Task Force on Climate-related Financial Disclosures (TCFD) Report 2021

S&P Global

Contents

Fostering a Sustainable Transition

Events of the past year have placed an increasing spotlight on the need for companies to cultivate resilient businesses. As we go to press, the COVID-19 pandemic has intensified in India, spreading across the country at an unprecedented pace. Our collective abilities to fight this virus in 2021 require global solidarity, particularly to support countries with lower- and middle-income economies through initiatives like COVAX.

As the impacts of COVID shape our economy, the market's focus on environmental, social and governance (ESG) factors and their correlation to organizational sustainability continues to grow, and calls for climate action have intensified. While navigating this constantly changing landscape, S&P Global marked several climate-related milestones in 2020.

In December, as we closed out the year, we announced the creation of an enterprise ESG organization, since named S&P Global Sustainable1. This company-wide group brings together S&P Global's resources and full product suite of benchmarking, analytics, evaluations, and indices to provide customers with a 360-degree view that helps them achieve their sustainability goals.

As we moved into 2021, we built on that momentum to make purposeful strides on our commitments to corporate sustainability and climate action. As you'll read in the pages that follow, these include:

- New emissions reduction targets validated by the Science Based Targets initiative (SBTi)
- Commitment to be net-zero by 2040
- Signing the Business Ambition for 1.5ºC en route to zero-emissions economy
- Support for the Say on Climate Initiative, which complements our belief in the importance of transparency and disclosure

I'm especially proud of our most recent announcement that makes tangible our sustainability commitments. Earlier this year, we entered into one of the first sustainability-linked banking facilities in the United States, tied to our climate action goals. The pricing adjustment is linked to our goals to reduce greenhouse gas emissions as verified by the SBTi, further incentivizing us to achieve our ambitious reduction target and reinforcing our commitment to sustainable corporate citizenship.

As we look to the balance of this year and beyond, the effects of COVID-19 will undoubtedly continue to reverberate. At S&P Global, we remain focused on monitoring ongoing risk, in both the near- and long-term, to ensure our business is prepared to meet any crisis head-on. Through our own actions to promote sustainability and the data, insights and resources we provide to the market, we are proud to accelerate the transition to a net-zero economy.

Sincerely,

Ewout Steenbergen
Chief Financial Officer, S&P Global

Introduction

In 2021, S&P Global continues to lead in the commitment to a sustainable environment with the announcement of our target to achieve net-zero emissions by 2040. Our targets were validated by the Science Based Targets initiative (SBTi) and are consistent with reductions required to keep global warming to 1.5°C. Our approach is derived from the latest climate science, aligning with best practice of avoiding and reducing emissions whenever possible and replacing high-carbon energy sources with low-carbon alternatives.

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. He recently signed the CFO Net Zero Statement of Support organized by A4S, where he joined other global financial leaders in committing to continued emissions reductions in support of the transition to a net-zero emissions economy. He serves as a founding member of the East Coast Chapter of the A4S CFO Leadership Network.

S&P Global is a proud sponsor of UN Climate Change to support and advance work for global climate action, particularly through upcoming events such as COP26 (the 26th UN Climate Change Conference).

We have signed on to the Business Ambition for 1.5ºC, reiterating our commitment to work toward a 1.5ºC scenario on the road to a zero-emissions economy.

Additionally, in 2021 S&P Global announced its support for the principles outlined in the Say on Climate initiative, reinforcing the Company's existing pledges to support the transition to a global net-zero economy. The initiative is a disclosure-based plan focused on emissions with the goal of advocating for sustainable business practices and corporate climate action plans.

In its 2020 TCFD report, S&P Global became one of the first companies to introduce a carbon-adjusted earnings per share metric into its financial reporting. The measure—calculated based on the theoretical cost per share of the tons of CO2 in each period subtracted from regular earnings per share—provides greater transparency into the cost of carbon emissions from company operations and integrates climate change considerations in the decision-making process. In 2021, S&P Global continues its commitment to proactive and transparent disclosure, and 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).

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, assess 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)

Using four core elements—governance, strategy, risk management and metrics & targets—the TCFD assessment shows how an organization contemplates and mitigates climate-related risks and opportunities, as well as strategies for mitigating risks and realizing opportunities.

For TCFD reporting, our assessments were informed by Trucost ESG Analysis, part of S&P Global. Trucost ESG Analysis takes 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.
- 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

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 NCGC. 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.

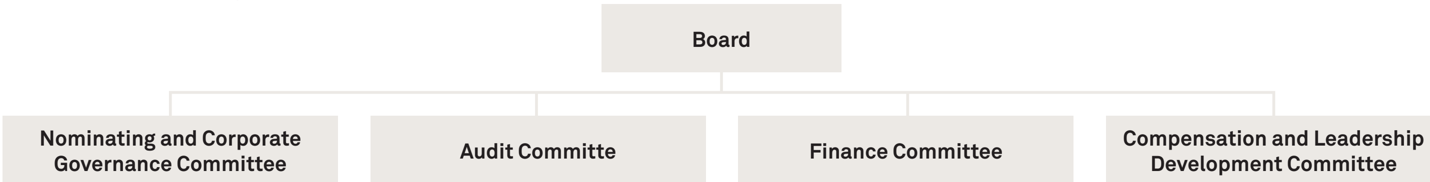
Audit Committee

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 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.

Board Level Oversight Structure



Management Level Oversight Structure

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, such as sustainability metrics incorporated into management's balanced scorecard for the annual short-term incentive plan, 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 incentive pay is also linked to outcomes to the Company's progress toward achieving strategic climate initiatives, such as incorporating key performance indicators for strategic priorities tied to environmental sustainability, thus providing another mechanism for ensuring accountability to emissions reduction goals.

Executive Leadership and Management ESG Committees

Several members of the Operating Committee, each of whom reports 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 Working Group.

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. The **Chief Corporate Responsibility & Diversity Officer (CRDO)** develops and leads corporate sustainability efforts for the Company's sustainability practices, stakeholder engagement and ESG reporting. In addition, the Corporate Responsibility team directs efforts to minimize S&P Global's environmental impact and transition to a net-zero future, in coordination with key internal stakeholders across the business. Together, the CRDO and the Senior Vice President of GRES co-chair a cross-functional Environmental Action Committee, which 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 **TCFD Working Group** in 2019 to support the ongoing monitoring of company-wide climate-related risks.

In April 2021, S&P Global launched S&P Global Sustainable1 as the new go-to-market name for the ESG Organization reflecting our commitment to being the single source of essential sustainability intelligence, helping customers navigate the transition to a low-carbon, sustainable and equitable future. The **Head of S&P Global Sustainable1** is responsible for overseeing ESG strategy, product development and market outreach, and leading a new centralized team that coordinates ESG across our business divisions. The ESG leadership team has designed a comprehensive governance structure comprising Products, Commercial and Research, Technology and Operations functions, all of which are focused on ensuring governance, alignment and execution across S&P Global's ESG strategy.

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 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.
Management ESG Committees	S&P Global Sustainable1	S&P Global Sustainable1 is the new go-to-market name for S&P Global's ESG Organization and represents our commitment to being the single source of essential sustainability intelligence, helping customers navigate the transition to a low-carbon, sustainable and equitable future. Sustainable1 brings together S&P Global's resources and full product suite of benchmarking, analytics, evaluations and indices that provide customers with a 360-degree view to help achieve their sustainability goals. This organization will continue to work in tandem with our four divisions to drive growth in S&P Global's ESG assets and leverage common capabilities to accelerate speed to market.
	Environmental Action Committee	Co-chaired by the Chief Corporate Responsibility & Diversity Officer and the Senior Vice President, Global Real Estate Services (GRES), the Committee oversees collection and tracking of key environmental metrics, sets environmental performance targets and has ownership of related policies and programming.
	TCFD Working Group	Launched in 2019, sponsored by the CFO, the Working Group supports ongoing monitoring and quantification of company-wide climate-related risks and opportunities.

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 S&P Global Corporate Sustainability Assessment (CSA) and Carbon Disclosure Project (CDP) Climate Change questionnaire[1] 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.

For its TCFD assessments, S&P Global leveraged the expertise of Trucost ESG Analysis to assess the impact against each risk and opportunity within the TCFD framework in order to assess materiality.

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.

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. Since our last publication of our TCFD report in August of 2020, we announced our target of achieving net-zero emissions by 2040. This commitment accelerates our efforts to counter the adverse effects of climate change, support a net-zero economy and demonstrate sustainable corporate citizenship. To meet the target, we will strengthen our culture of environmental efficiency and enhance systems to minimize, track and disclose our greenhouse gas (GHG) emissions. Our approach to reaching net-zero emissions is rooted in science and follows best practice management—avoiding and reducing emissions wherever possible and replacing high-carbon energy sources with low-carbon alternatives.

2021 Highlights

S&P Global Sustainable1

At the end of 2020, we announced the creation of a new S&P Global ESG Organization to accelerate our ESG business strategy and better serve the evolving needs of our customers. The S&P Global ESG Organization consolidated management of our cross-divisional ESG assets and our ESG product roadmap with an ESG leadership group and organizational structure designed to scale quickly and accelerate growth.

In April 2021, we launched S&P Global Sustainable1 as our new go-to-market name for the S&P Global ESG Organization. Our goal is to enable S&P Global to speak with one voice across the myriad sectors and customers that we serve. S&P Global Sustainable1 will focus on driving S&P Global's ESG strategy and growth plan, while working with the unique teams and deep capabilities within our divisions.

Sustainability-Linked Banking Facility

On April 26, 2021, we entered into a revolving $1.5 billion five-year credit agreement. It is one of the first sustainability-linked banking facilities in the United States tied to climate action goals verified by the SBTi and the first such banking facility in the U.S. media and information services sector.

The new credit facility includes a sustainability-linked pricing adjustment to reinforce our pledge to support the transition to a global net-zero economy. The pricing adjustment is linked to our goals to reduce greenhouse gas emissions, which have been verified by the SBTi.

1 In 2020 S&P Global earned a B from CDP.

Our Response to Climate-Related Risks and Opportunities

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

Datasets Combine to Power S&P Global's ESG and Climate-Risk Offerings

Powered by

S&P Global Datasets

– Company data (public and private companies)
– Asset-level data
– Alternative data

Trucost

– Climate and environmental data
– Trucost is the data and analytics engine that powers many of S&P Global's ESG solutions

Corporate Sustainability Assessment (CSA)

– ESG data
– The CSA powers S&P Global ESG Scores, indices and corporate benchmarking activities

Delivered by

S&P Global Ratings

S&P Global Ratings provides comprehensive assessments to investors on ESG-related risks and opportunities as well as a qualitative opinion on an entity's long-term ESG preparedness.

S&P Global Market Intelligence

S&P Global Market Intelligence's ESG data and analytics assess the performance of companies and investment portfolios against financially material metrics to uncover market opportunities.

S&P Dow Jones Indices
A Division of S&P Global

S&P Dow Jones Indices allows clients to benchmark multiple ESG perspectives—from environmental and socially responsible investing to targeted low-carbon and sustainability investment themes.

S&P Global Platts

S&P Global Platts provides insights on the forces affecting Energy Transition including long-term supply and demand outlooks and possible pathways as companies transition to a low-carbon economy.

ESG Solutions

S&P Global Ratings:
– ESG Evaluations
– Green Framework Alignment Opinion
– Green Transaction Evaluation

S&P Global Market Intelligence:
– Corporate environmental and governance data
– Supply chain ESG risks
– ESG Footprinting
– Positive Impact Scorecard
– ESG Analytics
– Energy, metals and mining, and plant operations data

S&P Dow Jones Indices:
– ESG indices (Core ESG, Climate, Thematic, Fixed Income)
– ESG exclusions and controversies monitoring
– Customized research and benchmarks

S&P Global Platts:
– Future Energy Outlooks
– 2° Scenario Planning
– Proprietary low-carbon/ sustainable commodity energy price assessments
– Global Integrated Energy Model

2020 Highlights and Progress

We have developed and launched and continue to develop a suite of products across our underlying business units that offer innovative solutions for our clients' evolving ESG needs, so they can accelerate progress by identifying growth opportunities and mitigating ESG risk. We achieved substantial progress in 2020 with new product launches and enhancements across our divisions. Significant recent achievements and product launches include:

S&P Global Ratings

- 40 ESG evaluations completed in 2020
- 24 Green evaluations completed in 2020
- 76 SAM Benchmark Engagements completed in 2020
- 220 new CSAs added during 2020, bringing the total participating companies to 1,386
- Expanded ESG evaluations to cover U.S. public finance

S&P Global Market Intelligence

- Launched S&P Global ESG Scores covering 8,500 companies on the MI platform and Xpressfeed™
- Trucost Climate Analytics and Environmental Data launched and integrated in the MI Platform Xpressfeed™
- Launched Climate Credit Analytics

S&P Dow Jones Indices
A Division of S&P Global

- Year-ending ESG ETF AUM of $20.2 billion, up more than 200% in 2020 including $8.4 billion of inflows
- Launched the Paris-Aligned Climate Transition and S&P GSCI Carbon Emission Allowance indices
- New ESG indices used in new ETFs from Blackrock, DWS, Invesco, Lyxor, Norinchukin, State Street, and UBS and CBOE options

S&P Global Platts

- Numerous price assessments launched in 2020 including:
  - Battery metals
  - Biofuels
  - Hydrogen
  - Recycled plastics
  - Renewable diesel
  - Sustainable aviation fuel
- Consolidated Energy Transition product launched on Platts Platform
- Suite of marine fuels 0.5% gaining marketplace acceptance

Research | Evaluation | Data | Analytics & Tools | Benchmarks

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	Low	Low	Low	S&P Global has committed to net-zero emissions by 2040 and has set GHG emissions targets validated by the Science Based Targets initiative. The new decarbonization strategy will primarily focus on avoiding and reducing emissions wherever possible and replacing high-carbon energy sources with low-carbon alternatives.
Transition Risks	Policy and Legal	Increased compliance costs and potential disruption related to new mandates and regulations on existing products	Low	Low	Medium	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.
Transition Risks	Technology	Increased costs related to data center resiliency	Low	Low	Low	S&P Global's Data Center and Storage Services continue to improve data center resiliency to outpace any physical effects from climate change.
Transition Risks	Market	Reduced demand for goods and services due to shift in consumer preferences or changes in purchasing power	Low	Low	Medium	S&P Global is expanding its ESG product portfolio by identifying strategic partnerships and acquisitions, and accelerating investments in research and development in renewable products to meet changing market demand.
Physical Risks	Acute	Reduced revenue from business disruption	Low	Low	Medium	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. Work-from-home strategies implemented in response to COVID-19 also have the benefit of ensuring continuity of business operations following potential extreme weather events in the future.
Physical Risks	Acute	Increased costs from repairing or restoring damaged locations	Low	Low	Medium	
Physical Risks	Chronic	Increased cost related to relocation due to sea level rise	Low	Low	Medium	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.
Physical Risks	Chronic	Increased cost related to increased need for cooling and heating due to changing temperatures	Low	Low	Low	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. Global Real Estate will implement green energy tariffs where we have operational control of the utilities to reduce carbon usage. For locations not under control, landlords are encouraged to adopt green energy tariffs.

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. In 2020, we created Project Reimagine to help shape how S&P Global will function in the future. The disruption caused by the COVID-19 pandemic created an opportunity for us to reimagine where we work and how we work together—including balancing our physical and digital footprints, leveraging technology, and digitizing our processes. By aligning our work strategy with our sustainability goal, we expect to improve delivery speed and accelerate the realization of benefits from the Project Reimagine investment. In 2021, S&P Global made a commitment to achieve net-zero emissions by 2040,10 years ahead of the Paris Climate Agreement Objective.
Products and Services	Increased revenue through demand for sustainable products				S&P Global provides a range of products to companies and investors to identify growth opportunities and mitigate ESG risk. The company also offers its expertise and advanced analytics to keep clients abreast of emerging ESG challenges and opportunities. In 2020, S&P Global consolidated all ESG products and services across all business divisions under the leadership of the President, S&P Global Market Intelligence, Head of ESG for S&P Global to better serve and meet the needs of a changing market whilst growing our product offering.
	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 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 worldwide 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. In 2020, 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 tabletop 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.

During 2020, the Board and its Committees dedicated significant time and attention to overseeing the Company's management of key risks related to the COVID-19 pandemic, receiving frequent updates at both the Board and Committee level from the CEO and other senior leaders on the Company's pandemic response and framework for the management and mitigation of related key risks across the business. Through these updates, the Board and its Committees reviewed and discussed with management the impact of the transition to a global work-from-home model on technology, cybersecurity, operations and business continuity planning. We have been successful in maintaining operational efficiency during the pandemic which gives us confidence in the ability to implement work-from-home strategies in certain locations in the events of acute climate-related disruptions.

For our TCFD reporting, S&P Global engages the Trucost ESG Analysis team to lead an in-depth TCFD analysis 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 carbon pricing and physical climate risks 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 low exposure related to carbon pricing risk. Notwithstanding, under the 2°C and 1.5°C alignment scenarios, the potential carbon pricing 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	$9 million	$146 million
Percentage Change in Operating Cost[3]	+0%	+0%	+4%
Percentage Change in Operating Margin[3]	-0%	-0%	-2%

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 a 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 average cost of capital.

3 Operating Cost and Operating Margin percentages were calculated using 2020 reported revenue, expenses and operating profit of $7,442 million, $3,825 million and $3,617 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	$8	$29	$365
2030	$15	$52	$809
2040	$24	$83	$1,703
2050	$28	$98	$2,595

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 its 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 scenario, 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)	2020		2019		2018	
	Amount	EPS	Amount	EPS	Amount	EPS
Adjusted Net Income[1]	$2,830	$11.69	$2,352	$9.53	$2,152	$8.50
Less: Estimated Cost of Carbon, net of tax[2]	10	0.04	13	0.05	9	0.03
Carbon Adjusted Net Income	$2,820	$11.65	$2,339	$9.47	$2,143	$8.47
Diluted Weighted Average Shares Outstanding	242.1		246.9		253.2	

Note – totals presented may not sum due to rounding

Between 2019 and 2020, the decreased cost of carbon reflects lower Scope 1, 2 and 3 emissions (not including carbon offsets) attributable to the COVID-19 pandemic, partly offset by increase in estimated price per tonne of carbon emission.

1 Adjusted net income includes adjustments as depicted on Exhibit 5 of the Company's 4Q 2020 and 4Q 2019 quarterly earnings releases furnished with the SEC on 2/9/2021 and 2/6/2020.

2 Applying S&P Global's 2030 2°C scenario carbon price of $52, $47 and $39 for 2020, 2019 and 2018, respectively, to its 2020, 2019 and 2018 Scope 1, 2 and 3 GHG emissions of 238,659, 361,866 and 278,471 would result in a total pre-tax estimated cost of carbon of $12 million ($10 million after-tax), $17 million ($13 million after-tax) and $11 million ($9 million after-tax) for 2020, 2019 and 2018, respectively.

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

S&P Global's efforts to promote a sustainable environment encompass our operations and people. We continually assess our portfolio and business operations with sustainability in mind and have an established record of implementing meaningful programs to reduce the Company's global environmental impact, while also promoting accountability through transparent public disclosure of our reduction efforts.

Corporate sustainability initiatives to decrease our carbon emissions and natural resource consumption are supported and integrated across our global operations through comprehensive global programs and targets, proactive performance tracking and transparent reporting. Significant recent achievements and commitments towards reducing our climate and natural resource footprint include:

Emissions Reduction Initiatives

Net-Zero Commitment
In February 2021, we announced our plan to achieve net-zero emissions by 2040 in all areas, covering Scope 1, 2 and 3 GHG emissions.

Science Based Targets Approved
We also received approval from the SBTi for specific, time bound and public reduction targets, which were externally validated by SBTi to drive our journey to net-zero.

Demonstrated Progress
We have a track record of success achieving progress against reduction targets. We significantly exceeded our prior five-year targets by reducing our Scope 1 and 2 GHG emissions by 30% from 2013-2018, doubling our target, and recommitted ourselves to proactive target setting by creating a Net Zero Working Group.

S&P Global's Science Based Targets
Using 2019 as a baseline year:

25% **Scope 1 & 2 GHG emissions Reduction by 2025**

25% **Business Travel (Scope 3 GHG emissions) Reduction by 2025**

81% **of suppliers will have SBTs by 2025**

Net-zero emissions by 2040 in all areas.

Our emissions targets align with the most ambitious reduction scenario to keep global warming to no more than 1.5°C. Of the nearly 1,400 companies who have had their science-based targets validated, only one-quarter have committed to this most ambitious reduction scenario—we're proud to count ourselves among that group.

Environmental Performance Report: Progress Against 2019 Goals

Goal

Maintain Scope 3 carbon neutral certification

>90% Coverage of employees in ISO 14001 certified offices

Progress

Neutralized all emissions from our global employee business travel

80% of our global workforce in ISO 14001 certified offices (excludes CRISIL)

- Neutralizing all emissions from employee business travel since 2017. For every metric ton of travel-related CO2e produced, S&P Global purchases an equal amount of certified carbon offsets from Natural Capital Partners.
- Twelve of our buildings are LEED or Green Mark certified.

- Extending ISO 14001 Environmental Management Certification from 10 to 14 offices in 2020, covering 80% of the Company's global workforce. Our 2019 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: Environmental Data

Metric	Units	2018	2019	2020[3]
Total energy	MWh	64,596	64,265	37,139
Energy cost	US $	7,087,580	7,051,269	4,114,478
Scope 1 and 2 GHG emissions (Location based)	tCO2e	32,875	33,111	18,689
Scope 1 and 2 GHG emissions (Market based)	tCO2e	30,351	30,395	18,780
Scope 3 GHG emissions	tCO2e		328,754	219,879
Business travel emissions[1]	tCO2e	42,740	46,951	9,703
Total GHG emissions[2] (Scopes 1-3)	tCO2e	73,091	359,149	238,659

[1] Scope 3 emissions from employee travel were neutralized through investments in carbon offsets.
[2] Includes Scope 1 and 2 GHG emissions (Market based) and Scope 3 GHG emissions except or 2018, in which Scope 3 emissions were only related to employee travel.
[3] In 2020, the reductions in energy cost and Scope 1, 2 and 3 GHG emissions are attributable to the COVID-19 pandemic resulting in global office closures and limited travel.

In light of the impact of the COVID-19 pandemic during 2020, Scope 1, 2 and 3 GHG emissions significantly decreased in 2020 compared to 2019, mainly driven by reduced business travel and reduced procurement spend in the Company's Scope 3 emissions, and reductions related to Scope 1 and 2 emissions from offices.

From our learnings in 2020, we believe there is a tremendous opportunity to reimagine the way we work, adjusting to the shifting environment and business needs in a post-COVID world. In 2020, we created Project Reimagine to help shape how S&P Global will function in the future including balancing our physical and digital footprints (e.g. co-location, hybrid and virtual teams), leveraging technology, and digitizing our processes (e.g., hybrid cloud and digital workspace). Going forward, we expect this transformation would reduce our carbon footprint due to lower level of business travel and office procurement spend, and refreshed and consolidated digital technology infrastructure.

Our real estate energy needs and the resulting GHGs account for most of our carbon footprint. The ongoing global rollout of ISO 14001 best practice certification drives the heating, lighting and cooling efficiency programs that in turn reduce our emissions. With most of our sites closed for the majority of 2020 due to the pandemic, we put additional onsite energy saving initiatives on hold. However, as of April 2021, three of our offices switched to 100% renewable energy tariffs, with potential annual savings of 2,634.1 tCO2e based on 2019 figures.

We have identified carbon-reduction opportunities to meet our 2025 targets, including office site consolidations and operational changes in areas such as heating, air conditioning and lighting. We will also explore renewable energy solutions and purchase of renewable energy certificates (RECs).

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

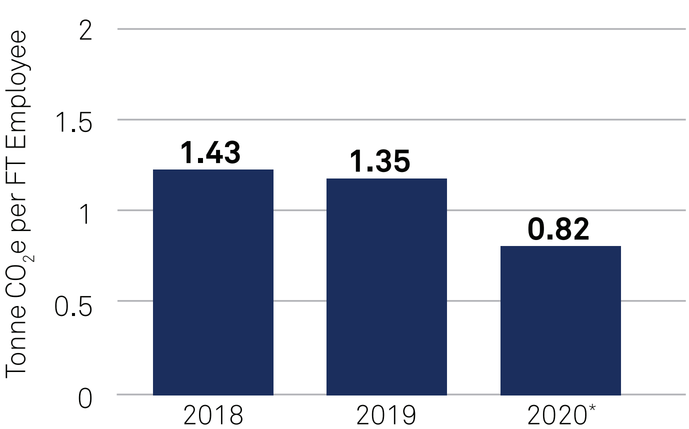
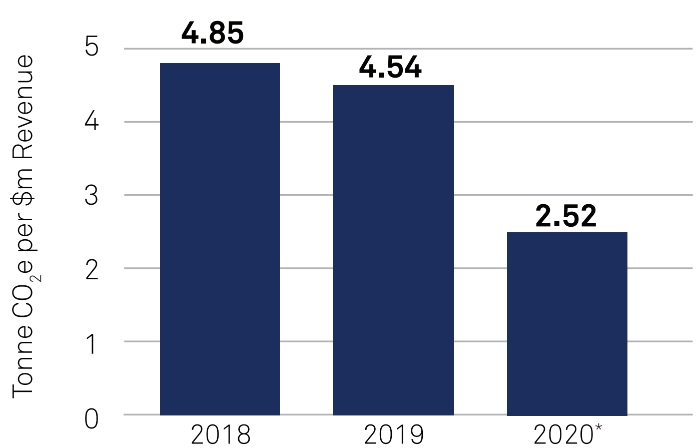


Chart 2: Intensity Metric for Scope 1 & 2 Emissions per $million Revenue



In 2021, S&P Global's 2020 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.

* Decrease in carbon intensity metrics by employee and revenue is due to lower emissions mainly driven by the COVID-19 pandemic.

Physical Impacts of Climate Change

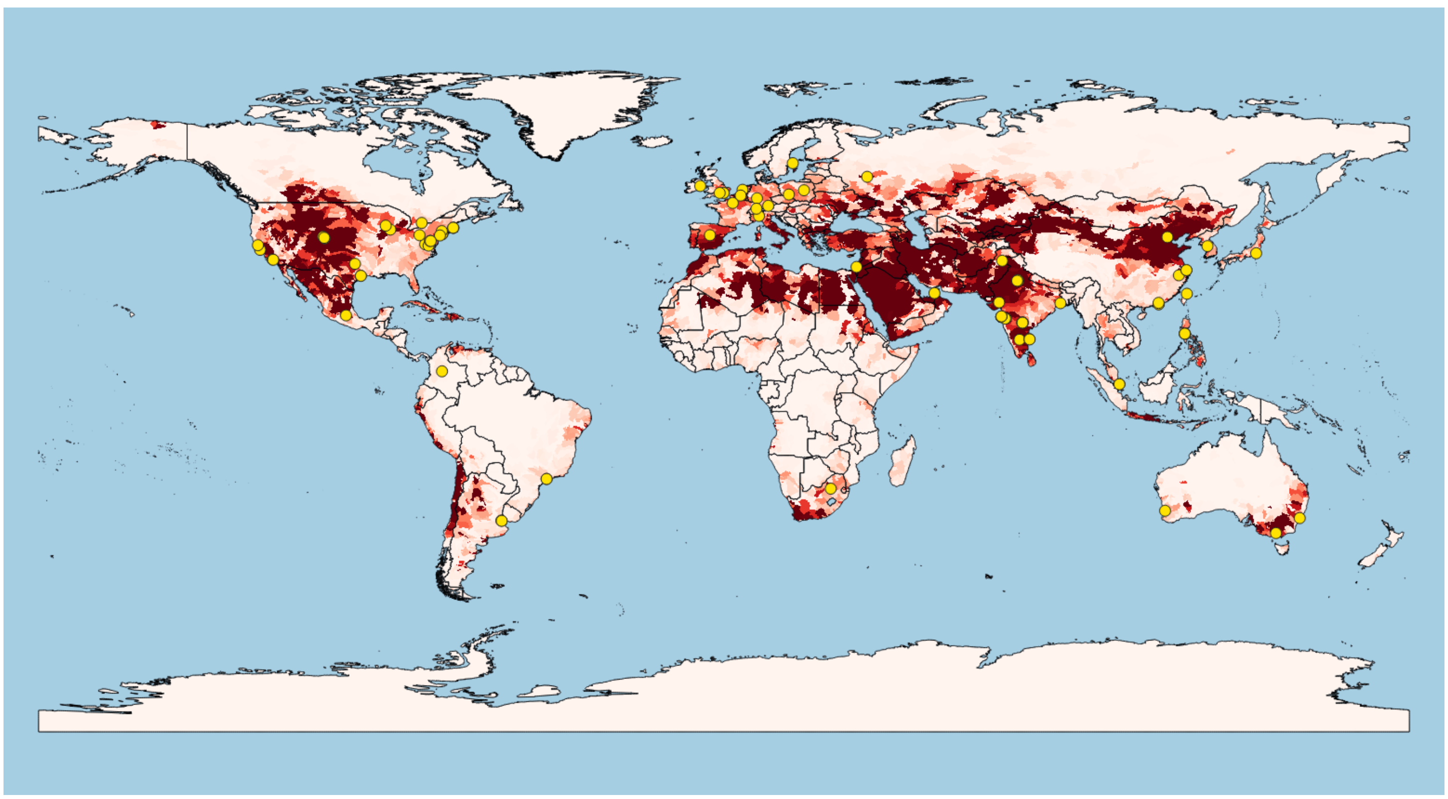
Trucost analyzed S&P Global's exposure to climate hazards based on the geographic location of facilities under each climate scenario. Below is the summary of results for the business-as-usual 4°C Alignment scenario. Trucost's analysis considers inherent exposure to climate hazards in the vicinity of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

Table 9: Physical Risk

Facilities at High Risk by 2050	Wildfire	Coldwave	Heatwave	Water Stress	Riverine Flood	Sea Level Rise	Hurricane	Overall
Number of Facilities	2	0	0	59	2	0	8	39
% Total Number of Facilities Analyzed	2%	0%	0%	63%	2%	0%	9%	42%

Based on Trucost's analysis, the majority of S&P Global's locations could be exposed to high water stress by 2050 (63%). 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.

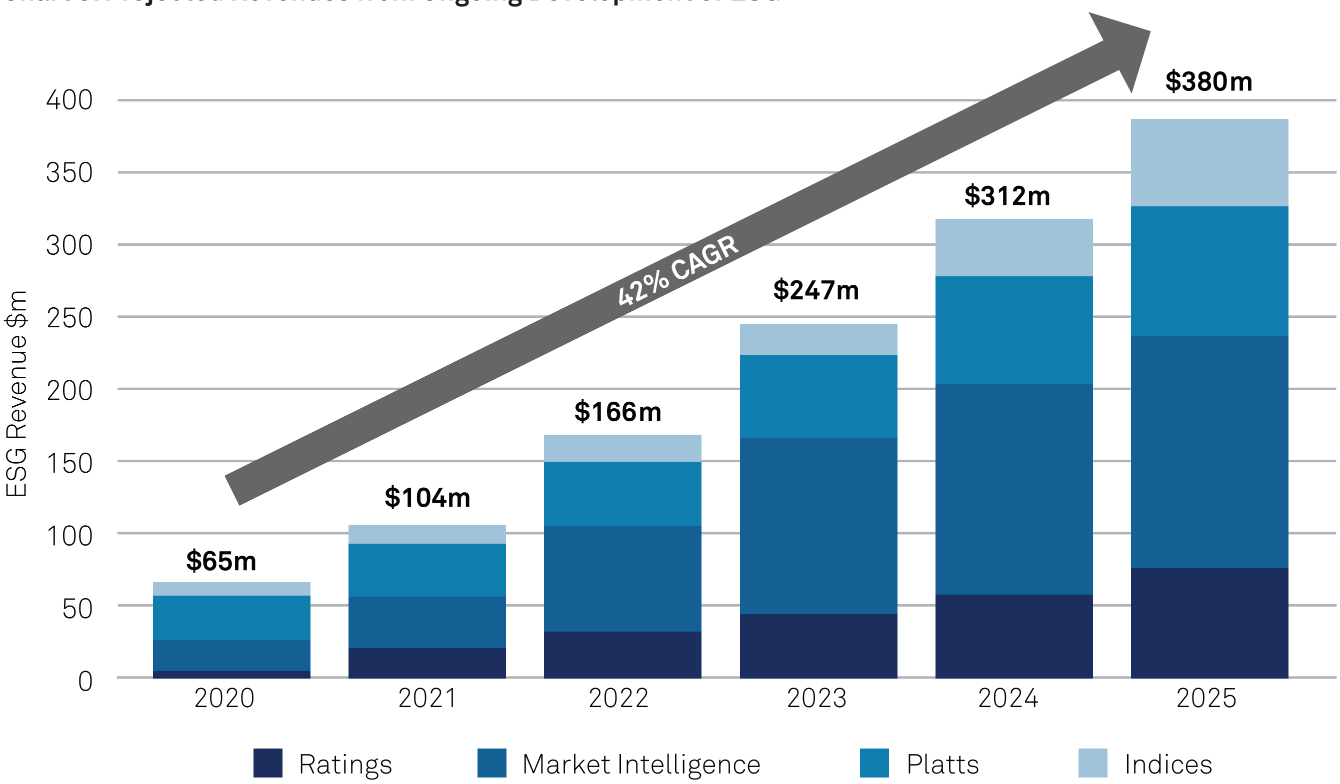
Water Stress (2050)



Future Opportunities from Product Development

As a leading provider of data and 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 continues 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 five-year revenue compound annual growth rate of approximately 42% from products and solutions that assist its clients in the transition to a low-carbon economy and improve their integration of sustainability.

Chart 3: Projected Revenues from Ongoing Development of ESG*



*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

S&P Global is cognizant of the increasing focus on climate-related issues from the investor community and regulatory bodies. Companies that act now to reduce global emissions in the next decade and reach net-zero will be better placed to manage risk and build resilience. In our third year of TCFD reporting, S&P Global has made significant progress integrating climate-related risk and opportunity into our business through our commitment to achieve a net-zero emission economy, and accelerated our focus on providing essential intelligence that helps our business, clients and communities navigate the complex and evolving nature of climate-related issues.

On the solid foundation established last year, the 2021 TCFD report was updated to meet the external expectations and reflect our internal efforts. We will explore new insights, data and tools on climate change, and in doing so, we expect to bring greater climate awareness to our clients to help measure, manage and reduce our climate risk.

Looking forward, we will continue to refine our methodologies in assessing climate-related issues and our control framework to ensure the quality, integrity and transparency in our TCFD report.

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, including statements about COVID-19 and the merger (the "Merger") between a subsidiary of the Company and IHS Markit Ltd. ("IHS Markit"), 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, 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;
- the satisfaction of the conditions precedent to consummation of the Merger, including the ability to secure regulatory approvals on the terms expected at all or in a timely manner;
- the occurrence of events that may give rise to a right of one or both of the parties to terminate the merger agreement;
- uncertainty relating to the impact of the Merger on the businesses of the Company and IHS Markit, including potential adverse reactions or changes to the market price of the Company's common stock and IHS Markit shares resulting from the announcement or completion of the Merger and changes to existing business relationships during the pendency of the acquisition that could affect the Company's and/or IHS Markit's financial performance;
- risks relating to the value of the Company's stock to be issued in the Merger, significant transaction costs and/or unknown liabilities;
- the ability of the Company to successfully integrate IHS Markit's operations and retain and hire key personnel of both companies;
- the ability of the Company to retain customers and to implement its plans, forecasts and other expectations with respect to IHS Markit's business after the consummation of the Merger and realize expected synergies;
- business disruption following the Merger;
- the possibility that the Merger may be more expensive to complete than anticipated, including as a result of unexpected factors or events;
- the Company's and IHS Markit's ability to meet expectations regarding the accounting and tax treatments of the Merger;
- 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 ongoing 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, S&P Global Market Intelligence and the products those business divisions offer including our ESG products, and 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 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.

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:

- Accounting for Sustainability
- American Chamber of Commerce to the EU: Sustainable Finance Task Force
- Association for Financial Markets in Europe Sustainable Finance Working Group
- Capitals Coalition
- Cities Climate Finance Leadership Alliance
- Climate Bonds Initiative
- The Climate Group
- Financial Stability Board's Task Force on Climate-related Financial Disclosures
- Global Adaptation & Resilience Investment Working Group
- Institute of International Finance
- International Chamber of Commerce
- Investor Group on Climate Change
- UK Green Finance Initiative Working Group on Risk, Data & Disclosure
- United Nations Framework Convention on Climate Change
- United Nations Global Compact
- United Nations Principles for Responsible Investment
- World Business Council for Sustainable Development
- World Economic Forum

Related Reports & Policies

- Health, Safety & Environment Policy
- ISO 14001 Environmental Management Certification
- ISO 50001 Energy Management Certification
- Scope 1, 2 & 3 Emissions Data Assurance
- 2020 Impact Report
- Board Audit Committee Charter
- Board Nominating and Corporate Governance Committee Charter
- 2021 Proxy Statement