Task Force on Climate-related Financial Disclosures (TCFD) Report

August 2020

S&P Global

Contents

Accelerating Progress in the World

Across industries, the past several months have thrown into sharp relief the importance of strategic decision-making with long term, resilient operations in mind. The COVID-19 pandemic has accelerated the sense of urgency of adopting more sustainable practices across the global economy, and strengthened the call for transparency around environmental, social and governance (ESG) factors in company strategy and governance.

We recognize the interconnected nature of the health and safety of people and the industries, businesses and supply chains on which our societies rely – all of these facets play a critical role in a modern economy. As such, it's crucial that companies and governments are forward-looking in their risk assessments and actively gauging where vulnerabilities exist. Protecting these commitments to stakeholders – people, clients, investors and communities – needs to be at the core of long-term planning, risk assessment, and business continuity plans.

S&P Global remains committed to promoting a sustainable environment, and to being transparent in our progress in doing so. To that end, we are pleased to issue our second report in response to the recommendations from the Financial Stability Board (FSB)'s Task Force on Climate-related Financial Disclosures (TCFD).

Since last year, our TCFD Committee has supported the ongoing monitoring of company-wide climate-related risks; incorporated any applicable new or updated guidance from the FSB into our disclosures, adding new metrics that combine financial and sustainable performance; and taken responsibility for driving revenue growth on climate-related products and services.

We continually assess our portfolio with sustainability in mind and implement programs to shrink our global environmental footprint. To continue our commitment to reduce the environmental impact of our operations, in 2019 we set new five-year performance targets with a baseline year of 2018. Ultimately these targets will enable us to maintain our momentum as we strive to be "Net Zero" in an increasingly low-carbon economy.

In 2019 we also marked a milestone in our efforts to provide a range of sustainably-focused products and services to the market. We initiated the acquisition of the ESG Ratings business from RobecoSAM, including the widely followed Corporate Sustainability Assessment (CSA), an annual evaluation of companies' sustainability. The completion of this acquisition and the ensuing integration of the SAM team into our climate-related work has propelled our strategic work forward and augmented the insights we're able to offer our customers.

As the global pandemic becomes a constant and not a crisis, opportunity lies in reimagining the way we build back. Plunging emissions could refocus growth in clean energy initiatives and companies can adopt ESG policies to help fight climate change. At S&P Global, we are committed to being part of that transformation as we further sustainability efforts in our own practices and accelerate our customers' access to the ESG insights they need to make informed decisions.

Sincerely,
Ewout Steenbergen
Chief Financial Officer
S&P Global

Climate-related Risk and Opportunity Assessment

In 2020, S&P Global continued its ongoing assessment of climate-related risks and opportunities in the context of the recommendations from the Task Force on Climate-related Financial Disclosures (TCFD). In its updated 2019 report, the TCFD refined and refreshed its recommendations for more effective and standardized disclosure of financially material climate-related risks and opportunities. Where applicable and material, we adopted those recommendations to provide an informed view of investment and sustainable markets.

For our 2020 and 2019 reports, our assessment was informed by Trucost ESG Analysis, part of S&P Global. Trucost ESG Analysis took a robust, data driven approach to the TCFD assessment. The approach included:

- Stakeholder interviews and surveys: Interviewing the Presidents of each of S&P Global's four Divisions, as well as an online survey involving 20 key personnel from across the business and corporate functions to uncover and understand S&P Global's material climate risks and opportunities.

Four Elements of Recommended Climate-related Financial Disclosures

Governance
The organization's governance around climate-related risks and opportunities

Strategy
The actual and potential impacts of climate-related risks and opportunities on the organization's business, strategy and financial planning

Risk Management
The processes used by the organization to identify, asses and manage climate-related risks

Metrics & Targets
The metrics and targets used to assess and manage relevant climate-related risks and opportunities

Reprinted from "Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures" (June 2017)

- Physical and transitional risk assessment: Quantifying the financial and non-financial impacts associated with a low-carbon transition, including technology, reputation and policy risks, as well as opportunities from product innovation.

- Climate scenario workshop: Convening of key stakeholders to validate results of the interviews, benchmark risk and opportunity, and explore the financial impact and effect on S&P Global under different climate scenarios.

Where quantitative data was unavailable, Trucost ESG Analysis relied on stakeholder interviews, outputs of the scenario workshop discussion, desk research and benchmarking to inform the risk and opportunity timelines and financial impact levels.

Trucost ESG Analysis

S&P Global

TCFD assessment powered by Trucost ESG Analysis

Governance

Disclose the organization’s governance around climate-related risks and opportunities

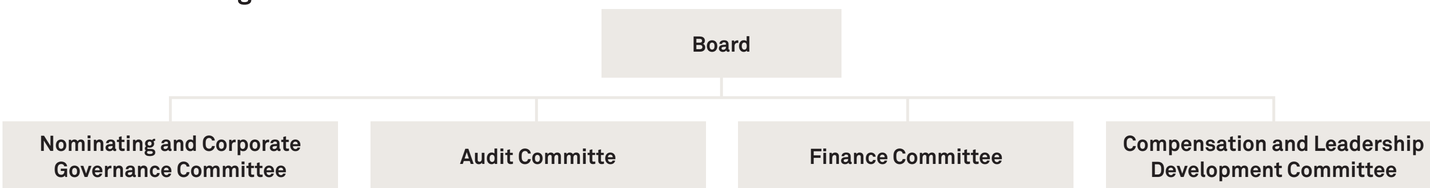
Board-Level Oversight
The Board of Directors of the Company (the “Board”) views oversight and effective management of environmental, social and governance (“ESG”) related risks and opportunities as essential to the Company’s ability to execute its strategy and achieve long-term sustainable growth. As such, the full Board receives regular updates on a variety of ESG topics, including sustainability and climate-related matters, as part of its annual, in-depth strategy and risk management sessions, as well as ongoing discussions and committee reports throughout the year. The full Board also receives biannual updates on the Company’s ESG products and offerings.

In addition to oversight by the full Board, the Board coordinates with its various Committees to ensure active and ongoing Committee-level oversight of the Company’s management of ESG related risks and opportunities across the relevant Committees.

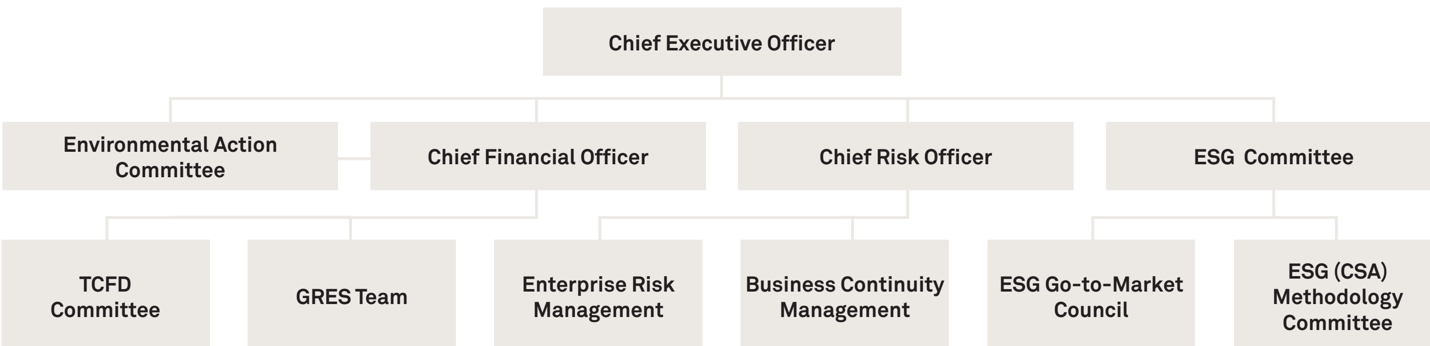
Nominating and Corporate Governance Committee (NCGC)
The Board has delegated primary responsibility for more frequent and in-depth oversight of the Company’s ESG strategy, initiatives, risks and related reporting to the Nominating and Corporate Governance Committee. The NCGC reviews and receives periodic reports from senior management on the Company’s performance against ESG goals and metrics, ESG programs, products and disclosures and Corporate Responsibility policies and programs, including with respect to environmental and sustainability matters. The NCGC provides regular updates and reports to the Board and coordinates with the other Board Committees on these topics, as appropriate.

Audit Committee
The Audit Committee of the Board oversees key business and operational risks of the Company. As such, the Audit Committee is responsible for overseeing and reviewing the Company’s Enterprise Risk Management (ERM) framework and process, including its governance, risk management practices and key components to facilitate the identification, measurement, mitigation and reporting of risks. In connection with the Audit Committee’s oversight of the Company’s ERM framework, the Committee considers and discusses with management risk exposures and mitigation strategies with regard to key risks, including operational risks, such as technology, cybersecurity risks and climate-related issues, such as crisis management

Board-Level Oversight Structure



Management-Level Oversight Structure



for business disruptions from natural disasters and other issues that may be driven by climate change.

Finance Committee
The Finance Committee oversees the Company's financial risks, including by reviewing the impact of financial and non-financial risk scenarios on the Company's long-term capital position and overseeing major capital expenditure decisions and transactions, such as acquisitions and divestitures. In connection with these responsibilities, the Finance Committee receives annual updates from management on the estimated financial impact of non-financial risk scenarios, including climate-related risks and opportunities identified as part of management's risk scenario analysis.

Compensation and Leadership Development Committee (CLDC)
The Compensation and Leadership Development Committee oversees and approves the compensation and incentive programs for members of senior management on the Company's Operating Committee. The CLDC considers ESG performance related to the Company's strategic goals when making compensation determinations and approving performance objectives for members of the Company's Operating Committee. By linking compensation to strategic ESG goals inclusive of incorporating sustainability metrics into management's balance scorecard, the CLDC increases and rewards management focus on progress against the Company's sustainability initiatives.

Business and Management-Level Governance

At the management-level, **S&P Global's CEO** is responsible for ensuring climate-related risks and opportunities are fully integrated into the Company's long-term business strategy. In addition to being a member of the Company's Board of Directors, the CEO oversees and reports to the Board on management's progress against the Company's key strategic ESG objectives, covering various sustainability and climate-related topics and initiatives. Accordingly, the CEO's total compensation is tied to performance against individual strategic goals, which in recent years have included launching and building out the Company's ESG products and services.

Executive Leadership and Management ESG Committees

Several members of the Operating Committee, each of whom report to the CEO, manage and oversee the overall enterprise strategy and approach to addressing issues and executing strategic initiatives relating to climate and sustainability matters.

The **Chief Financial Officer (CFO)** oversees functions that are fundamental to the governance of climate risks and opportunities, including our Global Real Estate Services (GRES) department and the Company's TCFD Committee.

The **GRES** Team manages climate impacts resulting from rising costs related to energy pricing and cost savings from enhanced operational efficiency initiatives. The GRES Team also undertakes resiliency measures to mitigate against natural disasters that could impact S&P Global offices globally. With the Chief Corporate Responsibility and Diversity Officer, the Senior Vice President of GRES co-chairs a cross-functional **Environmental Action Committee**, which manages the environmental sustainability of the Company. The Committee oversees collection and tracking of key environmental metrics, sets the Company's environmental performance targets, and has ownership of related programming and policies. For reporting and disclosure to address the TCFD scope of work, the CFO launched the Company's first **TCFD Committee** in 2019 to support the ongoing monitoring of company-wide climate-related risks and take responsibility for driving revenue growth on climate-related products and services.

In 2020, S&P Global appointed its first firmwide ESG executive to act as **Global Head of ESG**, responsible for overseeing ESG strategy, product development and market outreach, and leading a new centralized team that coordinates ESG across our business divisions. The Global Head of ESG is the Chairperson of the ESG-Go-to-Market Council, which is included in a comprehensive governance structure composed of the **ESG Committee**, ESG workstreams and the ESG (CSA) Methodology Committee all of which are focused on ensuring governance, alignment and execution across S&P Global. The ESG Committee includes the Presidents of three of our divisions and ensures coordination, consistency and cross-organizational alignment with S&P Global's ESG vision.

From a risk management perspective, the Company's **Chief Risk Officer** oversees Corporate Risk Management (CRM) functions including Business Continuity Management and Disaster Recovery. The CRM function oversees management of all material, non-financial risks from climate change related to Enterprise Risk, Information Security, and Business Continuity. Accordingly, the CRM team has an active role in Crisis Management, which is managed by the Global Security & Crisis Management team. This includes identifying and assessing climate-related risks to disaster recovery from natural disasters and implementing the governance frameworks and policies to mitigate these risks.

Table 1: Summary of Climate Risk & Opportunity Governance

	Governance	Overview
Board Oversight	Board of Directors	The Board views oversight and effective management of environmental, social and governance related risks as essential to the Company's ability to execute its strategy and achieve long-term sustainable growth. The Board receives regular updates on ESG topics and biannual updates on the Company's ESG products and offerings. The Board also coordinates with its Committees to ensure active Board- and Committee-level oversight of the Company's management of ESG related risks across the relevant Committees.
	Board of Directors Nominating and Corporate Governance Committee	In addition to oversight by the full Board, the Board has also delegated primary responsibility for more frequent and in-depth oversight of the Company's ESG strategy, risks and risk mitigation to the Nominating and Corporate Governance Committee.
	Board of Directors Audit Committee	Reviews and discusses with management the Company's Enterprise Risk Management process including its risk governance framework, risk management practices and key risk factors. Facilitates the identification, measurement, mitigation, and reporting of key risks across the Company, including material climate-related issues such as business disruptions from natural disasters.
	Board of Directors Finance Committee	Oversees the Company's financial risks and reviews annual updates from management on the estimated financial impact of non-financial risk scenarios, including climate-related risks and opportunities identified as part of management's risk scenario analysis.
	Board of Directors Compensation and Leadership Development Committee	Oversees and approves compensation and incentives for members of senior management serving on the Company's Operating Committee, including by considering ESG performance related to the Company's strategic goals when making compensation determinations.
Executive Leadership	Chief Executive Officer	Member of the Board of Directors and accountable for reporting to the Board on all risks and opportunities. CEO pay (Pay-for-Performance) is tied to the enterprise strategy and goals, which in recent years have included targets focusing on launching and building out the Company's ESG products and services.
	Chief Financial Officer	Reports directly into the CEO and oversees many functions related to the governance of climate risks and opportunities including those related to the Company's reporting on its management of financially material climate-related risks and opportunities and global facilities footprint.
	Chief Risk Officer	Reports directly into the CEO and oversees corporate risk functions such as Business Continuity Management and Disaster Recovery.
	Global Head of ESG	The Global Head of ESG oversees ESG strategy, product development and market outreach, and leads a new centralized team that coordinates ESG across our business divisions. The Global Head of ESG is the Chairperson of the ESG-Go-to-Market Council which is included in a comprehensive governance structure composed of the ESG Committee, ESG workstreams and the ESG (CSA) Methodology Committee focused on ensuring governance, alignment and execution across S&P Global.
Management ESG Committees	ESG Committee	The ESG Committee includes the Presidents of three of our Divisions and ensures coordination, consistency and alignment with S&P Global's ESG vision.
	Environmental Action Committee	Co-chaired by the Chief Corporate Responsibility & Diversity Officer and the Senior Vice President, Global Real Estate Services (GRES) manages the environmental sustainability of the Company. The Committee oversees collection and tracking of key environmental metrics, sets environmental performance targets and has ownership of related policies and programming.
	TCFD Committee	Launched in 2019, sponsored by the CFO, the Committee supports ongoing monitoring and quantification of company-wide climate-related risks and opportunities, development of new products and services to provide ESG solutions responsive to existing market gaps and evolving client needs.

Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is financially material

S&P Global integrates climate-related risks and opportunities into the larger enterprise strategy to fuel innovation and strengthen strategic decision-making with long term, resilient operations in mind. As part of our risk assessment process, we utilize the SAM Corporate Sustainability Assessment[1] and CDP (Carbon Disclosure Project) Climate Change questionnaire[2] to benchmark our climate strategy performance annually. These widely recognized frameworks set the standard for best practice in regard to corporate climate risk and opportunity strategies and S&P Global utilizes the assessment and outcomes to inform and enhance climate strategy across the business.

In 2020, S&P Global launched a Net Zero Working Group to explore setting a net zero carbon emissions target that would further minimize S&P Global's environmental footprint.

For its TCFD assessment, S&P Global leveraged the expertise of Trucost ESG Analytics to assess the impact.

Due to the nature of S&P Global's business as a data and information provider many of the TCFD risks were assessed as not material or to have a low potential financial impact in the short- medium- and long-term. However, given the Company's commitment to transparency and approach to risk management and mitigation, this strategy section includes all risks, even those with low potential impact.

S&P Global is in a unique position to promote sustainable economies not only adopting industry leading practices but also by integrating climate-related metrics and considerations into its products and services. The Company is committed to delivering essential ESG insights and actionable climate related information to the global marketplace. Our portfolio includes comprehensive company-level ESG metrics, vital data, market benchmarks, analytical tools and standards to help customers to create resilient strategies to maximize financial performance, build a sustainable future and meet the expectations of an evolving market.

Since our last publication of our TCFD report in May of 2019, the pace and volume of our investment in environmental and climate related products has quickened in response to corporate and governmental demand for actionable climate related data and insights to accelerate companies sustainable institutional practices, policies, and investment strategies. S&P Global's new product offerings and climate-related analytical initiatives described below have been designed to address the business opportunities and risks identified in the marketplace.

ESG Data Factory

S&P Global's cross divisional effort to identify opportunities and risks in ESG is supported by a common data and technology backbone. ESG Data Factory feeds S&P Global's ESG offerings. Data sets include public- and private- company data, asset level

1 In 2019 S&P Global scored in the 99th percentile of the SAM Corporate Sustainability Assessment of leading companies
2 In 2019 S&P Global earned an A- from CDP

data and alternative data. Trucost, part of S&P Global Market Intelligence, is the data and analytics engine that powers many of the Company's ESG solutions.

SAM ESG Data, Analytics & Benchmarking
In January 2020, S&P Global completed the acquisition of the ESG data and analytics platform from RobecoSAM which includes the SAM Corporate Sustainability AssessmentTM (CSA). The CSA is recognized as one of the most advanced ESG scoring methodologies, as it draws upon 20 years of experience analyzing sustainability's impact on a company's long-term value creation. The successful integration of this acquisition has provided S&P Global access to a large ESG coverage universe accelerating the Company's efforts in ESG.

Sustainable Development Goals ("SDGs") Analytics
In 2020, Trucost launched a SDG analytics tool allowing financial institutions to assess portfolio alignment to the UN Sustainable Development Goals (SDGs). Trucost's SDG analysis tool is an extension of Trucost's SDG Evaluation tool launch in 2018 to help companies align business strategies with the goals. The SDGs are a global blueprint adopted by the world's governments to achieve a better and more sustainable future for all.

2019 Highlights

Hydrogen Price Assessments
In December 2019, Platt's launched the world's first hydrogen price assessments in response to rising interest from investors, policymakers and energy market participants. Hydrogen has potential as a clean transportation fuel and lower-carbon substitute for natural gas in industrial processes, materials production, residential/commercial uses and power generation.

Trucost Climate Risk Analytics
In 2019, Trucost expanded its climate solutions to include analytics for TCFD reporting. New datasets on Climate Change Physical Risk and Carbon Earnings at Risk each cover over 15,000 companies. These datasets enable companies and financial institutions to stress test their resilience to physical and transitional climate change risks. The Climate Change Physical Risk helps investors and companies assess exposure of corporate assets to physical risks including heatwaves, wildfires, water stress, hurricanes and droughts. The Carbon Earnings at Risk dataset assesses companies' ability to absorb future carbon pricing scenarios.

S&P 500@ ESG Index
In May 2019, our Indices Division expanded its Core ESG offering, with the launch of a global suite of ESG Indices which includes the S&P 500@ ESG Index. The objectives of the S&P 500@ ESG Index are to provide a similar risk/return profile to the S&P 500 and to avoid companies that are not managing their business in line with ESG principles.

ESG Evaluation
In April 2019, Ratings launched a comprehensive ESG Evaluation that enables companies to measure their long term preparedness to manage ESG exposure and opportunities. The ESG Evaluation combines quantitative and qualitative analysis and considers both near-term and longer-term ESG risks and risk mitigants for the subject company/entity. Our criteria for evaluating ESG risks will vary by issuer type depending on the issuer's sensitivities; corporate analysis considers risks in the context of the company's business risk profile, financial risk profile, and management and governance assessment; sovereign analysis considers an assessment of institutional quality and governance effectiveness, while U.S. public finance analysis will typically consider ESG factors in the context of management effectiveness and planning. In addition, Ratings has also added ESG sections to its credit ratings reports on corporate entities, increasing transparency into how it incorporates ESG factors.

A4S Support
S&P Global's CFO, Ewout Steenbergen, is a member of the Accounting for Sustainability (A4S). A4S was established by HRH The Prince of Wales and aims to inspire action by finance leaders to drive a fundamental shift toward resilient business models and a sustainable economy.

Potential financial impact level: Low Medium High

Timeline: Short Term: 0–1 years
Medium Term: 1–5 years
Long Term: 5–20 years

Table 2: Climate-related Risks

Risk Type		Potential Financial Impact (-)	Short	Medium	Long	Mitigation Strategy
Transition Risks	Policy and Legal	Increased pricing of greenhouse gas emissions due to regulations				S&P Global mitigates costs associated with rising energy prices by setting environmental targets, implementing operational efficiency measures, neutralizing emissions from business travel through Carbon Neutral Certification, and assessing environmental performance annually.
		Increased compliance costs and potential disruption related to new mandates and regulations on existing products				S&P Global proactively engages with governments, regulators and industry organizations. Sustainable Finance teams address increased interest in ESG and climate through the development of new products and research. Credit ratings from S&P Global Ratings, if sufficiently visible and material, factor in the impact of ESG risks and opportunities into our financial forecasts. Ratings continues to monitor the impact of these ESG factors and evolve our views as new information becomes available or as the issuer's fundamentals change.
	Technology	Increased costs related to data center resiliency				S&P Global's Data Center and Storage Services is in the process of improving data center resiliency to outpace any physical effects from climate change.
	Market	Reduced demand for goods and services due to shift in consumer preferences or changes in purchasing power				S&P Global is expanding its sustainable finance product offerings by identifying strategic partnerships and acquisitions, and accelerating investments in research and development to meet changing market demand.
Physical Risks	Acute	Reduced revenue from business disruption				Business disruption risks associated with extreme weather events are incorporated into the Corporate Risk Management & Global Security & Crisis Management team's annual holistic crisis management, business continuity and disaster response planning. For example, after Hurricane Sandy (NYC) data centers in our NY HQ were moved from the ground level to the 36th floor. The Crisis Management Program oversees risk and incident vulnerability review at the site level and implements location-specific response plans to effectively manage incidents and prevent crises. The Business Continuity Management Program ensures the company can continue critical operations in the event of a disaster and promptly recover essential systems and technology.
		Increased costs from repairing or restoring damaged locations				
	Chronic	Increased cost related to relocation due to sea level rise				S&P Global's Global Real Estate Services incorporates physical risk considerations as part of due diligence for any new leased properties and for the initial choice of third-party vendors for data centers to avoid the need for relocation.
		Increased cost related to increased need for cooling and heating due to changing temperatures				Global Real Estate Services incorporates energy efficiency and energy procurement considerations as part of due diligence for any new location that would help reduce costs related to energy use, heating, and cooling.

Table 3: Climate-Related Opportunities

Opportunity Type	Potential Financial Impacts (+)	Short	Medium	Long	Realization Strategy
Resource Efficiency	Reduced operating costs through efficiency gains and cost reductions by moving to more efficient building operations				Through the Global Real Estate Services team, S&P Global constantly seeks energy efficient alternatives and initiatives to implement throughout offices for new construction, project upgrades, and retrofits. S&P Global also seeks third-party energy efficiency certification, e.g., ISO 14001, and ISO 50001 where applicable, sets environmental impact reduction targets, and assesses its performance against these targets annually. S&P Global is establishing a road map to achieve Net Zero emissions by investigating low carbon energy consumption, energy efficient initiatives and scope 3 emissions reductions.
Products and Services	Increase revenue through demand for sustainable products				S&P Global provides a range of products to clients whose focus is on investing or operating sustainably. In 2016, S&P Global acquired Trucost, a leading environmental data and analytics provider, to enhance these capabilities. In 2020, S&P Global appointed its first firmwide ESG executive, overseeing ESG strategy, product development and market outreach, and leading a new centralized team that coordinates ESG across our businesses. S&P Global's recent acquisition of SAM bolstered the Company's position as a premier resource for essential ESG insights and product solutions for our customers.
	Better competitive position to reflect shifting consumer preferences, resulting in increased revenues				

Resilience of Strategies Against Different Climate-Related Scenarios

S&P Global utilized Trucost's Corporate Carbon Pricing Tool to quantify the risk and understand the potential future financial impact against a business-as-usual 4°C scenario, 2°C scenario and below 1.5°C scenario from present to 2050. We report the financial impacts of these scenarios in the Risks & Metrics section of the report.

The table below highlights the world-wide baseline emission projections developed for the 4°C, 2°C, and 1.5°C scenarios by IEA WEO, Platts Analytics, and IPCC, respectively, that provided the baseline assumptions incorporated into the Company's carbon emission models discussed later in this report.

Table 4: Climate-Related Scenarios Used to Explore Resiliency of S&P Global's Short, Medium and Long Term Strategy

Name	Scenario	2050 Global Warming Above Pre-Industrial Levels	2050 Global Annual Carbon Emissions Estimates (GT)
Business-as-Usual 4°C Alignment	IEA WEO New Policies Scenario	4°C	50
2°C Alignment	Platts Analytics 2°C Degree Scenario	2°C	25
Below 1.5°C	IPCC Below 1.5°C warming by 2050 (midpoint of range)	Below 1.5°C	16

GT - gigatonnes

In addition to the carbon risk scenario analysis, S&P Global took steps to further explore the risks and opportunities presented above to assess and plan for a range of potential scenarios. The CFO convened a Scenario Discussion Workshop where members of senior leadership discussed the Company's current state, considered possible future scenarios, identified different risks and opportunities within these scenarios, and discussed the financial implication of these impacts on the Company.

Risk Management

Disclose how the organization identifies, assesses and manages climate-related risks

S&P Global leverages multiple Corporate Risk Management programs to manage climate related risks.

- Enterprise Risk Management (ERM) – S&P Global strives to have an integrated framework of policies, procedures, systems and tools that supports the identification, assessment, management and reporting of the Company' s top enterprise risks on a consistent basis. The ERM Program is an integral component of the organization's Corporate Risk Management Function. A key component of the Program is identification and assessment of current and emerging risks that the organization faces utilizing a network of Risk Liaisons from across the Company, including a representative from our Corporate Sustainability and ESG Engagement team. These risks are then used as an input into the S&P Global Enterprise Top Risk Profile. The risks that are assessed within this process include natural disasters, geo-specific vulnerabilities (e.g., power outages, local flooding, etc.) and weather-related risks. The risk assessment is performed annually and discussed with the Enterprise Risk Management Committee and the S&P Global Board of Directors.

- Business Continuity Management (BCM) - provides a guidance framework to the company and its businesses on how to plan, prepare, and respond to business disruptions. In addition, the BCM team is part of the Crisis Management Plan that sets the Company's emergency response at the global, regional and local levels. These plans are being practiced through table top exercises with the Operating Committee on the Enterprise level and the Site Incident Management teams on the local level.

- IT Disaster Recovery - ensures that the S&P Global technology is resilient and is able to recover as intended after a disaster, including climate related risks such as flooding.

As described above, S&P Global's climate risks relating to business continuity and recovery from natural disasters are embedded in the Company's Corporate Risk Management framework. Climate related business continuity risks are also highlighted as risk factors in S&P Global's public disclosures.

In regard to public policy risks, S&P Global monitors and engages on relevant developments globally through its Government Affairs function. The Company has established internal governance and reporting frameworks to identify, analyze, elevate, and engage on public policy risks and opportunities, including those associated with climate and environmental policy, sustainable finance, and related legislative initiatives.

In 2019 and once again in 2020, S&P Global engaged the Trucost ESG Analysis team to lead an in-depth TCFD analysis. We have continued to identify new opportunities and challenges and assess climate-related risks against the TCFD criteria, including a scenario analysis based on current regulations and future projected regulations. Among the risks assessed were our carbon pricing and physical climate risk out to 2050. The conclusion of this assessment was that these risks are relevant, but are not material to S&P Global at this time and we will continue to monitor them moving forward.

Metrics & Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.

Future Risk from Carbon Pricing – Scenario Analysis

Largely, S&P Global currently has a relatively low exposure to carbon pricing risk. Notwithstanding, under the 2°C and below 1.5°C alignment scenarios, the potential emergence of increasing taxes on fuel, GHG emissions or participation in emissions trading schemes could increase the Company's carbon pricing risk. The table below displays the increase in annual expenses related to paying emissions taxes under three different scenarios that showcase a range of policy intervention from very low (4°C), to significant (2°C), to aggressive (1.5°C). S&P Global does not have a significant risk related to carbon pricing and its impact on its operating expenditures under a 2°C scenario. Under a 1.5°C scenario operating expenditures could increase if they are not proactively mitigated. Costs under the Business-as-Usual scenario are low in regard to carbon pricing schemes. This scenario may include sizable costs related to increased volatility, business discontinuity and needed resiliency investments for addressing more severe and frequent natural disasters that would occur under a warming of 4°C.

Table 5: Results of Carbon Risk Scenario Analysis Used To Quantify Annual Financial Impact of Rising Energy Costs

Carbon Pricing Risk Metrics	Climate Scenarios		
Impact by 2030 (Scope 1, 2 and 3)	Business-as-Usual 4°C Alignment	2°C Alignment	Below 1.5°C Alignment
Carbon Pricing Risk – Total estimated increase in carbon regulation costs[1,2]	$3 million	$12 million	$202 million
Percentage Change in Operating Cost[3]	+0%	+0%	+6%
Percentage Change in Operating Margin[3]	-0%	-0%	-3%

1 S&P Global's carbon pricing risk scenario analysis is based on projections of our company's future GHG emissions, covering Scope 1, 2 and 3 emissions across the entire value chain. S&P Global's value chain footprint is assessed by Trucost on an annual basis in line with the WRI/WBCSD Corporate Value Chain (Scope 3) Guidelines, and is combined with CAGR estimates for the business as whole to form the basis of our forward-looking GHG emissions outlook for 2030.

2 The carbon price used is equal to the 2030 estimated cost of carbon discounted at 8% used as an approximation of the Company's long-term weighted cost of capital.

3 Operating Cost and Operating Margin percentages were calculated using 2019 reported revenue, expenses and operating profit of $6,699 million, $3,473 million and $3,226 million. respectively.

Table 6: Average Carbon Price Risk Across Operating Geographies

Carbon pricing risk is dependent on both the total amount of GHG emissions from a location and potential carbon price increases at that location. S&P Global's operations in the United States are exposed to the greatest carbon pricing risk, followed by India, mainly due to the size of the Company's carbon footprint at facilities located in these two countries where carbon prices would need to increase to meet the goals of the Paris Agreement.

Average Internal Carbon Price Across Operating Geographies ($/Tonne CO2e)			
Scenarios	**Low (Business-as-Usual 4ºC alignment)**	**Moderate (2ºC alignment)**	**High (Below 1.5ºC alignment)**
2025	$7	$26	$350
2030	$13	$47	$784
2050	$25	$91	$2,530

Table 7: Adjusted Diluted Earnings per Share (EPS) further Adjusted for the Estimated Cost of Carbon

As part of the Company's effort to bring climate change considerations into is decision making process, using the estimated cost of carbon emissions described above, management has explored the concept of measuring results using a Carbon Adjusted Earnings Per Share metric. The measure is calculated based on the theoretical cost per share of the tons of CO2 in each period under the 2°C scenerio, which is then subtracted from its regular earnings per share. Management believes that this measure provides transparency into the previously hidden cost of carbon emissions from our operations.

(dollars in millions, except per share data)	2019		2018		2017	
	Amount	EPS	Amount	EPS	Amount	EPS
Adjusted Net Income[1]	$2,352	$9.53	$2,152	$8.50	$1,784	$6.89
Less: Estimated Cost of Carbon, net of tax[2]	13	0.05	9	0.03	7	0.03
Carbon Adjusted Net Income	$2,339	$9.47	$2,143	$8.47	$1,777	$6.86
Diluted Weighted Average Shares Outstanding	246.9		253.2		258.9	

Note – totals presented may not sum due to rounding

Between **2018 and 2019**, the increased cost of carbon reflects changes in the quantity and geographic distribution of our Scope 1, 2 and 3 emissions (not including offsets), updates to our carbon price risk dataset and revised discount rate assumptions.

1 Adjusted net income includes adjustments as depicted on Exhibit 5 of the Company's 4Q 2019 and 4Q 2018 quarterly earnings releases furnished with the SEC on 2/6/2020 and 2/7/2019.

2 Applying S&P Global's 2030 2°C scenerio carbon price of $47, $39 and $42 for 2019, 2018 and 2017, respectively, to its 2019, 2018 and 2017 Scope 1, 2 and 3 GHG emissions of 361,866, 278,471 and 242,185 would result in a total pre-tax estimated cost of carbon of $17 million ($13 million after-tax), $11 million ($9 million after-tax) and $10 million ($7 million after-tax) for 2019, 2018 and 2017, respectively.

Scope 1 and 2 Greenhouse Gas Emissions and Scope 3 Business Travel Emissions – Metrics, Targets & Assurance

S&P Global strives to reduce its environmental footprint by seeking opportunities for increased efficiency and resource conservation. Recent examples of the Company's commitment to corporate sustainability and environmental stewardship include:

- Reducing energy use by more than a third since the 2013 baseline year using best practice facilities management.
- Neutralizing all emissions from employee business travel since 2017. For every metric ton of travel-related CO_2e produced, S&P Global purchases an equal amount of certified carbon offsets from Natural Capital Partners.
- Certifying twenty two major offices as energy –efficient, including 10 LEED® Certified™ buildings. In 2019, S&P Global made a commitment to ensure that all new facilities that it occupies are highly efficient.
- Extending ISO 14001 Environmental Management Certification from seven to ten key offices in 2019, covering 38% of the Company's global workforce. Our new environmental targets commit S&P Global, by 2023, to house nine in ten employees in facilities certified to ISO 14001 best practice standards.

Table 8: Energy and Emissions

Metric	Units	2013	2014	2015	2016	2017	2018	2019
Energy	MWh	101,381	84,034	76,464	73,565	69,402	64,596	64,265
Energy Costs	US $	10,981,504	9,350,963	8,542,004	8,980,052	7,317,511	7,087,580	7,051,269
Scope 1 and 2 GHG Emissions (Location based)	t CO_2e	46,903	37,992	36,266	36,136	35,137	32,875	33,111
Scope 1 and 2 GHG Emissions (Market based)	t CO_2e						30,351	30,395
Scope 3 Business Travel GHG Emissions*	t CO_2e	11,362	10,219	23,501	26,166	36,110	42,740	46,951
Total GHG Emissions** (Scopes 1-3)	t CO_2e	58,265	48,211	59,767	62,302	71,247	73,091	77,346

*2019, 2018 and 2017 Scope 3 emissions from employee travel were neutralized through investments in carbon offsets
** Includes Scope 1 and 2 GHG Emissions (Market based) for 2018 and 2019

Scope 3 greenhouse emissions from employee business travel increased in 2019 compared to 2018 due to more business activity and improved range of data capture and quality, including global data collection and the addition of rail, hotel and rental car vendors. However, S&P Global has neutralized all emissions from employee business travel since 2017. In 2017, S&P Global launched a low carbon initiative program to neutralize Scope 3 emissions annually through investments in carbon offsets.

For every metric ton of travel-related CO2 produced we purchase an equal amount of certified carbon offsets from Natural Capital Partners. A pioneer in the voluntary carbon market, Natural Capital Partners collaborates with over 300 clients to finance sustainable energy, cooking, forestry and water solutions in 64 countries. All projects must pass the firm's due diligence requirements and meet third party standards—such as the Verified Carbon Standard or the Gold Standard—that require independent audit of emission reductions generated.

In 2019, the funds raised supported clean, efficient cookstoves in India and a job-creating wind farm in China, benefiting thousands of families. Our new goals commit us to maintain this program through 2023.

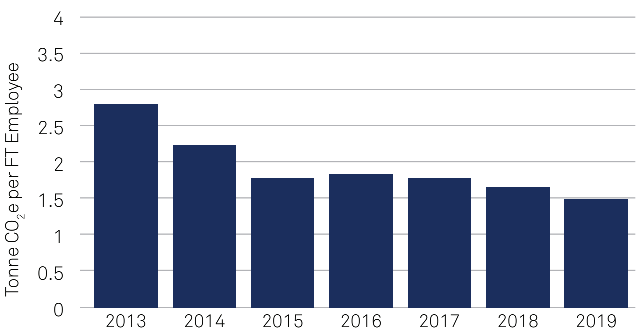
In 2013, S&P Global set a 5-year target to reduce Scope 1 & 2 greenhouse gas emissions by 15%. In 2018, S&P Global exceeded this target by reducing greenhouse gas emissions by 30% since the 2013 baseline year – double the target.

In 2019, S&P Global set a new absolute carbon emissions target to further reduce its carbon footprint and drive continued improvement through 2023. S&P Globals new 5-year target with a baseline year of 2018 is as follows:

Table 9: Scope 1 & 2 Emissions Reduction Targets

Target	Unit	2023 Target
Reduce absolute Scope 1 and 2 GHG emissions	tCO_2e	-10% from a 2018 baseline

Chart 1: Intensity Metric for Scope 1 & 2 Emissions per Employee



In 2020, S&P Global's 2019 Scope 1, 2 and 3 GHG emissions received third-party assurance from Corporate Citizenship. The evaluation assessed the accuracy of our environmental data processes and systems and was verified against the ISAE 3000 assurance standard.

Physical Impacts of Climate Change

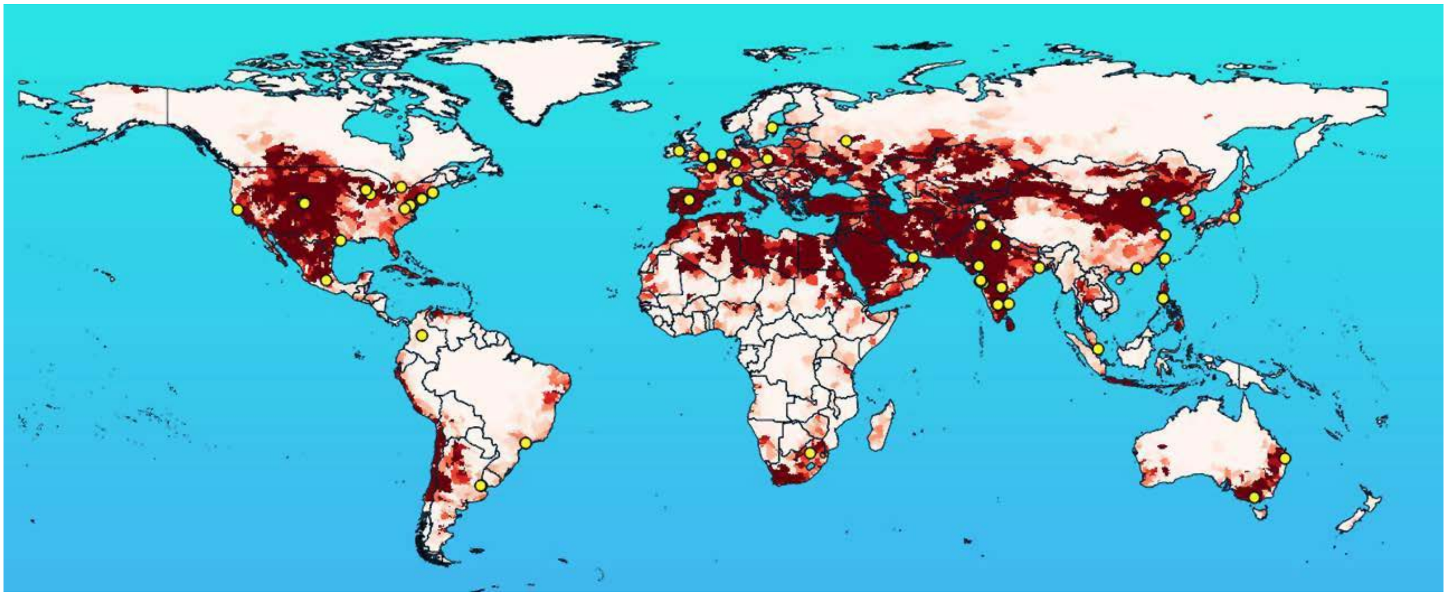
Trucost analyzed S&P Global's exposure to climate hazards based on the geographic location of facilities under each climate scenario. Below is the summary of results for the Business-as-Usual 4˚C Alignment scenario. Trucost's analysis considers inherent exposure to climate hazards in the vicinity of S&P Global's facilities, not taking into account potential risk mitigation and adaption measures.

Table 10: Physical Risk

Facilities at High Risk by 2050	Wildfire	Coldwave	Heatwave	Water Stress	Riverine Flood	Sea Level Rise	Hurricane	Overall
Number of Facilities	14	0	1	60	0	4	0	61
Total Facilities Analyzed	20%	0%	1%	85%	0%	4%	0%	86%

Based on Trucost's analysis, the majority of S&P Global's locations could be exposed to high water stress by 2050 (85%), while a smaller proportion of sites could be exposed to wildfire risk (20%) and sea level rise risk (4%) over the equivalent timeframe. S&P Global as a business is a low consumer of water in its direct operations and has robust business continuity measures in place that are designed to respond to potential office closures, which may be caused by physical climate hazards.

Water Stress (2050)



Future Opportunities from Product Development

As a leading provider of data & analytics, S&P Global recognizes the role we play in designing products and solutions that will help our clients mitigate the challenges from climate change and drive opportunities as the world transitions to a low carbon economy. S&P Global has developed a suite of products across its underlying business units that help clients in this transition and will continue to invest in innovative solutions that power sustainable markets of the future. A detailed overview of these offerings can be found here. S&P Global is projecting a 5 year revenue compound annual growth rate of approximately 44% from products and solutions that assist its clients in the transition to a low carbon economy and improve their integration of sustainability.

Table 11: Projected revenues from ongoing development of ESG products

Opportunity Metric	Units	2019	2020	2021	2022	2023	2024
Projected revenue from ESG* products	USD$ MM	$45	$64	$100	$154	$224	$276

*S&P Global considers ESG revenue to be synonymous with TCFD related revenue as climate/environmental revenue is bundled in the broader ESG offerings.

Looking Forward

We see TCFD reporting as a means to facilitate our journey towards greater climate awareness inspiring operational improvements and eventually systemic change. In our second year of reporting, S&P Global has already begun to take measurable actions in identified areas of climate-related risk and opportunity for our business, and to develop products helping our clients to make informed decisions on climate-related issues.

While our conclusions related to the materiality of climate-related risks and opportunities for S&P Global remain consistent year over year, we learned that during 2020 the pace of change and complexity of climate related risks and opportunities both accelerated and became more urgent, even over the relatively short period between issuing our inaugural TCFD report in May of 2019 and now. The expectations for corporations to act in an increasingly responsible manner from regulators, investors, employees, and key stakeholders called for greater investment, transparency, and diligence to proactively address climate related challenges. This year's TCFD Report has been updated to meet these expectations and reflect our internal efforts; going forward we will strive to raise the bar by setting bold goals to be part of the solution to slow, and possibly reverse, the effects of climate change.

Protecting our environment is a shared responsibility for individuals, corporations, governments, and countless organizations around the world. We will continue to both rethink and improve our operating model to neutralize our impact on climate change and share our experience with our stakeholders whilst providing the tools to help others advance their efforts towards minimizing their impact on the environment.

Safe Harbor Statement

Forward-Looking Statements

This report contains “forward-looking statements,” as defined in the Private Securities Litigation Reform Act of 1995. These statements, which express management’s current views concerning future events, trends, contingencies or results, appear at various places in this report and use words like “anticipate,” “assume,” “believe,” “continue,” “estimate,” “expect,” “forecast,” “future,” “intend,” “plan,” “potential,” “predict,” “project,” “strategy,” “target” and similar terms, and future or conditional tense verbs like “could,” “may,” “might,” “should,” “will” and “would.” For example, management may use forward-looking statements when addressing topics such as: the outcome of contingencies; future actions by regulators; changes in the Company’s business strategies and methods of generating revenue; the development and performance of the Company’s services and products; the expected impact of acquisitions and dispositions; the Company’s effective tax rates; and the Company’s cost structure, dividend policy, cash flows or liquidity.

Forward-looking statements are subject to inherent risks and uncertainties. Factors that could cause actual results to differ materially from those expressed or implied in forward-looking statements include, among other things:

– worldwide economic, financial, political and regulatory conditions, and factors that contribute to uncertainty and volatility including natural and man-made disasters, civil unrest, pandemics (e.g., COVID-19), geopolitical uncertainty, climate-related conditions and weather events, speed and severity of changes in climate patterns, and conditions that may result from legislative, regulatory, trade and policy changes including those associated with the current U.S. administration;

– the Company’s ability to successfully recover should it experience a disaster or other business continuity problem from a hurricane, flood, earthquake, terrorist attack, pandemic, security breach, cyber attack, power loss, telecommunications failure or other natural or man-made event, including the ability to function remotely during long-term disruptions such as the COVID-19 pandemic;

– the Company’s ability to maintain adequate physical, technical and administrative safeguards to protect the security of confidential information and data, and the potential for a system or network disruption that results in regulatory penalties and remedial costs or improper disclosure of confidential information or data;

– the outcome of litigation, government and regulatory proceedings, investigations and inquiries;

– the health of debt and equity markets, including credit quality and spreads, the level of liquidity and future debt issuances, demand for investment products that track indices and assessments and trading volumes of certain exchange traded derivatives;

– the demand and market for credit ratings in and across the sectors and geographies where the Company operates;

- concerns in the marketplace affecting the Company's credibility or otherwise affecting market perceptions of the integrity or utility of independent credit ratings, benchmarks and indices;

- the effect of competitive products and pricing, including the level of success of new product developments and global expansion;

- the Company's exposure to potential criminal sanctions or civil penalties for noncompliance with foreign and U.S. laws and regulations that are applicable in the domestic and international jurisdictions in which it operates, including sanctions laws relating to countries such as Iran, Russia, Sudan, Syria and Venezuela, anti-corruption laws such as the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act of 2010, and local laws prohibiting corrupt payments to government officials, as well as import and export restrictions;

- the continuously evolving regulatory environment, in Europe, the United States and elsewhere, affecting S&P Global Ratings, S&P Global Platts, S&P Dow Jones Indices, and S&P Global Market Intelligence, including the Company's compliance therewith;

- the Company's ability to make acquisitions and dispositions and successfully integrate the businesses we acquire;

- consolidation in the Company's end-customer markets;

- the introduction of competing products or technologies by other companies;

- the impact of customer cost-cutting pressures, including in the financial services industry and the commodities markets;

- a decline in the demand for credit risk management tools by financial institutions;

- the level of merger and acquisition activity in the United States and abroad;

- the volatility and health of the energy and commodities markets;

- our ability to attract, incentivize and retain key employees;

- the level of the Company's future cash flows and capital investments;

- the impact on the Company's revenue and net income caused by fluctuations in foreign currency exchange rates;

- the Company's ability to adjust to changes in European and United Kingdom markets as the United Kingdom leaves the European Union, and the impact of the United Kingdom's departure on our credit rating activities and other offerings in the European Union and United Kingdom; and

- the impact of changes in applicable tax or accounting requirements, including the Tax Cuts and Jobs Act on the Company.

The factors noted above are not exhaustive. The Company and its subsidiaries operate in a dynamic business environment in which new risks emerge frequently. Accordingly, the Company cautions readers not to place undue reliance on any forward-looking statements, which speak only as of the dates on which they are made. The Company undertakes no obligation to update or revise any forward-looking statement to reflect events or circumstances arising after the date on which it is made, except as required by applicable law. Further information about the Company's businesses, including information about factors that could materially affect its results of operations and financial condition, is contained in the Company's filings with the SEC, including Item 1A, Risk Factors, in our most recently filed Annual Report on Form 10-K and Item 1A, Risk Factors in our most recently filed Form 10-Q.

Appendix

Trucost Corporate Carbon Pricing Tool and Carbon Earnings at Risk Dataset

Trucost deployed two of its core products to assess S&P Global's climate risk. For determining how policy risk affects S&P Global operations directly, Trucost used the Corporate Carbon Pricing Tool to calculate S&P Global's exposure to rising carbon prices under potential climate change mitigation scenarios. Carbon pricing is set to feature prominently in global efforts to address climate change, with carbon prices already implemented in many countries and regions. To help companies understand their exposure, Trucost has quantified current carbon prices in over 140 regions and combined this with future carbon price forecasts to quantify the expected increase in carbon regulation costs borne by companies in the future.

For physical risk, Trucost utilized its dataset covering seven key climate change physical hazards (flood, water stress, heatwave, coldwave, hurricanes, sea level rise and wildfire) across three future climate change scenarios and three time periods (short, medium and long term). The three future climate change scenarios used are based on the following IPCC Representative Concentration Pathways (RCP) and informed by the TCFD technical guidelines:

- High Climate Change Scenario (RCP 8.5): This scenario is expected to result in warming in excess of 4 degrees Celsius by 2100.
- Moderate Climate Change Scenario (RCP 4.5): This scenario is more likely than not to result in warming in excess of 2 degrees Celsius by 2100.
- Low Climate Change Scenario (RCP 2.6): This scenario is likely to result in warming of less than 2 degrees Celsius by 2100.

By incorporating Trucost's physical risk analysis, S&P Global is able to identify areas of high exposure to physical climate hazards resulting from climate change that could have implications for where we choose to locate our operations and how we develop our business continuity plans in the future.

Engagement with Industry & Regulatory Organizations

S&P Global is at the forefront of sustainability thought leadership for the financial sector. We work with national and international forums, institutions and initiatives to advance environmental performance disclosure and promote a sustainable, climate-resilient economy.

These partners include:

- American Chamber of Commerce to the EU Sustainable Finance Task Force
- CDP
- Climate Bonds Initiative

- Ellen MacArthur Foundation
- European Commission's High-Level Expert Group on Sustainable Finance
- Financial Stability Board's Task Force on Climate-related Financial Disclosures
- Global Reporting Initiative
- Institute of International Finance (IIF) Sustainable Finance Working Group
- International Chamber of Commerce
- International Trading Emissions Association
- Accounting for Sustainability
- Sustainability Accounting Standards Board
- United Nations Global Compact
- United Nations Principles for Responsible Investment
- World Business Council for Sustainable Development
- World Resources Institute

Related Reports & Policies

- Health, Safety & Environment Policy
- ISO 14001 Environmental Management Certification
- ISO 50001 Energy Management Certification
- Scope 1, 2 & 3 Emissions Data Assurance
- 2019 Environmental, Social & Governance Report
- Board Audit Committee Charter
- Board Nominating and Corporate Governance Committee Charter
- 2020 Proxy Statement

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