2022 TCFD Report

Introduction

The Task Force on Climate-related Financial Disclosures (TCFD) is an initiative launched in December 2015 by the Financial Stability Board, an international body founded with support from G20 members, to promote international financial stability. The recommendations put forth by the TCFD offer a framework for companies to provide quantitative and qualitative disclosure on climate-related risks and opportunities.

Equifax is a global data, analytics, and technology company with industry-leading security and technology systems. Through our unique combination of differentiated data assets, innovative analytics, and advanced technology, we play an important role in the global economy and the lives of individual consumers. We strive to empower economically healthy individuals and communities everywhere we do business and believe that a strong Environmental, Social, and Governance (ESG) strategy is imperative to creating a more inclusive global economy.

The Equifax ESG commitment is aligned with our company purpose — to help people live their financial best — and our disclosures and commitments provide transparency into our environmental sustainability practices and hold us accountable to advancing our ESG priorities across our day-to-day operations.

In 2021, we announced our commitment to reach net-zero greenhouse gas (GHG) emissions by 2040. This pledge is enabled by our Equifax Cloud™ transformation, which is expected to propel the company on its journey to net-zero by significantly reducing the footprint of our on-site technology and data centers and leveraging the enhanced energy efficiency of our cloud service providers. We are in the early stages of our journey to net-zero and the TCFD complements our efforts by providing an important tool to analyze and describe our strategy, processes, and progress against our climate-related commitments.

We are proud to take the important step of releasing this initial TCFD report. We plan to review and enhance our disclosure going forward as we continue to engage and receive feedback from our investors, partners, and broader stakeholders.

Governance

The Governance Committee of the Equifax Board of Directors provides oversight of our ESG priorities, including climate. The Committee exercises this oversight through regular updates and robust discussion with management regarding direction and progress in the context of our business strategy and stakeholder priorities. As part of its oversight, the Governance Committee meets at least quarterly to discuss substantive initiatives related to ESG priorities, including climate-related issues. After each such meeting, the Governance Committee Chair reports to the Board of Directors on the progress of applicable ESG initiatives. The Board of Directors reviews our ESG priorities and associated risks and strategies as well as their significance in the investor landscape. Additionally, the Board periodically invites outside experts to discuss relevant ESG and climate-related matters. Learn more about the Governance Committee's responsibilities and duties from the Committee charter.

Our environmental management strategy, including our climate-related strategy, is led by a cross-functional team, with direction and prioritization provided by senior leadership, including our Chief Executive Officer, Chief Financial Officer, and Chief Legal Officer. To execute on our environmental strategy, we formed an Environmental Management Committee composed of representatives from our real estate, finance, procurement, technology, and external affairs teams. The committee meets regularly to develop recommendations, track progress, support the collection and analysis of data, and create communications materials. The committee also facilitates collaboration among team members across the global organization to promote environmental initiatives. Our external affairs team regularly reports to the Governance Committee of the Board of Directors regarding ESG matters and is responsible for monitoring environmental trends and overseeing the alignment of our ESG disclosure with key reporting frameworks.

Our Enterprise Risk function provides risk oversight, including with respect to environmental issues, where applicable. Our Enterprise Risk team has a direct reporting line to the Board and is responsible for overseeing our enterprise risk management (ERM) program, establishing frameworks, policies and standards, performing independent risk-based monitoring and testing, and independently identifying and assessing material risks. Our Senior Vice President for Enterprise Risk leads this function and meets regularly with the Board, the Audit Committee, and the Technology Committee. Members of the Environmental Management Committee meet periodically with the Enterprise Risk team to collaborate on climate-related risk identification and management. Learn more about how we manage risk in our 2022 proxy statement.

Strategy

As an organization, we have made significant progress on our climate-related journey since 2019. Over the past year, we dedicated considerable time, energy, and resources developing a strategy to measure and reduce the environmental impact of our GHG emissions. To assist in this process, we retained expert advisors, reallocated internal responsibilities, acquired new technology services, and upgraded measurement tools. Notably, in November 2021, we published our GHG emissions data for the first time and made a commitment to reach net-zero GHG emissions by 2040.

We are committed to reaching net-zero GHG emissions by 2040. In 2021, we worked with a leading environmental advisory firm to perform an internal analysis to achieve a baseline for our decarbonization efforts and strengthen transparency around our environmental strategy. We determined that our scope 1 and 2 emissions primarily result from the operation of our office facilities and data centers. We also performed an analysis of our value chain in line with the guidance from the GHG Protocol and determined that the three most significant categories of scope 3 emissions for Equifax are related to (1) purchased goods and services, (2) employee commuting, and (3) business travel. We currently publicly report on scope 3 emissions associated with our business travel. We are continuing to refine our data collection and reporting methodologies and plan to expand our scope 3 disclosure as we finalize our approach.

We used this data to develop our initial GHG inventory and inform our decarbonization strategy. We are in the process of establishing reduction targets that support our commitment to achieving net-zero emissions, and plan to submit our targets to the Science Based Targets initiative (SBTi) for validation. We also plan to use internal forecasting as a means of informing our reduction strategy and progress going forward.

Through future TCFD reports, we expect to share more details regarding our climate-related risks and opportunities over the various time horizons. We will describe how those risks are being presented to senior leadership and incorporated into our business strategy, where applicable. We also plan to review and consider additional discussion regarding anticipated business impacts related to a transition to a broader net-zero economy.

Risk Management

Our climate-related risks are identified and managed using our established ERM framework, which is detailed in our 2022 proxy statement. This framework is based on the "three lines of defense" model for establishing effective checks and balances, which is used by leading financial institutions.

ERM matters are reported to the Board on an annual basis, to the Audit Committee semi-annually, and to our CEO and senior leadership team at least quarterly. The Audit Committee reviews our policies related to enterprise risk assessment and risk management. On an annual basis, the Board performs an enterprise risk assessment with management to review the principal risks (i.e., financial, operational, cybersecurity and compliance risks) and the steps management is taking to monitor and mitigate these risks. The Board then sets the general level of risk appropriate for the Company through business strategy reviews.

At present, climate change is classified as an emerging risk for Equifax. As a next step in the maturation of our environmental journey, we plan to expand our focus to include a more detailed assessment of our Company's climate-related risks and opportunities, including over the short, medium and long-term time horizons. Our Environmental Management Committee is partnering with our Enterprise Risk office to leverage our ERM process to more specifically analyze our climate-related risks and further incorporate scenario analysis into our risk program going forward.

In addition to the ERM process, our internal audit team will review and adjust its internal audit plan, as necessary, in response to ESG related measurements as they evolve and then will raise them to the Audit Committee as appropriate. The internal audit team reviews the accuracy and completeness of our GHG calculations and provides additional oversight of the associated process.

As a general matter, our environmental management strategy is led by a cross functional team, with direction and prioritization provided by senior leadership, including our Chief Executive Officer, Chief Financial Officer, and Chief Legal Officer. For additional information regarding the work of our cross-functional Environmental Management Committee please see the Governance section above.

Metrics & Targets

Equifax is committed to reaching net-zero GHG emissions by 2040 along a science-based pathway. In 2021, we completed the collection and analysis of our GHG emissions across our global operational footprint (scope 1 and 2), as well as across our value chain (scope 3). We used this data to develop our initial GHG inventory and inform our decarbonization strategy.

Scope 1 and 2 emissions were calculated through an analysis of usage information collected from our owned and leased facilities as well as our co-located data centers in accordance with the GHG Protocol methodology for our industry.

As mentioned above, with the assistance of our outside consultant, we performed an analysis of our value chain in line with the guidance from the GHG Protocol and determined that the three most significant categories of scope 3 emissions for Equifax are related to (1) purchased goods and services, (2) employee commuting, and (3) business travel. We currently publicly report on scope 3 emissions associated with our business travel. We are continuing to refine our data collection and reporting methodologies and plan to expand our scope 3 disclosure as we finalize our approach.

The table below summarizes our GHG emissions for the years 2019-2021.

Emissions Summary 2019-2021 (MT CO_2e)	2019	2020	2021
Scope 1 Emissions	847	800	1,388
Scope 2 Emissions (Gross)	30,385	27,140	27,691
Scope 2 Emissions (Net) (net renewable energy)	29,564	26,320	24,951
Total Scope 1+ 2 Emissions (Net)	30,411	27,120	26,339
Scope 3 Emissions (business travel only)	9,227	1,769	1,490

As detailed in the table above, our combined scope 1 and 2 GHG emissions have decreased each year since 2019, with an approximate 13.5% decrease between 2019 and 2021 and an approximate 3% decrease between 2020 and 2021.

A number of factors contributed to the reduction in our GHG emissions between 2019 and 2020. As with most companies, we saw a reduction in office usage and business travel related to the COVID pandemic that resulted in lower GHG emissions. In 2020, we strategically consolidated a number of locations to promote productivity and increase efficiency of space utilization. These space utilization measures decreased our overall energy usage and the corresponding GHG emissions. Our continued cloud transformation also positively impacted our GHG emissions as we continue to decommission data centers and legacy servers and applications.

In 2021, our GHG emissions were positively impacted primarily by a combination of data center decomissions, office consolidation, and an improvement in overall energy efficiency of the Atlanta, Georgia power market resulting in a reduced emissions factor. Our 2021 GHG emissions were negatively impacted primarily by the availability of more complete information regarding our data centers, an increased footprint from eight acquisitions completed during the year, and an irregular increase in the use of refrigerant required for the year (scope 1). Excluding the impact of acquisitions in 2021, our aggregate scope 1 and 2 GHG emissions would have decreased approximately 5.3% compared to 2020.

We are in the process of establishing short- and medium-term reduction targets to submit to the Science Based Targets initiative (SBTi) for validation. Following the submission of our targets to the SBTi, we plan to provide additional discussion via the “Environment” section of our ESG priorities website and through future TCFD reporting.

For additional information regarding our GHG emissions metrics and targets, including our high-level decarbonization strategy, please see the “Environment” section of our ESG priorities website at https://www.equifax.com/about-equifax/environment/.

Forward-Looking Statements

This report contains information that may constitute “forward-looking statements.” Generally, the words “believe,” “expect,” “intend,” “plan,” “estimate,” “anticipate,” “project,” “will,” “may” and similar expressions identify forward-looking statements, which generally are not historical in nature. All statements that address operating or environmental performance and events or developments that we expect or anticipate will occur in the future, including statements relating to future operating results, plans for reducing our environmental footprint, reducing greenhouse gas emissions, improvements in our IT and data security infrastructure, our strategy, our ability to mitigate or manage disruptions posed by COVID-19, the impact of COVID-19 and changes in U.S. and worldwide economic conditions, and similar statements about our outlook and our plans are forward-looking statements. We believe these forward-looking statements are reasonable as and when made. However, forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from our historical experience and our present expectations or projections. These risks and uncertainties include, but are not limited to, those described in our most recent Annual Report on Form 10-K and subsequent filings with the U.S. Securities and Exchange

Commission. As a result of such risks and uncertainties, we urge you not to place undue reliance on any forward-looking statements. Forward-looking statements speak only as of the date when made. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

March 24, 2022