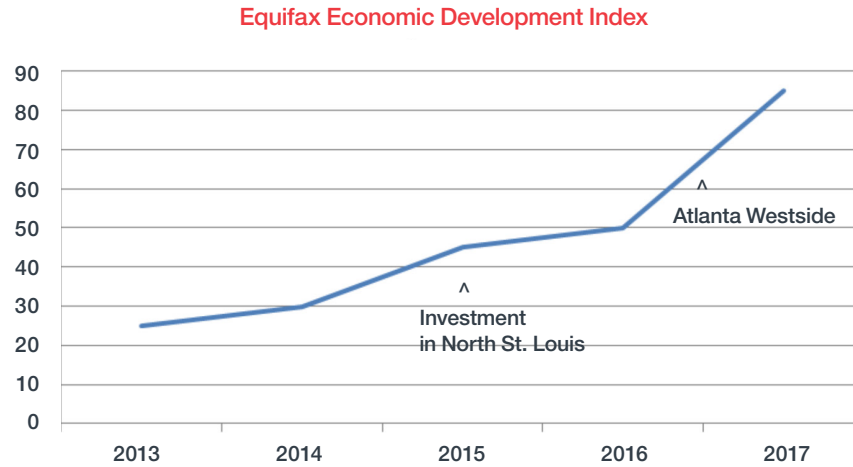
**Elements of the index could include:**

- Leverages Equifax Foundation Funding
- Utilizes Equifax Volunteers
- Leverages Equifax Solutions
- Partners with Equifax Customers
- Partners with Equifax Vendors
- Develops Community Financial Skills
- Directly Creates Employment
- Focused on Target Neighborhood



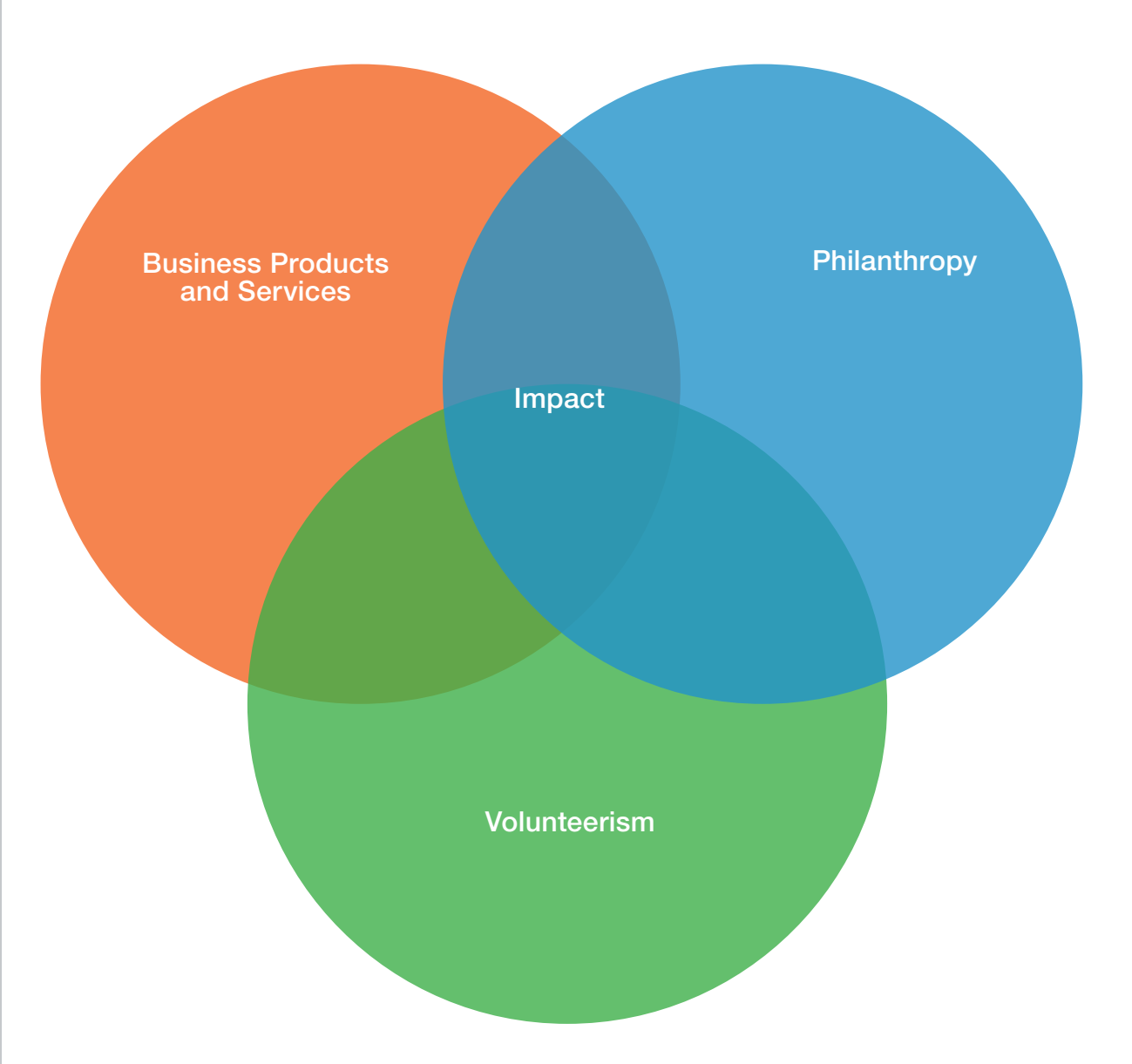
# Understanding Our Efforts to Outcomes

Over time the Equifax economic development index has improved



	Leverages Equifax Foundation Funding	Utilizes Equifax Volunteers	Leverages Equifax Solutions	Partners with Equifax Customers	Partners with Equifax Vendors	Develops Community Financial Skills	Develops Community Employment	Focused on Target Neighborhood	Index
Partner X									7
Partner X									-
Partner X									3
Partner X									13
Partner X									17
Partner X									3
Partner X									27

# Implementing The Strategy Through Centers of Engagement



# Center of Engagement: Business Products and Services



Business Products  
and Services

Better alignment of philanthropic resources with existing and emerging products and services is imperative if we are to achieve lasting impact. Such alignment offers us the opportunity to not only address societal challenges on a global scale, but exceed the limitations of traditional philanthropy.

## Equifax Supplier Diversity Program

Provide Fair Opportunity for Minority-owned and Women-owned Businesses  
to Compete for Procurement of Goods and Services

### 2010 Dodd-Frank Act:

- Implement Supplier Diversity Policy
- Evaluate and Assess Program
- Engage in Outreach Practices



### Business Imperative:

- Enable Revenue Growth - Projected \$100M+
- Facilitate Government RFX Initiatives
- Meet Customer Mandates in B2B

### Ethical Inclusion:

- Commitment to Equifax Foundation
- Ensure Supplier Base is Diverse (\$35M Identified)
- Enhance Image in Community/Industry

## Key Program Elements

### Outreach

- **Councils** – Membership and engagement
- **Conferences** – Promote Equifax opportunities
- **Workshops** – Provide sessions to suppliers
- **Registration** – Portal for suppliers to access

### Selection

- **Buying Groups** – Engage Equifax 4 Buying Groups
- **Opportunities** – Determine sourcing needs
- **RFPs** – Make suppliers aware of opportunities
- **Solicitation** – Facilitate supplier participation

### Tracking

- **Requirements** – Be in compliance with contracts
- **Source** – Develop and maintain listing of suppliers
- **Certifications** – Determine official status of suppliers
- **Contracts** – Identify population/create repository

### Reporting

- **Goal Setting** – Establish enterprise spend targets
- **Spend Analysis** – Review trends in supplier spend
- **Metrics** – Track/submit per contract requirement
- **Monitoring** – Consistency across contracts

### Status – November 2016:

- **Policy Document** – Ownership with Corporate Social Responsibility (CSR) team within HR
- **Program Details** – Ongoing management by Third Party Oversight (TPO) team
- **Benchmark Review** – Visited with Coca-Cola and participated in diversity councils' outreach events
- **Partnerships** – With CSR and the St. Louis Small Business Development Corp on economic inclusion
- **Scope Analysis** – Program enables expanded sales opportunities within government and mortgage verticals

## Products and Services: The Work Number®, credit pulls, data analytics

### Case Study: Per Scholas

Per Scholas, a national non-profit providing IT job training to low income individuals, uses The Work Number. Their **greatest need is technical support** and advice on bulk or nonprofit pricing, optimizing their use, and other services **Equifax regularly provides to general consumers.**

### Community Affairs + Supplier Diversity Program

Setting attainable goals for making purchases from minority-owned businesses (MBEs) and women-owned business (WBEs) is critical to the success of any supplier diversity program. Goals set the necessary performance standards. They are established by customer requirements, benchmarking and using historical best performance.

### Case Study: Federal Reserve Bank of New York

The Federal Reserve Bank used **credit bureau data from Equifax** on local and financial health in order to identify and **understand the financial circumstances and needs of communities**, which led to **development of policies** and effective practices, as well as metrics, to **foster financial capability.**



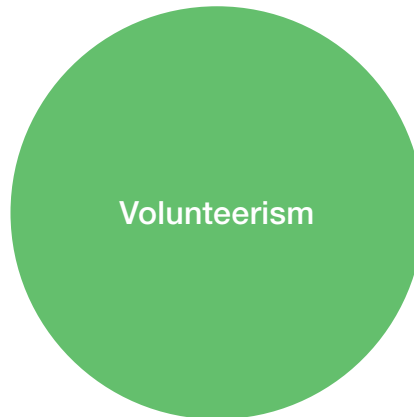
# Center of Engagement: Philanthropy



Maximize Foundation grants, Matching Gifts and Annual Giving Campaigns through better alignment with core business competencies and volunteer efforts

- **Foundation Grants:** Dollars allocated by the Foundation Trustees and Community Affairs Team to agencies and organizations aligned with our strategic focus.
- **Matching Gifts:** The Equifax Matching Gifts Program was established to support the interests and concerns of our employees, and to recognize and encourage active community involvement. Under the plan provisions, cash donations made by employees to qualified charitable, educational, and other nonprofit organizations are matched by Equifax with dollar-for-dollar contributions called matching gifts. Regular full-time and part-time employees may participate in the matching gifts plan after completing 90 days of service. Employees may request up to a maximum of \$5,000 dollars per calendar year to match their personal cash donations to qualified nonprofit organizations. A minimum donation of \$50 dollars to a single organization is required to qualify for a matching gift. Employees may choose to divide the Equifax matching gift maximum amount between one or more nonprofit organizations.
- **Annual Giving Campaigns:** Annual commitment to the United Way as well as the Woodruff Arts Campaign Center (Atlanta only).
- **Disaster Relief Efforts:** Leadership will review investments in disaster relief efforts based on the following two considerations. First, do we want primarily to give philanthropic donations, or do we want to engage in efforts to improve the aid delivery process at a more systemic level. Second, do we want to foster a deep partnership with a single agency, or do we want to pool our resources with other companies to extend their impact to more aid agencies by joining one of several recently established consortiums.

# Center of Engagement: Volunteerism



We need to make volunteerism a business priority and view the function as a strategic asset in talent attraction and retention. Our commitment to volunteerism is threefold. First, skills-based volunteering means leveraging the specialized skills and talents of individuals to strengthen the infrastructure of nonprofits, helping them build and sustain their capacity to successfully achieve their missions. Secondly, volunteerism is an opportunity for us to further develop talent. Finally, volunteerism takes on the form of Affinity Groups to help drive a sophisticated and responsive internal culture.

“ On average, every employee who participates in corporate community engagement activities adds \$2,400 of value to the company as a result of decreased turnover and increased employee engagement. ”

Volunteerism			
	Strengthening Communities	Talent Development	Affinity Groups
HR			
IT			
Marketing / Communications			
Finance			
Legal			
Operations			
Remote Employees			

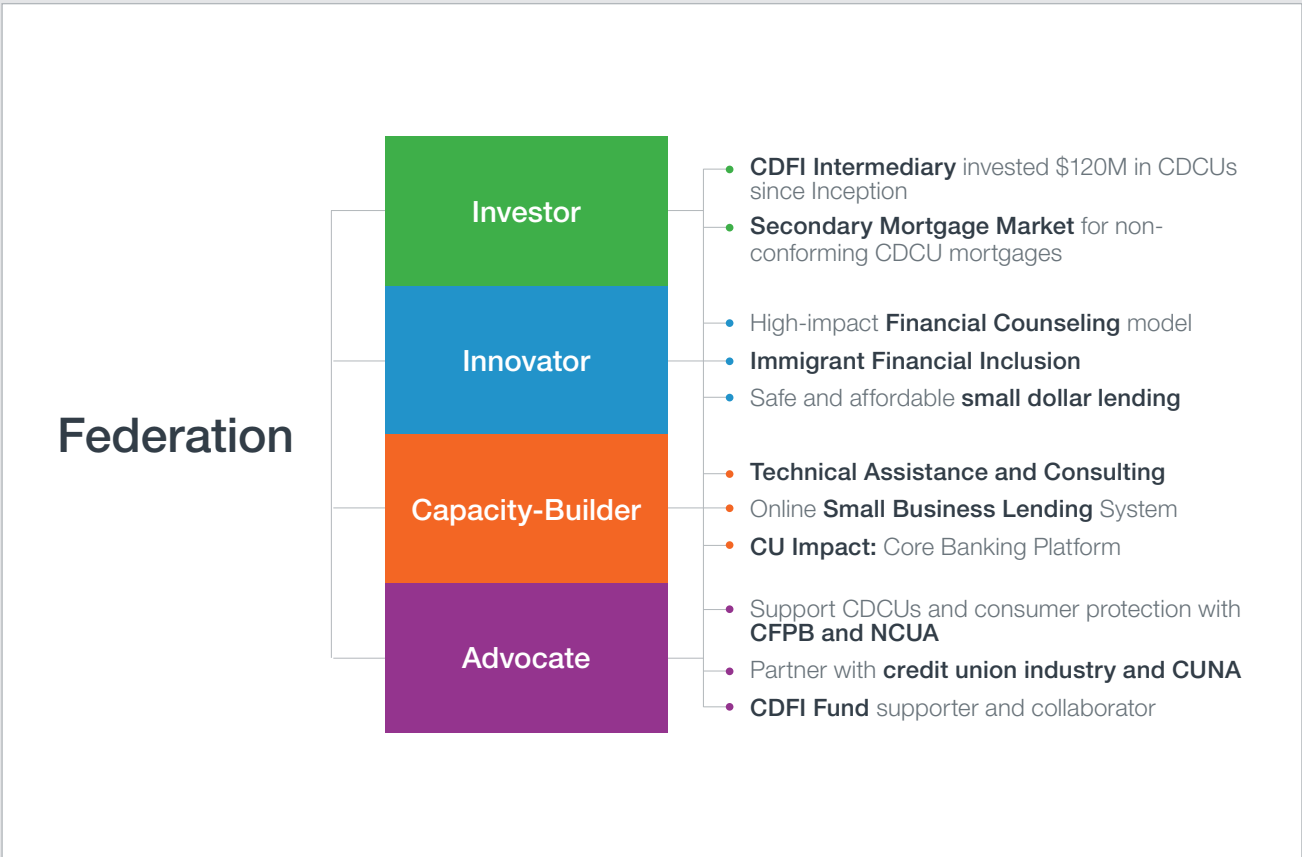
**Building an effective internal and external network of volunteers and Volunteer Effort Leaders is critical to extending our impact. Towards that end we will create the following:**

- Volunteer Advisory Committee on Financial Capability
  - Recommend engagements based on investments and strategy
  - Track impact
  - Communicate the narrative through internal and external channels
- Alumni Volunteer Corps on Financial Capability
  - We need to preserve institutional memory and leverage experience to support our investments

# An Example of The Future of Catalytic Partnerships

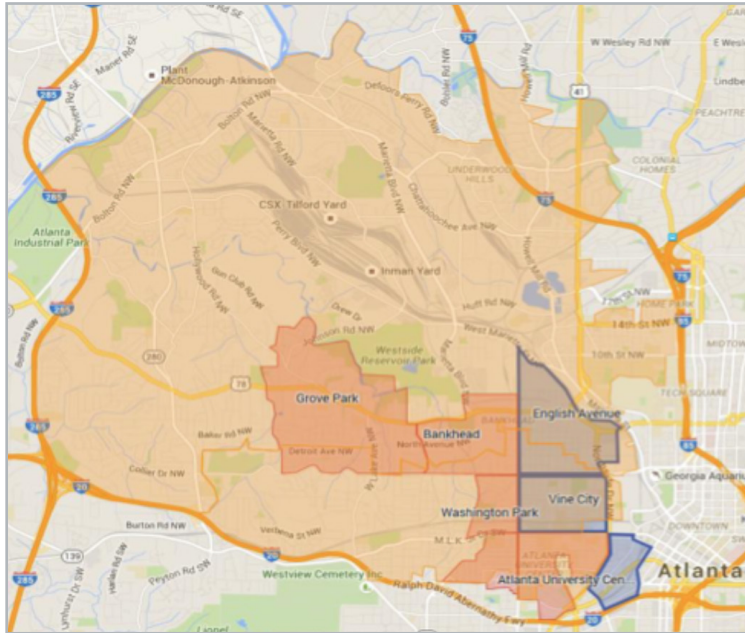
## Catalytic Partnership: Federation

The National Federation of Community Development Credit Unions is a network of Community Development Credit Unions (CDCUs) organized by, of and for low-income people. Their mission is to help low- and moderate- income people and communities achieve financial independence through credit unions. With more than 200 member credit unions serving more than 5 million members nationwide, there is great opportunity in this partnership.



The chart above details the major components of the Federation, as an investor, innovator, capacity-builder and advocate. We increase our recognition as a key player in the advancement of financial capability. There is potential to support delivery of financial counseling through credit unions through provision of credit data to counselors and their clients. We can also integrate The Work Number into CDCU lending to expand access to credit in low-income communities. Collaborative research on the impact that utilization of Equifax consumer data has on financial health has long-term impacts on our corporate philanthropy. The countless opportunities for partnership with the Federation are in line with a shift in our understanding of corporate citizenship.

# Continue to Use Geographic Footprints as Testing Grounds for Impact and Innovation



**Tier 1**  
 Castleberry Hill  
 English Avenue  
 Vine City



**Tier 2**  
 Ashview Heights  
 Atlanta University Center (AUC)  
 Bankhead  
 Grove Park  
 Washington Park



**Tier 3**  
 Zip code 30314  
 Zip code 30318

The National Federation of Community Development Credit Unions operates across several dimensions including as an investor, innovator, capacity-builder and advocate. Equifax has an active partnership with them supports our goal of building financial capability in underserved communities. They can leverage our unique assets as they build this capability:

Federation Capability	Equifax Support
Delivery of financial counseling through credit unions	Provision of credit data to counselors and their clients
Expand access to credit in low-income communities	Integrate The Work Number into CDCU lending; establish greater VOE and VOI hit rate
Guide community in focus areas for growth	Delivery of geographic financial profile insights to identify coverage gaps

Geographic Footprints



**Financial Education**

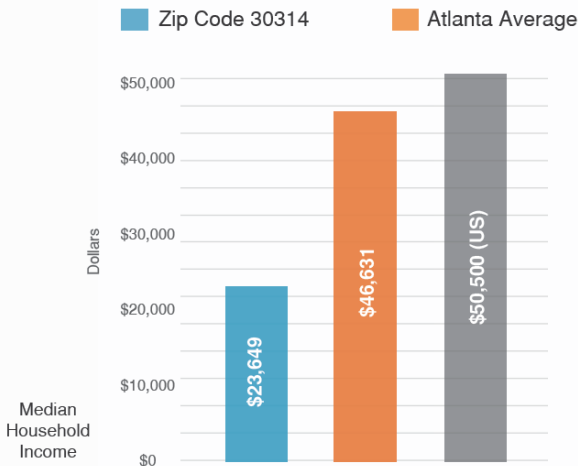
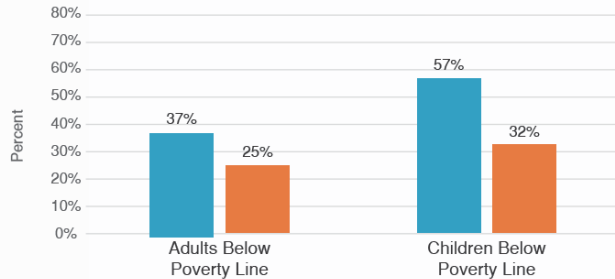
**Small Business Support and Workforce Development**

**Innovation and Entrepreneurship**

# Westside Financial Capability Center

## WESTSIDE ECONOMIC CHALLENGES

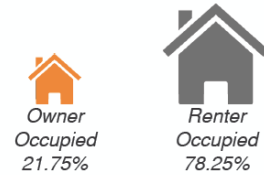
### Income and Poverty Information



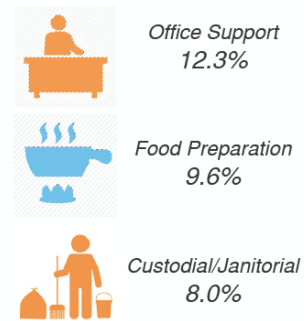
10.4%

Unbanked Residents in Atlanta  
1.5X National Average

### Home Ownership Rate



### Employment Information

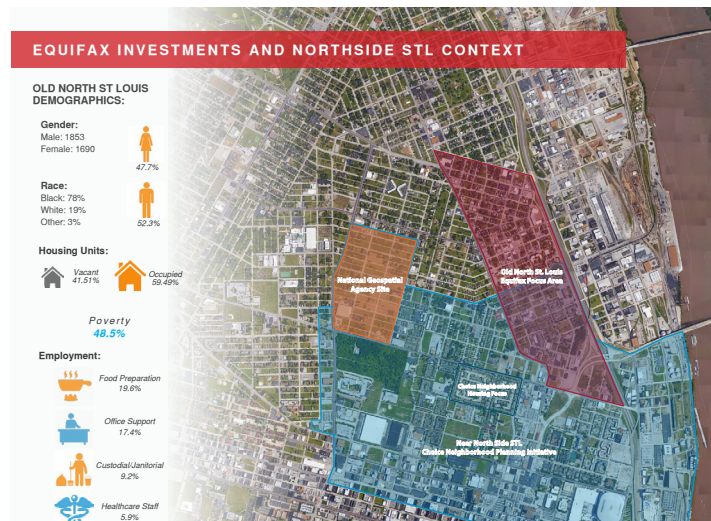


68%

Residents at Risk of being Unbanked  
Based on Income in Atlanta

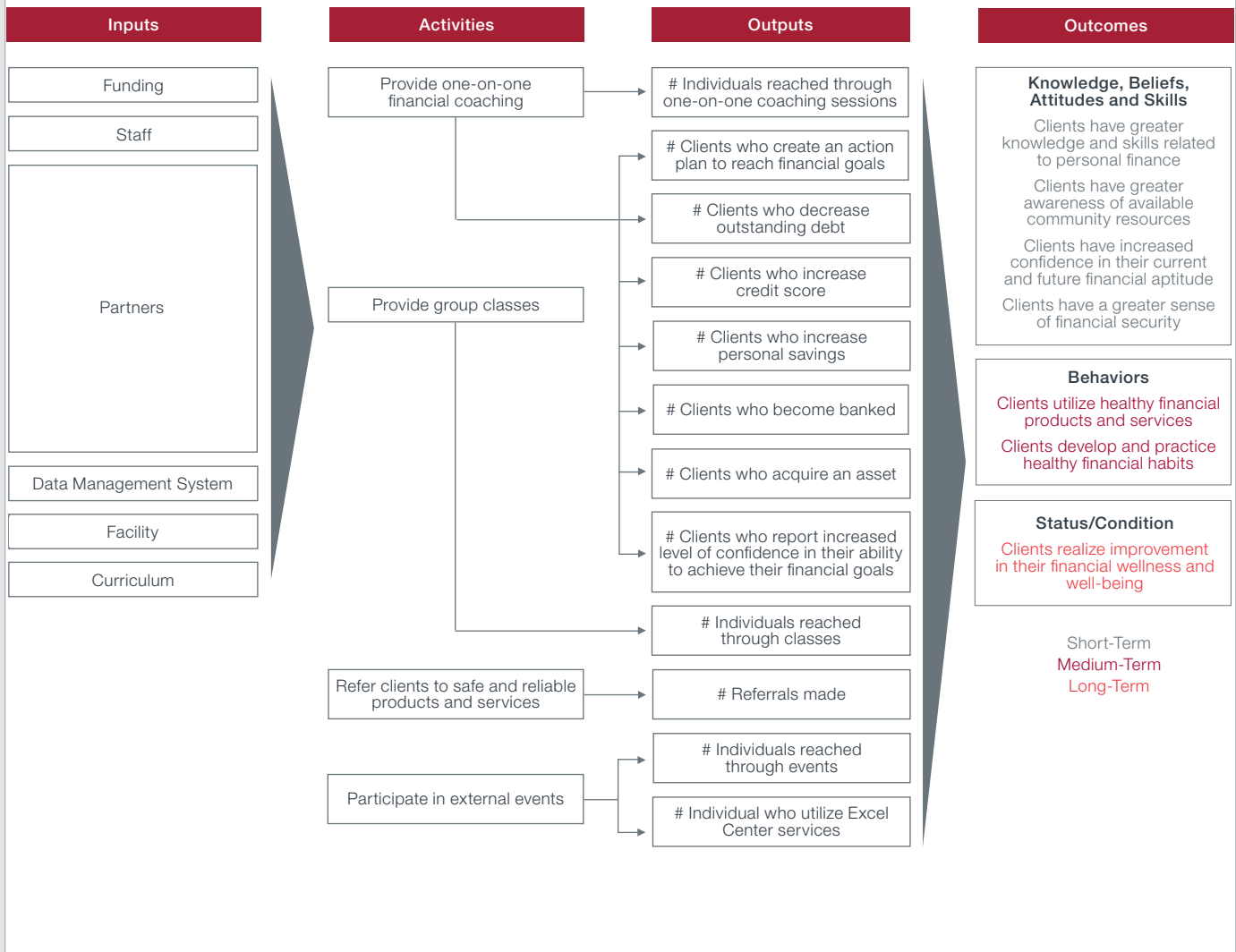
## St. Louis: North City

St. Louis's Old North Neighborhood is one of the most historic communities in the region, dating back nearly 200 years. Over the past few decades, the community has undergone economic disinvestment and a loss of population. Currently, the neighborhood contains 47% residents living in poverty, with an unemployment rate of 23%. Over the past decade, Equifax has made major investments in the neighborhood through financial capability, educational and workforce development, as well as physical infrastructure. These projects have included vacant land programs like Land Labs (below left) and financial literacy programs supporting Grace Hill and other community stakeholders.



# Extending Impact Through Our Financial Capability Centers

## North St. Louis Excel Center



# Westside Financial Capability Center



Non-profit that returns net income to community through education and services

1

Pathway to mainstream banking services through financial coaching and education

2

Safe, affordable banking services for the unbanked and/or underserved

3

**Financial Capability Center:** A destination point for **affordable banking and loan services, financial classes, and one-on-one financial counseling** - all free to the community - with the goal of improving the financial and personal lives of individuals and families. It is a proven model with strong potential for replicability and scalability.



## Financial Institution

A credit union is a **member-owned financial cooperative** operated to promote community development and provide financial services to its members.



## Proposed Products and Services

- Low-cost, trusted, alternative source for financial services
- Microlending
- Small Dollar Payday Alternative Loans
- Second Chance Checking
- Check cashing

# Financial Capability Center

## Social Entrepreneurship and Small Business Support

In Progress	Next Steps	Notes
<ul style="list-style-type: none"> <li>■ Extending services available through the Small Business Empowerment Center to North St. Louis business owners and community members. Services include assistance with tax credits, securing loans, planning, government contracting, access to capital, and various forms of technical assistance</li> <li>■ Small Business Empowerment Center partners with training centers to offer classes and train business owners and individuals to get businesses up and running successfully. The Center acts as a conduit for funding, providing coaches/counselors to help coordinate efforts, and emphasizes healthy economic growth</li> <li>■ Development of the St. Louis Metropolitan Business League</li> <li>■ The St. Louis Metropolitan Business League will be built out from current business efforts to create a service/resource district housed in one large warehouse space. Ten businesses have been identified to fill the space, and offer a range of services including healthcare, construction and building resources, inventory management services, a food court, and additional communal office space</li> </ul>	<ul style="list-style-type: none"> <li>■ Establish a rotating schedule for when services and training classes will be provided and who will be available for consultation</li> <li>■ Raise awareness of services available and how utilizing the supports offered through the Small Business Empowerment Center can benefit area businesses and entrepreneurs</li> <li>■ Construction of the warehouse space will begin in 2017</li> <li>■ Business owners will recruit employees from North St. Louis communities</li> <li>■ LinkSTL will assist with recruitment efforts with priority given to the Old North and Hyde Park neighborhoods</li> </ul>	





# Emerging Opportunities

- CDFI and Credit Union Markets
- Coordination with additional international Equifax offices

