Equifax had a very strong second quarter with revenue of $1.54 billion, up 8% in constant currency, within our LT Framework, and the highest ever quarterly revenue in Equifax's history. Revenue was $27 million above the mid-point of our April Guidance despite the weaker Mortgage and Hiring markets. The majority of the revenue overperformance was in US Mortgage principally in USIS from stronger Pre Approval product growth and a slightly stronger market with hard credit inquiries down about 8.5% but better than our expectations of down 11%. Non-mortgage was solid in all BUs with outperformance predominantly in Workforce Solutions with strong performance in Government and Consumer Lending. USIS had another quarter of solid Non-mortgage growth as they are operating effectively in a post-cloud environment.

Adjusted EPS of $2.00 per share was $0.10 above the mid-point of our April Guidance range from operating leverage from stronger revenue growth and solid cost management with an Adjusted EBITDA margin of 32.5%, up 50 basis points versus the second quarter of 2024.

Workforce Solutions revenue was up 8% driven by strong 10% Verifier revenue growth. Government revenue grew a strong 14% in the quarter, and up 12 percentage points sequentially, due to the ramp in SSA volumes, growth in state agency penetration, TWN record growth, and pricing. Talent Solutions revenue was up about 4% in the quarter. Overall US Hiring, and particularly white collar hiring continued to be relatively weak in the second quarter. Underlying Talent Employment Verification revenue was up low double digits in the second quarter driven by new records, new products, penetration, and pricing. This was partially offset by Insights revenue related to criminal background screening that was below our expectations. Overall Talent revenue showed strong growth sequentially from the first quarter; however, we have seen hiring transactions slow over the past month from economic uncertainty impacting both Talent Solutions and our Onboarding businesses. Mortgage revenue was up a strong 9% in the quarter despite the continued weakness in mortgage volumes. Workforce Solutions Adjusted EBITDA margin of 53.3% was up 50 basis points compared to last year. Margins were better than expected driven by both higher than expected revenue growth and solid cost management.

We continue to engage in Washington around the new administration's focus on the estimated $160 billion of improper Social Service and Tax payments which is a positive macro for EWS. A couple of weeks ago the President signed the OBBBA legislation that provides several potential future growth opportunities for the EWS Government business including:

- Increasing the frequency of CMS redeterminations from annually to semi-annually;
- Adding community engagement or work requirements for certain Medicaid recipients; and
- In SNAP, tying federal funding to error rates and enforcing work requirements

These changes are positive for our EWS government business in 2026 and beyond. We are continuing to ramp up our engagement in Washington in order to support new Federal government programs including the IRS Earned Income Tax Credit, Do Not Pay, Unemployment Insurance, and at the Department of Education. We expect these new programs to be positive growth drivers for EWS in the future.

While we have significant opportunities for medium and long-term revenue growth in supporting government programs, the pace and extent of changes in federal program structure and funding from the prior Administration is resulting in some near term volatility as agencies manage these funding changes on their operations. We are working closely with customers as they operationalize the 2024 funding changes and remain confident in our medium and long-term government revenue growth framework at above the EWS long term revenue growth framework of 13-15%, as we grow in the large $5 billion Government TAM.

TWN record additions were strong again in the Second Quarter with Active Records up about 18 million or 10% since last year, to 198 million and total records up 10% to 767 million records. Underlying those 18 million active record additions, EWS added about 1.3 million contributing companies in the last year to 4.6 million companies contributing to TWN … an outstanding performance by the team, which would not have been possible without the EFX Cloud. We have also added 4 new partnerships this year and expect those new agreements to contribute to record growth in the Second Half of 2025.

At our Investor Day a few weeks ago, we shared a metric we have been using internally for several years - Current Records - which is defined as the number of people in TWN that have been paid within the last 35 days. This metric more closely aligns with how we monetize TWN records. EWS ended the quarter with 113 million Current Records, which was up 9%. Our 100 million Current SSNs, up 8%, are a great indicator of the long runway for TWN growth to 250 million income producing Americans.

USIS had a very strong quarter with revenue up 9%, and much better than our expectations principally led by Mortgage revenue. Non-mortgage revenue was up over 4% in the quarter and also slightly better than expectations. Mortgage revenue in the quarter was up a very strong 20% principally from third party vendor pricing and stronger PreApproval revenue, and despite the about 8.5% decline in USIS hard mortgage inquiries. USIS is gaining share in Mortgage PreQual and PreApproval products, which we expect to accelerate in the Second Half as they roll out our new Mortgage credit file with the TWN indicator. B2B Non-mortgage revenue grew about 4% in the quarter as we continued to see a stable lending environment, although continuing at levels below longer term norms. USIS Adjusted EBITDA margin at 35.0% was consistent with our expectations, and was up about 180 basis points compared to last year. We are seeing the benefits of cost savings from our cloud migration which we completed in the Second Half of last year as well as operating leverage from revenue growth in the quarter.

International revenue was up 6% in constant currency with broad based revenue growth across all regions. 11% Latin America revenue growth was led by very strong growth in Argentina and Brazil. The Boa Vista business is performing very well, up 8% in the First Half versus last year, as we bring new platforms like Ignite, Interconnect and Data Fabric to the business and engage customers with new models and scores built using EFX.AI. International Adjusted EBITDA margin of 26.4% was up about 80 basis points versus last year from revenue growth and cost improvements from our cloud migrations.

In the Second Quarter, we delivered a Vitality Index of 14% led by EWS of 18%. Based on our strong new product performance in the First Half, we are increasing our Vitality Index outlook for 2025 by 100 basis points to 12% which is 200 basis points above our 10% LT goal, and double our Pre-Cloud Vitality. We are energized by our momentum in innovation and new products post-cloud completion.

Our full-year 2025 guidance remains unchanged from our April guidance, on a constant currency basis, despite our strong first-half performance. There continues to be a heightened level of economic uncertainty resulting in weaker levels of hiring, as well as uncertainty in the direction of interest rates and therefore mortgage volumes. We increased our guidance to reflect the impact of FX changes since April, increasing the midpoint of our reported revenue guidance by $35 million to about $6 billion and Adjusted EPS by $0.03 per share to $7.48 per share. Consistent with our April guidance, Non-mortgage constant dollar revenue growth at the midpoint of guidance is expected to be about 6% and over 6% for mortgage, due to stronger 2Q mortgage results. FX is about 30 basis points negative to revenue growth. At the business unit level, we increased our full year USIS revenue guidance given our strong 2Q performance but lowered our EWS full year guidance given near term volatility in our government business as well as weaker US hiring trends we saw later in 2Q. International constant dollar revenue growth was unchanged.

In April, we laid out our new capital allocation framework with a $3 billion share repurchase program and a 28% increase in our quarterly dividend to $0.50 per share. During the second quarter, we returned about $190 million to shareholders, repurchasing about 480,000 shares for $127 million and paying dividends of $62 million. As we complete the EFX Cloud, we are accelerating free cash flow while lowering the capital intensity of our business. 2Q25 free cash flow was solid at $239 million, up over $100 million from 2024 driven by increased income and lower capital spending. We expect to generate over $900 million of free cash flow in 2025 with a cash conversion of over 95%, which aligns with our Long Term Framework. We are energized to be entering this new phase of Equifax as we return cash to shareholders.

Wrapping up, we had a strong First Half financial performance with organic constant dollar revenue growth of 7% led by strong 8% EWS Verifier and 8% USIS revenue growth despite the weaker mortgage and hiring markets. Both First and Second Quarters were above our expectations and guidance reflecting the resilience of the NewEFX business model even in a declining mortgage market and uncertain economy.

We are entering the next chapter of the NewEFX with our Cloud transformation substantially behind us as we pivot our entire team to leveraging the EFX Cloud for innovation, new products, and growth. We are using our new Cloud capabilities, single Data Fabric, EFX.AI, and Ignite, our analytics platform, to develop new credit solutions leveraging our scale and unique data assets. We are accelerating multi-data asset solutions including those that combine traditional credit, alternative credit assets, and TWN income and employment indicators in verticals like Mortgage, Auto and P-Loan that Only Equifax can deliver that will drive share gains and growth.

I am energized by our strong first half performance, but even more energized about the next chapter of the New Equifax. This is an exciting time to be at the New Equifax.

To read more about our 2Q results and full-year 2025 financial guidance please see our press release and investor presentation. You may also reach out to me or Molly Clegg with any questions you may have. Thanks as always for your time and attention.

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