



2023 ESG (non-Carbon) REPORTING PRINCIPLES AND METHODOLOGIES

This document sets out the principles and methodologies we use in reporting our non-Carbon related ESG data for the year ended 31 March 2023. Our “2023 Carbon Reporting principles reporting and methodologies” available on our website explains our principles and methodologies relating specifically to Carbon Reporting.

1. Our general reporting principles

We endeavour to ensure that:

- The reported information reflects our performance and serves the decision-making needs of all users.
- The data is meaningful, consistent, and prepared and presented in line with any relevant external frameworks and guidelines.
- Any specific exclusions are stated clearly and explained.
- We use consistent methodologies wherever possible to allow for comparisons over time. Any significant changes to our methodologies are clearly explained.
- We describe openly any judgements and assumptions we make in our calculation methods.
- We aim for appropriate transparency to enable users to have confidence in the integrity of our report.

2. Board composition and employee diversity data

Board composition and employee diversity data is reported either as the number of individuals included within a particular demographic group, or the percentage of individuals reported within a particular demographic group in reference to the total number of Board directors / employees in the workforce.

All data is sourced from our HR database systems based on the number of employees as at 31 March 2023, with the exception of Board members, which are reported as at the date the annual financial statements are approved by the Board.

When calculating diversity percentages, each employee is included as a whole figure in headcount numbers, regardless of the contractual hours each employee works. External contractors, contingent workers and outsourced resource are excluded from employee numbers.

With the exception of Board members, we operate a company-wide grading system which is reviewed and approved annually by the Experian Group CEO, regional CEOs, and the Experian Group HR Director. Senior leaders are those individuals graded as EB1 to EB6, and mid-level leaders are those individuals graded EB7 to EB8, out of the total workforce grading system of EB1 to EB12.

Racial and ethnic diversity data is only recorded in counties where it is legal to do so, hence why we only report such data for employees based in the USA and the UK. The ethnicity of employees is determined by individuals personally identifying as belonging to a specific ethnic group.



Gender is determined by individuals personally identifying as a specific gender as part of the application and onboarding process and that data is maintained in the HR systems.

Employee engagement is measured through an annual employee survey managed and verified by external consultants, the Great Place To Work. All employees who have been in employment for at least 3 months are eligible to complete the survey in May-June. The survey measures employee engagement as favourable survey responses (“agree” or “strongly agree”) as a percentage out of the total survey responses to questions regarding employee pride, levels of motivation, willingness to recommend the organisation as a place to work and long-term commitment to the business.

3. Community investment data

Community investment data is gathered by local teams across the Experian Group, then entered into a centrally managed system where it is reviewed and approved both locally and centrally, consolidated and reported for the Experian Group as a whole.

Community Investment data covers donations to not-for-profit organisations, local government programmes and charities, and investments in products specifically designed to have societal benefits (social innovation products).

Community investment data is classified and reported as either charitable donations or voluntary donations in line with the “B4SI Community Investment” framework and guidelines published by the Business for Societal Impact Corporate Citizenship Group (previously known as the London Benchmarking Group).

Charitable donations are those which meet the definition of Community Investment contributions under the “B4SI Community Investment” framework. Voluntary donations are those outside the “B4SI Community Investment” framework, namely all investments in social innovation products which meet the definition of social innovation contributions under the “B4SI Business Innovation for Social Impact” framework, and/or funds allocation by Experian plc to Experian subsidiaries but not yet donated to not-for-profit organisations or local government programmes and charities.

A full breakdown of community investment data is reported under the following categories:

- *Funds from Experian plc includes:*
 - monetary donations (either direct, or through an Experian subsidiary); and
 - funds allocated to an Experian subsidiary to invest in the development of social innovation products.
- *Financial contributions and investments from Experian subsidiaries include:*
 - monetary donations, including matching funds raised by employees;
 - funds to support education and scholarships for young people;
 - contributions supporting education initiatives (for example, sponsorship of financial literacy events); and
 - costs incurred for commercial initiatives in the community (for example, free drop-in centres to help communities better understand their credit scores).



- *Employee time volunteered*: the monetary value of employee time spent volunteering on community initiatives during working hours. The average hourly cost of employee time is calculated for each country using payroll and HR data (including salary, payroll taxes and benefits) and applied to actual volunteering hours recorded by employees. No distinction is made for manual, skilled or senior management level volunteering.
- *Gifts in kind*: the monetary value of assets, products or services donated for community initiatives. Gifts in kind are valued as the cost to Experian (e.g. written down cost of fixed assets, or the cost of delivering a product or service rather than its market price).
- *Management costs*: the monetary value of employee time spent managing Experian's involvement in community initiatives and volunteering opportunities for employees. Employees who manage community initiatives are identified by their job roles and the value of their time is calculated using payroll and HR data (including salary, payroll taxes and benefits).

4. Social Innovation data

Through our Social Innovation program, we develop innovative products that aim to offer societal benefits and generate new revenue streams for our business. We report both the revenue generated through social innovation products, as well as the number of people reached.

Revenue generated through social innovation products is recorded as part of our financial reporting systems and processes and is reported in a consistent manner with our financial statements.

The number of people reached is identified by through the number of consumers and/or Small, Medium Enterprises (SMEs) interacting with Experian Social Innovation products, as discussed in more detail below.

Data is calculated and reported with reference to the "B4SI Business Innovation for Social Impact" framework and guidelines published by the Business for Societal Impact Corporate Citizenship Group (previously known as the London Benchmarking Group).

4.1 Live products

Limpa Nome (Brazil)

- Limpa Nome online recovery portal has helped millions of people in Brazil to take control of unmanageable debts since its launch in 2013.
- *Reach definition*: Between FY13-FY20, reach was defined by the number of consumers who had opened an account in Limpa Nome. From FY21 onwards, reach is defined as the number of unique consumers who have made at least one payment against a renegotiated debt in the platform.

Payment Plan Advisor (North America)

- Payment Plan Advisor provides personalised payment plans for patients in the USA.
- *Reach definition*: The number of applications made by patients to receive personalised payment plans.



Commercial Credit Score Simulator (North America)

- Provides SMEs with access to business credit scores. Reach is defined by the number of unique visitors using the tool.
- *Reach definition: The number of unique number of small businesses using the Commercial Credit Score Simulator tool.*

Affordable Lending Portal / Affordable Loans (UK and Ireland)

- Development of a marketplace to provide consumers with alternative, lower cost lending options via credit unions.
- *Reach definition: Number of people completing an application and receiving a loan offer through the Affordable Lending portal.*

Social Media Insights (North America)

- Uses social media data for SMEs to identify credit worthiness of small businesses.
- *Reach definition: Number of small businesses scored on their credit-worthiness based on Social Media data.*

Experian Health Cares / Self-Service Financial Assistance Screening (North America)

- Supports low-income consumers with their healthcare costs by identifying charitable funds they can access.
- *Reach definition: Number of people screened and qualified for charitable assistance.*

Experian Boost (UK and Ireland)

- Uses open banking and non-traditional credit data (rental payments, subscription services, etc) to allow consumers to improve (or boost) their credit scores in seconds.
- *Reach definition: Number of consumers registering to use Experian Boost.*

Patient Financial Adviser (North America)

- Provides patients with information on healthcare costs and appointment details via SMS to help plan and manage their healthcare provision.
- *Reach definition: Number of consumers receiving information via text message.*

Social Determinants of Healthcare (North America)

- Social Determinants of Healthcare (SDOH) Identifies consumers at risk of one of four key social factors which would negatively impact their health and appends their healthcare records so health service providers can proactively act on this information.
- *Reach definition: The number of consumer records appended with SDOH data and whom are likely to experience at least one social factor impeding their health (68% of all Americans).*

4.2 Closed products which have contributed to reach

ABCUL (UK and Ireland)

- ABCUL provided Credit Unions with a Processing System to support consumer credit applications between FY15 to FY21.



- *Reach definition: The number of unique consumers who registered on the ABCUL system and who applied for credit between FY15 and FY21.*

Social and Fiscal Compliance & Classification of Environmental Conformity (Brazil)

- This solution provided analysis of the environmental, social, and fiscal compliance of small and medium suppliers to support sustainable procurement decisions by companies.
- *Reach definition: The number of SMEs/companies which were reviewed for compliance between FY16 and FY23.*

Prove-ID (India)

- Prove-ID enabled lenders to verify people's identity for loan applications even without formal documentation, by connecting our Prove-ID product with the government's Unique Identification Database. ProveID was merged into our CrossCore platform at the end of FY22 and so reach recorded covers the period FY16 to FY22 inclusive.
- *Reach definition: The number of consumer identity verification reports run through Prove-ID between FY16 and FY22.*

Experian Micro Credit Platform / E-Link (India)

- E-Link provided credit reports to enable lending decisions by banking clients who aimed to support consumers with microloans between FY18 and FY22.
- *Reach definition: The number of credit bureau reports pulled through the E-Link platform.*

Social Housing Application Processing (UK & Ireland)

- This solution was designed to improve pre-tenancy assessments by helping Housing Associations and Local Authorities to fairly assess tenant application and allocate social housing properties in a timely way.
- *Reach definition: The number of individual housing applications made using the processing tool between FY16-FY19.*

Financial Education of Strata 1 & 2 (Colombia)

- Creation of credit scores for use by banking institutions to help consumers to access government housing subsidies (where they would otherwise be rejected due to a lack of acceptable credit score) and development of financial education tools.
- *Reach definition: The number of approved consumer applications achieved between FY20-FY22 as a result of the new scores being developed between.*

Unbanked Risk Score (South Africa)

- Development of financial education tools, embedded on low-cost mobile phones, providing consumers access to credit profiles for the first time.
- *Reach definition: The number of unbanked consumers obtaining a new credit profile between FY19-FY20.*



PowerScore (Indonesia)

- Development of new credit scores based on alternative data for previously unbanked consumers in Indonesia.
- *Reach definition: The number of new credit applications made between FY21-FY22 as a result of the new Credit Score availability.*

4.3 Future projects

The following projects have been funded, but not yet launched:

- App Midatacredito Entrenador Financeiro (Colombia)
- AgriX (India)
- Up, powered by Experian (South Africa)
- Prism Plus (India)
- Credit Education Simulation (North America)
- Experian Amplify (India)
- Support Hub (UK&I)
- Smallholders Marketplace (Brazil)
- ESG Score for SMEs (Brazil)
- Serasa Descomplica (Brazil)
- Experian Round Ups (UK and Ireland)