EQUIFAX

2023

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. The Equifax Environmental, Social, and Governance (ESG) strategy is aligned with our company's purpose — to help people live their financial best.

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.

In this second volume of our TCFD report, we enhance our disclosure with further greenhouse gas emissions information and additional discussion regarding our climate-related risks and opportunities. We continue to value and incorporate feedback from our investors, partners, and broader stakeholders into our climate initiatives and disclosures. Looking ahead, we plan to continue to transparently share our progress on our environmental journey through vehicles such as our website and annual TCFD reporting.

Governance

The Governance Committee of the Equifax Board of Directors provides oversight of our ESG priorities, including climate. The Governance 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. More information on the Governance Committee's responsibilities and duties can be found in the Committee charter.

Equifax's 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, enterprise risk and ESG teams. The Environmental Management 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 ESG 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, under the oversight of our Board, identifies and monitors risk with respect to environmental issues, where applicable. This 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 risk-based monitoring, and identifying and assessing material risks. Our Chief Privacy and Compliance Officer 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 2023 proxy statement.

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.

Strategy

As an organization, Equifax has made significant progress on our climate-related journey since 2019. We dedicate considerable time and resources to measuring and reducing the environmental impact of our GHG emissions. To assist in this process, we have allocated internal resources, acquired new technology services, and leveraged expert advisors, as needed.

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 significant categories of scope 3 emissions for Equifax are (1) purchased goods and services, (2) employee commuting, and (3) business travel. We used this data to develop our initial GHG inventory and inform our decarbonization strategy.

In 2022, we refined our processes and procedures to allow us to use internal forecasting as a means to inform our reduction strategy and measure progress. We developed near-term reduction targets that support our commitment to achieving science based net-zero emissions, and submitted them to the Science Based Targets initiative (SBTi) for validation.

We also completed an initial assessment of our Company’s climate-related risks and opportunities over the short, medium and long-term horizons. The Enterprise Risk Management team held working sessions with internal stakeholders in the business to identify both climate-related risks and opportunities. Climate risks and opportunities are captured on a risk register to drive accountability and mitigation efforts across the business. The climate risk assessment was performed in accordance with our Global Enterprise Risk Management Policy.

The table below provides an overview of the identified Reputational, Financial and Operational climate risks and opportunities, together with corresponding time horizons.

Climate Risk Assessment

Reputational

Risk	Increased stakeholder concern or negative feedback influencing decision-making	🔵
	Failure to meet publicly disclosed climate change commitments and targets	🟡
	Failure to meet shareholder expectation on climate change commitments	🔵
Opportunity	Focus on scope 3 to further climate related progress	🔵

We are committed to transparency and engage regularly with our stakeholders on climate-related risks to mitigate any potential impacts.

Financial

Risk	Miscalculation of carbon emissions or reductions	🔵
	Compliance with future global and regional mandatory regulatory reporting	🔵
	Increased cost of energy and renewable electricity procurement	🟡
Opportunity	Conduct climate scenario analysis to measure/manage climate-related financial risks	🔵

Our company is actively monitoring for any new global and regional compliance requirements and associated costs.

Operational

Risk	Challenges in capturing Third Parties’ GHG emissions	🔵
	Disruption to demand for products and services associated with extreme weather events	🔵
	Disruption to business operations from impact of climate change	🔵
Opportunity	Explore potential products or services to support our stakeholders in their climate-related goals	🔵

Our global resilience planning takes into consideration multiple factors to minimize disruption and ensure business continuity.

🔵 **Short term** *(1-5 yrs)* 🟡 **Medium term** *(5-15 yrs)* 🟠 **Long term** *(15+ yrs)*

We will continue to review, assess and refine our climate-related risks and opportunities going forward. As new risks and opportunities arise, we will consider additional discussion in the TCFD report to describe such developments.

Risk Management

Our climate-related risks are identified and managed using the established ERM framework detailed in our 2023 proxy statement.

ERM matters are reported to the Board and the Audit Committee on an annual basis, and to our CEO and senior leadership team at least quarterly. On an annual basis, the Board reviews an enterprise risk assessment prepared by management that describes the principal risks (i.e., financial, operational, cybersecurity and compliance risks) and monitors the steps management is taking to map and mitigate these risks. Our Audit Committee annually reviews and discusses with management our policies and processes with respect to risk assessment and risk management.

Climate change continues to be classified as an emerging risk for Equifax. Our Environmental Management Committee partners with our Enterprise Risk team to leverage our Risk and Control Self Assessment process to analyze our climate-related risks.

As a general matter, our environmental management strategy is led by a cross functional team, with direction and prioritization provided by Equifax 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 are 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 significant categories of scope 3 emissions for Equifax are (1) purchased goods and services, (2) employee commuting, and (3) business travel.

Purchased Goods & Services. To calculate the GHG emissions associated with our purchased goods and services, we use an environmentally-extended input-output (EEIO) expense-based approach, supplemented by actual data where available and provided to us. EEIO models estimate energy use and/or GHG emissions resulting from the production and upstream supply chain activities of different sectors and products. We plan to continue to refine our analysis of this category, especially as more actual data becomes available.

Employee Commuting. We worked with our consultants to develop a model that factors in our return to office framework (Tuesday - Thursday standard in office days + 2 weeks per year remote), geographic location, typical modes of transport, and number of employees to estimate employee commuting GHG emissions for our global office footprint.

Business Travel. We work with information provided by our travel partners to calculate the GHG emissions associated with our business travel. Even prior to the COVID pandemic, Equifax policy discouraged business travel for internal, non-customer meetings and encouraged use of technology alternatives.

The internal audit team reviews the accuracy and completeness of our GHG emission calculations and provides additional oversight of the associated process.

The table below summarizes our GHG emissions for the years 2019-2022.

Emissions Summary

2019 - 2022 (MT CO2e)	2019	2020	2021	2022
Scope 1 Emissions	**847**	**800**	**1,388**	**1,089**
Scope 2 Emissions *(Gross)*	**30,385**	**27,140**	**27,691**	**27,336**
Scope 2 Emissions *(Net)*	**29,564**	**26,320**	**24,951**	**19,641**
Total Scope 1 + 2 Emissions *(Net)*	**30,411**	**27,120**	**26,339**	**20,730**
Scope 3 Emissions:				
Purchased Goods & Services	--	--	--	217,066
Employee Commuting	--	--	--	8,027
Business Travel	9,227	1,769	1,490	5,773

In 2022, we significantly reduced our combined scope 1 and 2 net GHG emissions, primarily through our investment in renewable energy and our continued decommissioning of data centers as part of our Equifax Cloud strategy. Our reduction in emissions was partially offset by an increased footprint from our late 2021 and early 2022 acquisitions, as well as an increase in office usage and business travel, as employees began to revert to their pre-COVID travel and work arrangements.

In 2021, our GHG emissions were positively impacted primarily by a combination of data center decommissions, office consolidation, and an improvement in overall energy efficiency of the Atlanta 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).

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 cloud transformation also positively impacted our GHG emissions as we decommissioned data centers and legacy servers and applications. 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 pandemic that resulted in lower GHG emissions.

We have developed near-term reduction targets that support our commitment to achieving science based net-zero emissions, and have submitted them to the SBTi for validation. Following the validation of our targets by 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, explore the "Environment" section of our Equifax website.

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, 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 23, 2023