2019 Goldman Sachs U.S. Financial Services Conference

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S&P Global

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Comparison of adjusted information to U.S. GAAP information

This presentation includes adjusted financial measures that are derived from the Company's continuing operations. This non-GAAP information is provided in order to allow investors to make meaningful comparisons of the Company's operating performance between periods and to view the Company's business from the same perspective as Company management.

The Company's earnings release dated October 29, 2019 contains exhibits that reconcile the differences between the non-GAAP measures and comparable financial measures calculated in accordance with U.S. GAAP. Such exhibits are available on the Company's website at http://investor.spglobal.com/quarterly-earnings

“Safe Harbor” statement under the Private Securities Litigation Reform Act of 1995

This presentation 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, including geopolitical uncertainty and conditions that may result from legislative, regulatory, trade and policy changes associated with the current U.S. administration or the United Kingdom’s withdrawal from the European Union;
- the rapidly 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 new and amended regulations and the Company’s compliance therewith;
- the impact of the recent acquisition of Kensho, including the impact on the Company’s results of operations; any failure to successfully integrate Kensho into the Company’s operations; any failure to attract and retain key employees; and the risk of litigation, unexpected costs, charges or expenses relating to the acquisition;
- the Company’s ability to maintain adequate physical, technical and administrative safeguards to protect the security of confidential information and data, and the potential of a system or network disruption that results in regulatory penalties, remedial costs, or improper disclosure of confidential information or data;
- our ability to make acquisitions and dispositions and successfully integrate the businesses we acquire;
- 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 and the potentially adverse impact of increased access to cash resulting from the Tax Cuts and Jobs Act;
- 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;
- 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 of the energy marketplace;
- the health of the commodities markets;
- our ability to attract, incentivize and retain key employees;
- our ability to adjust to changes in European and United Kingdom markets as the United Kingdom leaves the European Union, the impact of the United Kingdom’s departure on our offerings in the European Union, and the impact of the United Kingdom’s departure on our credit rating activities and other European and United Kingdom offerings, particularly in the event of the United Kingdom's departure without an agreement on terms with the European Union;
- 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;
- changes in applicable tax or accounting requirements, including the impact of the Tax Cuts and Jobs Act in the U.S.;
- 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; and
- 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 and Syria, 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 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 the “Risk Factors” section in the Company’s most recently filed Annual Report on Form 10-K.

360° view makes us vital to the global markets.

We provide data and analytics, research and commentary, benchmarks and credit ratings through the collective strength of our divisions.

S&P Global
Ratings

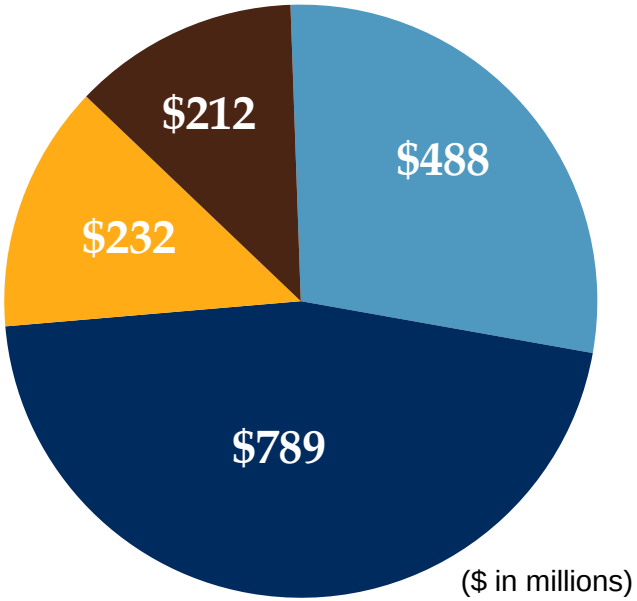
S&P Global
Market Intelligence

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

S&P Global
Platts

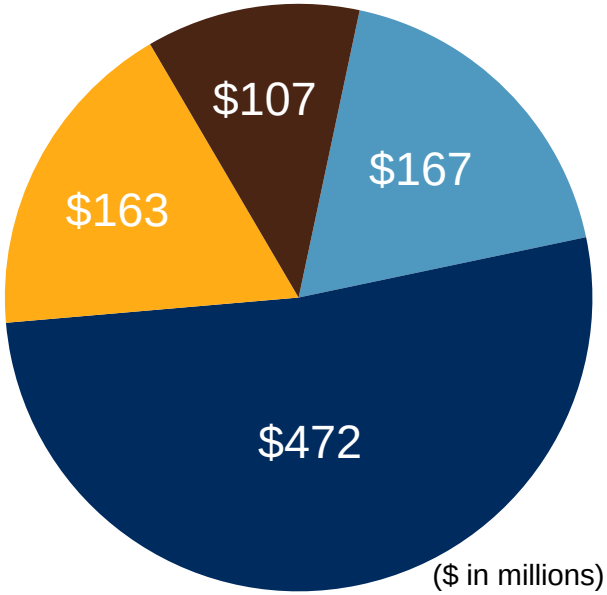
3Q 2019 results by segment

Revenue: $1,689 million



($ in millions)

Adjusted segment operating profit: $910 million



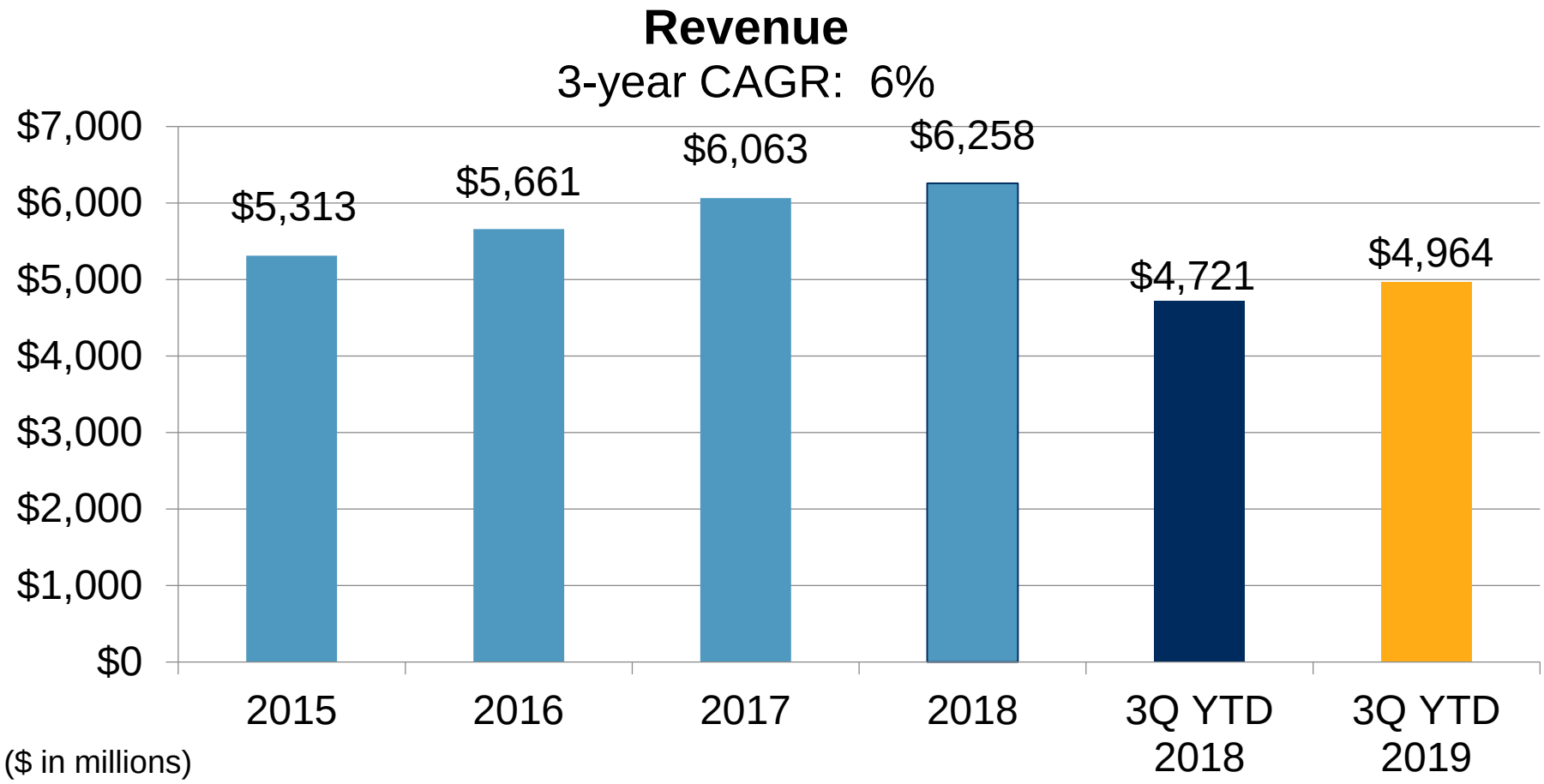
($ in millions)

- Market Intelligence
- Ratings[1]
- S&P Dow Jones Indices[2]
- Platts

Notes: Revenue chart excludes corporate revenue and consolidating adjustments

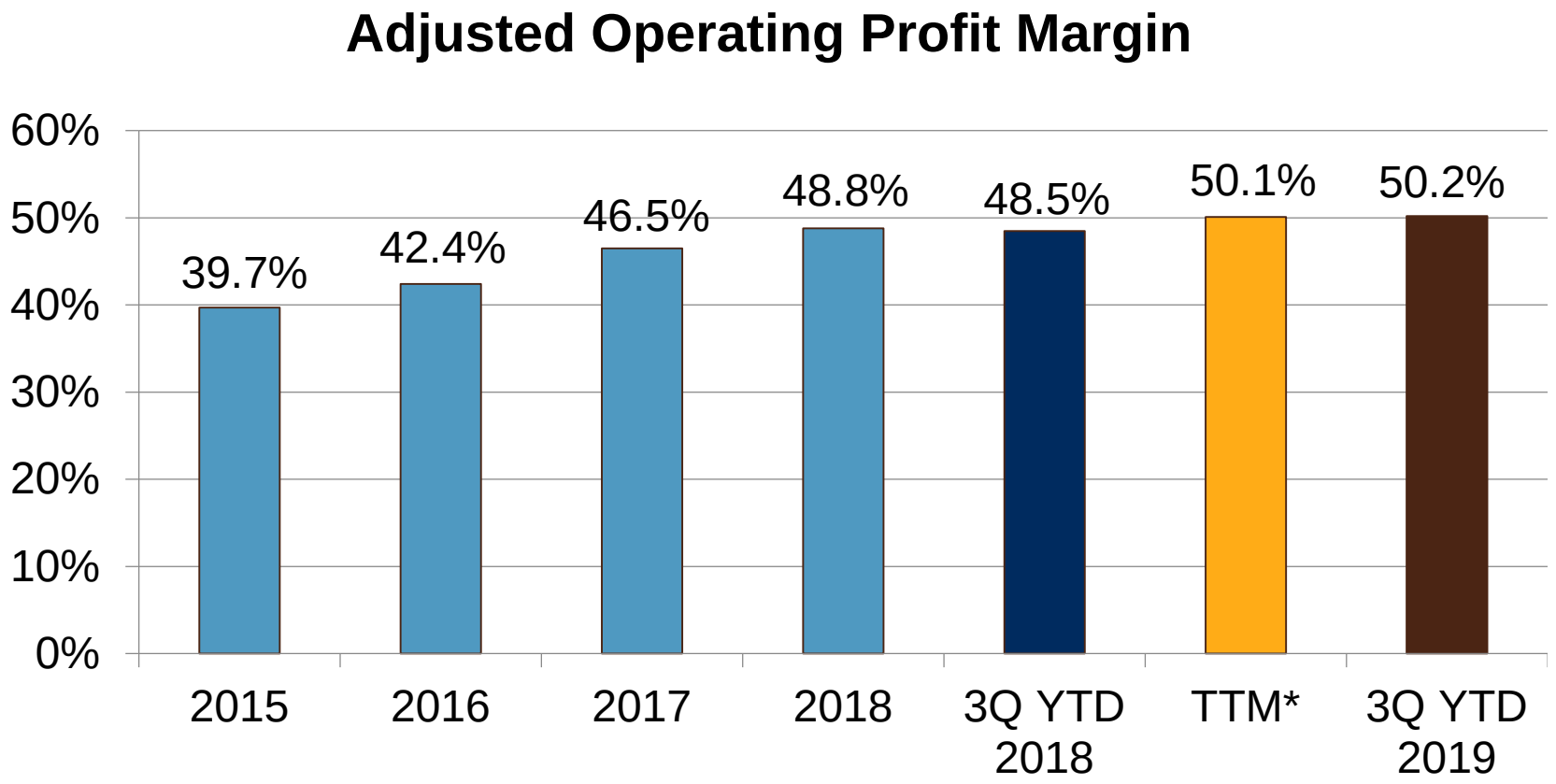
1) Includes CRISIL
2) Includes operating profit attributable to the noncontrolling interest of the S&P Dow Jones Indices joint venture of $43 million

Consistent revenue growth



($ in millions)

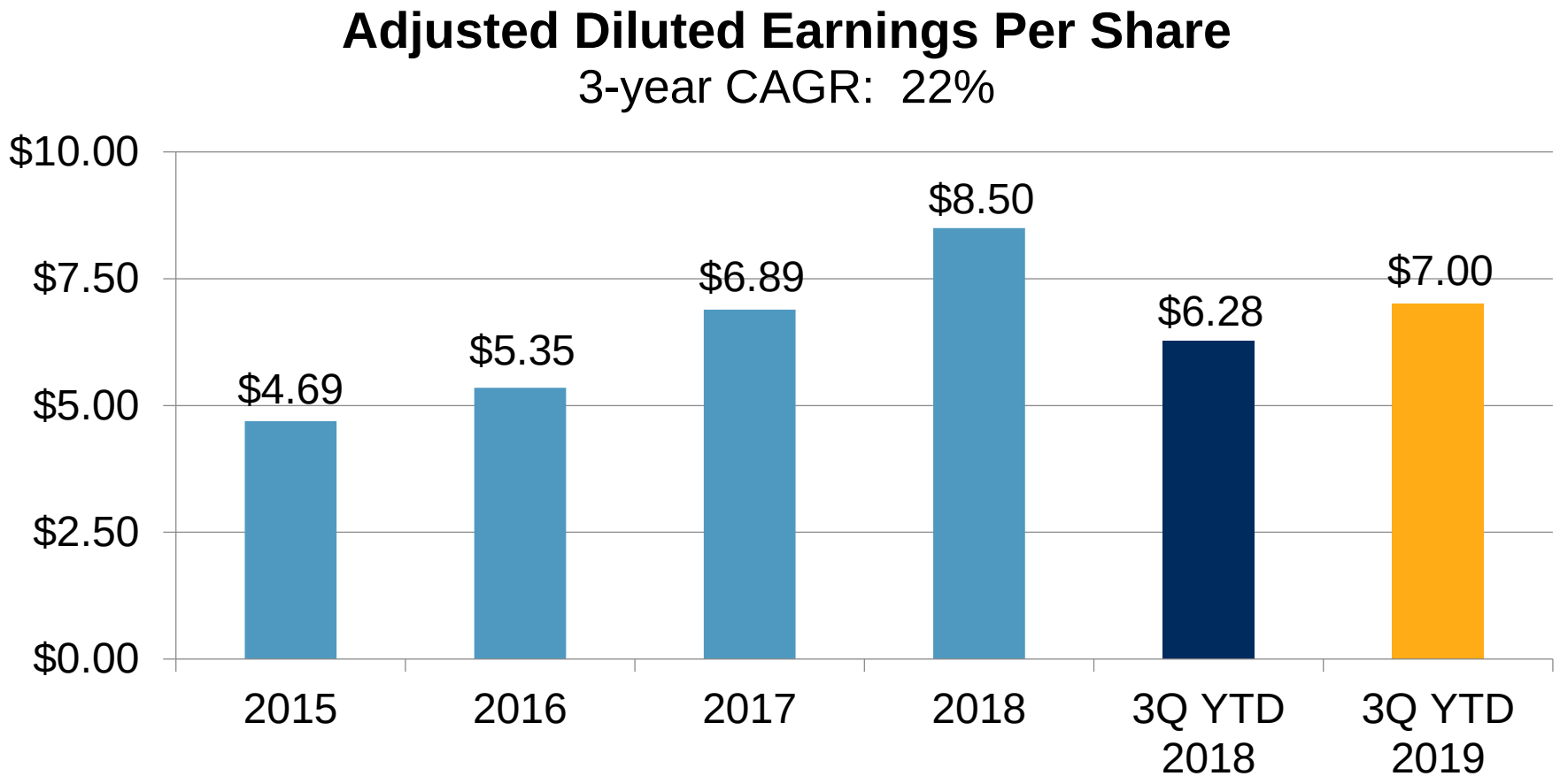
Adjusting operating profit margin improvement continues



Notes: Beginning in 2016, the Company began excluding deal-related amortization from its non-GAAP results. The excluded figures were $67 million in 2015, $96 million in 2016, $98 million in 2017, $122 million in 2018, $91 million in 3Q YTD 2018, and $92 million in 3Q YTD 2019.

* 3Q 2019 trailing twelve months

Adjusted diluted earnings per share growth continues



Note: Beginning in 2016, the Company began excluding deal-related amortization from its non-GAAP results. The excluded figures were $67 million in 2015, $96 million in 2016, $98 million in 2017, $122 million in 2018, $91 million in 3Q YTD 2018, and $92 million in 3Q YTD 2019.

Secular market trends position S&P Global for sustained long-term growth



Total corporate debt outstanding continues to grow over time



China capital markets reform



Investors searching for unique data with ubiquitous delivery



Assets continue to shift to index-related investments



ESG investing gaining momentum



Trade flow changes drive additional price assessments usage

Progress on new ~$100 million, 3-year cost reduction program

Target annual run-rate savings 2018 to 2020

Productivity improvements across **support functions** and **real estate**

$45-55M

Productivity improvements in **technology & digital infrastructure**

$55-60M



Run-rate savings achieved in first year

$45m across support functions and real estate

$15m in technology and digital infrastructure



Our capital management philosophy

Continued Dividend Growth

≥75%

Prudent & Flexible Balance Sheet

Steady Growth

- Continue our 46-year track record of steady annual dividend growth

FCF[1] Return to Shareholders

- Return capital to shareholders via share repurchases and dividends
- Execute share repurchases in a disciplined manner

Financial Health

- Committed to investment-grade credit rating
- Target adjusted gross leverage[2] to adjusted EBITDA ratio of 1.75x to 2.25x

1) Free Cash Flow represents operating cash flow less capex and distributions to non-controlling interests and certain excluded items.

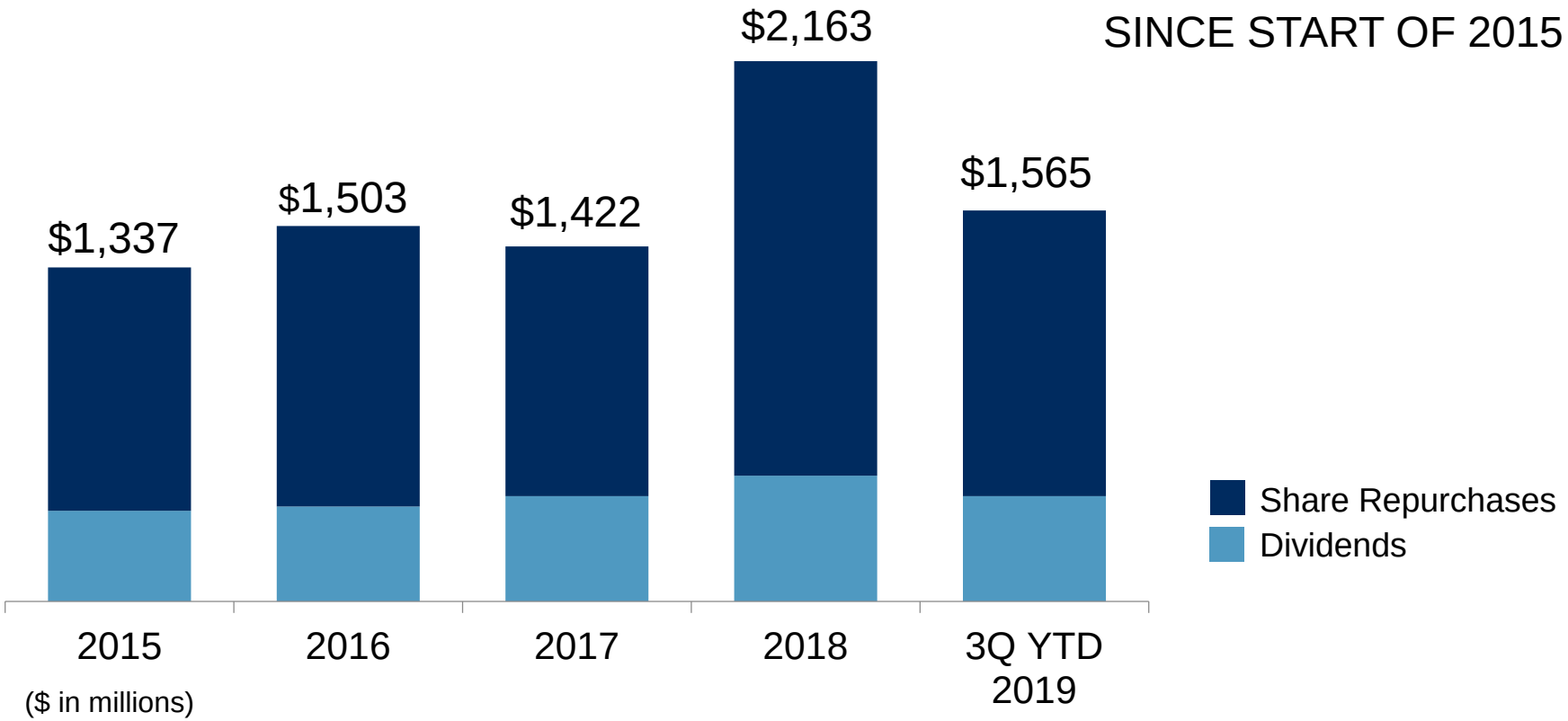
2) 2018 adjusted gross leverage included debt, unfunded portion of pension liabilities (~$215 Million), SPDJI put option (~$2.03 Billion), and the expected NPV of the liability for lease payments (~$727 Million)

Consistent track record of returning cash to shareholders

RETURNED

$8 Billion

SINCE START OF 2015



Note: Shares repurchased are reported on a settlement-date basis

2019 areas of focus



Global

- Bring additional transparency and independent analytics to Chinese capital markets with Ratings and Market Intelligence programs
- Expand Platts capabilities in Asia



Customer Orientation

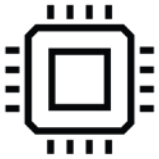
- Continue S&P Global platform development
  - Ongoing CIQ client migration
  - Begin adding Platts pricing and news
  - Expand Ratings 360 content



Innovation

- Expand SPDJI ESG and smart beta offerings
- Ramp up ESG data factory and ESG data feeds

2019 areas of focus



Technology

- Enable cloud-first strategy
- Implement numerous Kensho projects



Operational Excellence

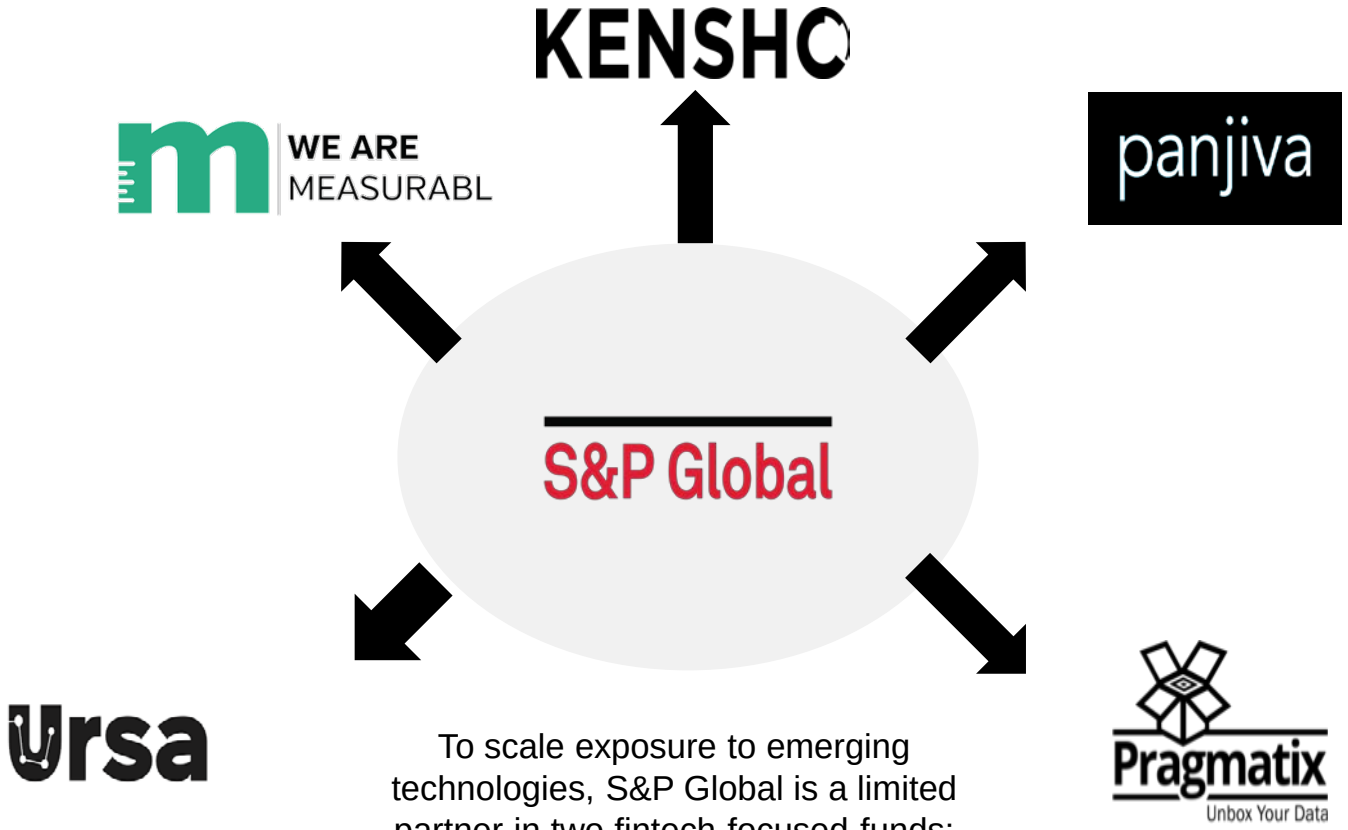
- Optimize management of data ingestion and data operations
- Leverage AI and machine-learning capabilities
- Continue to improve cyber security



People

- Raise technological acumen of all employees
- Maintain commitment to diversity and inclusion

A growing ecosystem: recent investments in fintech and unique data sets



To scale exposure to emerging technologies, S&P Global is a limited partner in two fintech-focused-funds: Green Visor (San Francisco) and Arbor (Hong Kong and Israel)

Kensho capabilities integrated to Enhance S&P Global product offerings

1. Fuel Revenue Momentum

2. Deliver EBITA Enhancement

Company-wide projects building capabilities across divisions to provide timely, high-quality, comprehensive, and relevant intelligence to clients

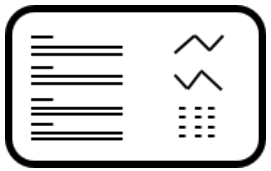
Data Ingestion



Data Processing

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Data & Document Delivery



Currently Implementing

- **Omnisearch** – Revolutionize usage of the S&P Global platform and access to data via search and topical machine-learning
- **Entity linking** – Drive down cost and time to acquire and maintain new data sets and bring them to market
- **Codex** – A next generation, customer-oriented platform to ingest documents and provide relevant data and information for a user's needs
- **Data Operations as a Service** – Support ongoing effort to build a Company-wide service to ingest, clean, tag, annotate, QA, store, and distribute data
- **Data Extraction** – Use machine-learning in our data operations to improve data collection by reading company presentations and other unstructured documents and extracting relevant data

S&P Global

On March 26, S&P Global officially launched our domestic credit-rating business in China

1. Fuel Revenue Momentum

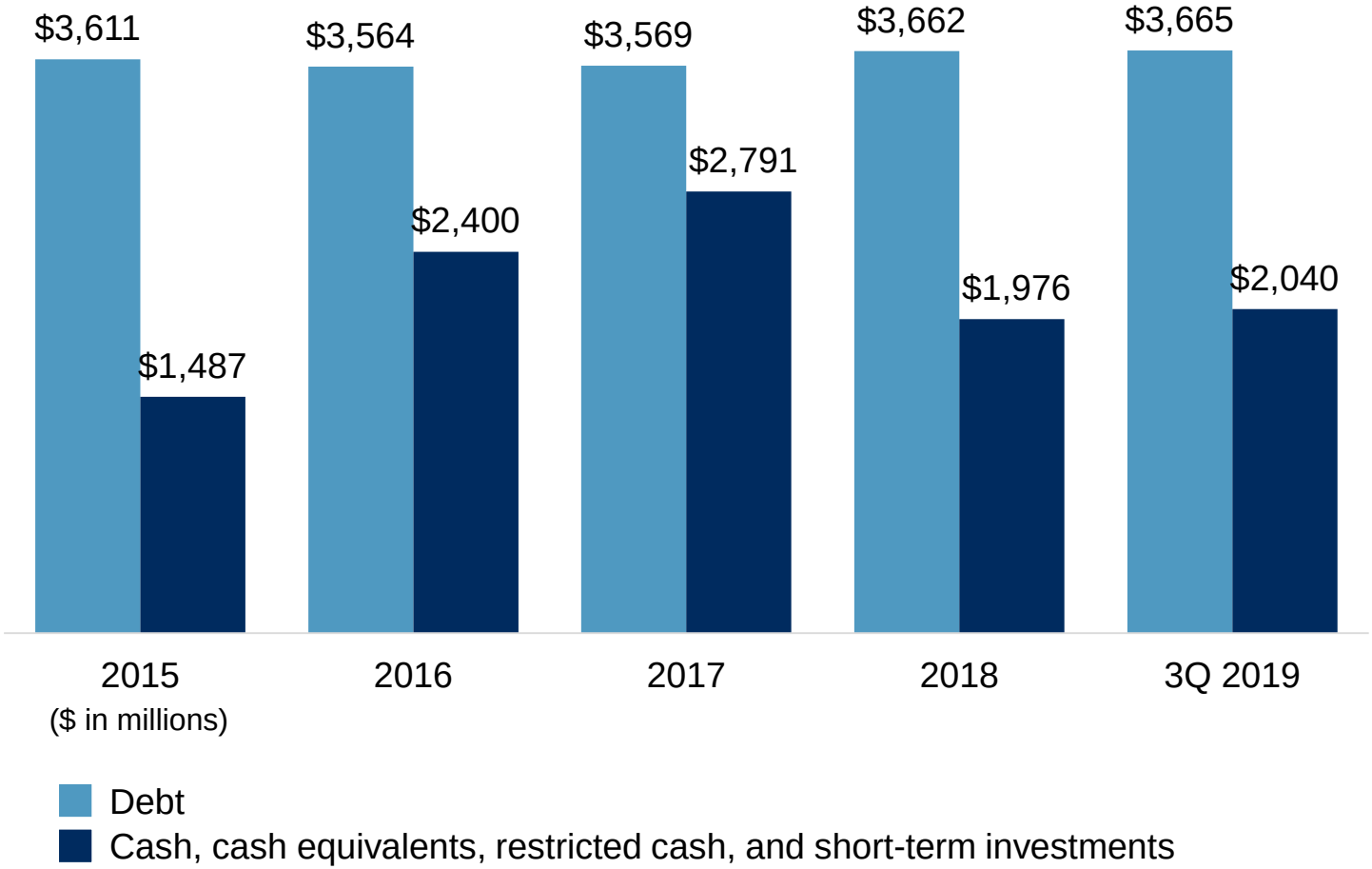
- First approval for a company wholly owned by an international CRA to rate domestic Chinese bonds
- Authorized to rate issuers and issuances from:
  - Financial institutions
  - Corporates
  - Structured finance bonds
  - Renminbi denominated bonds



- China is the 3rd largest bond market in the world
- In 2018, corporate issuance was approximately $1 trillion (similar to U.S.)
- We are entering the market with a greenfield operation
- We issued our first rating in June

Balance sheet strength available for investments and return of capital

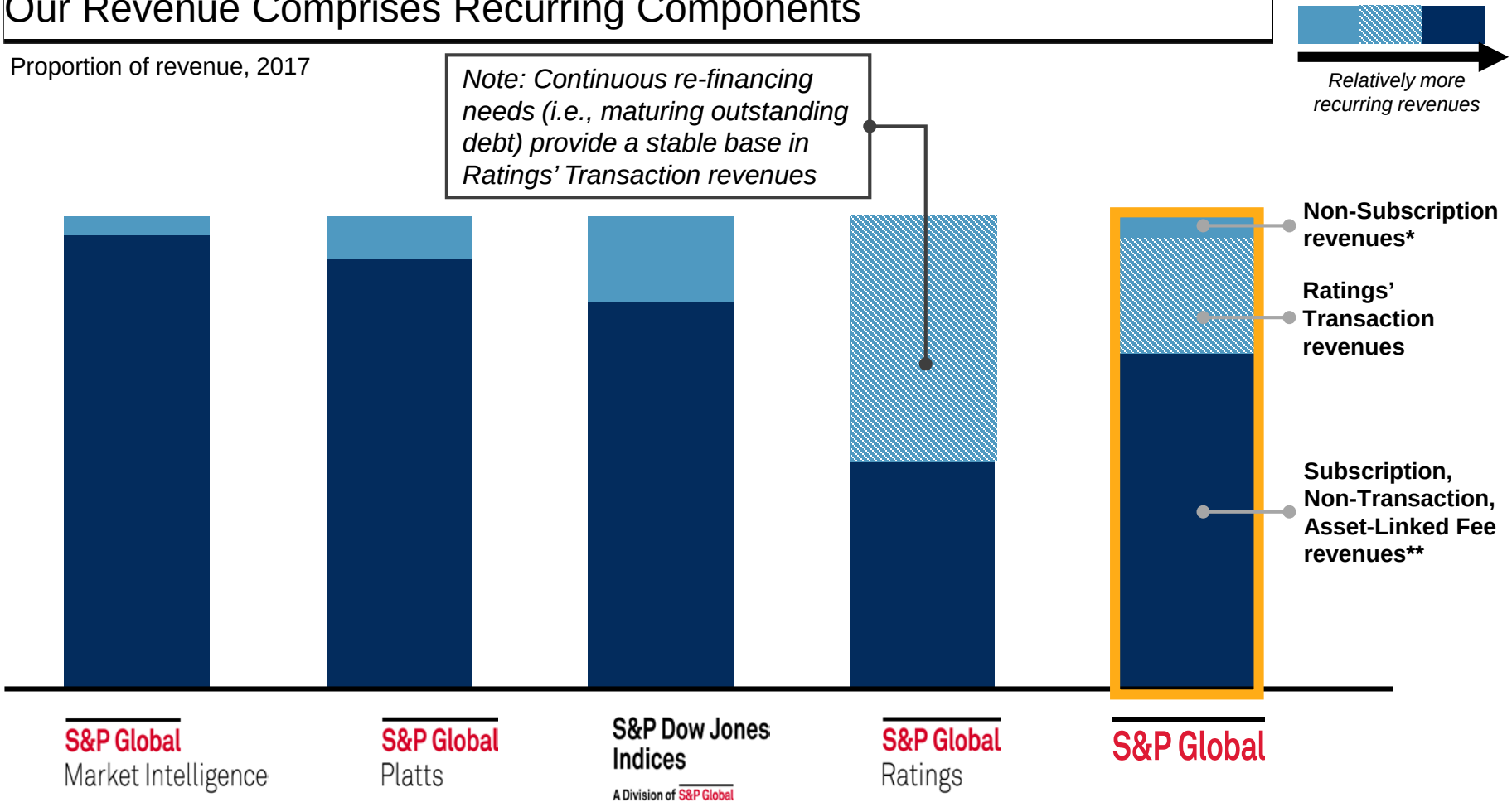
Period-end debt and cash position



Resilient business model

Our Revenue Comprises Recurring Components

Proportion of revenue, 2017

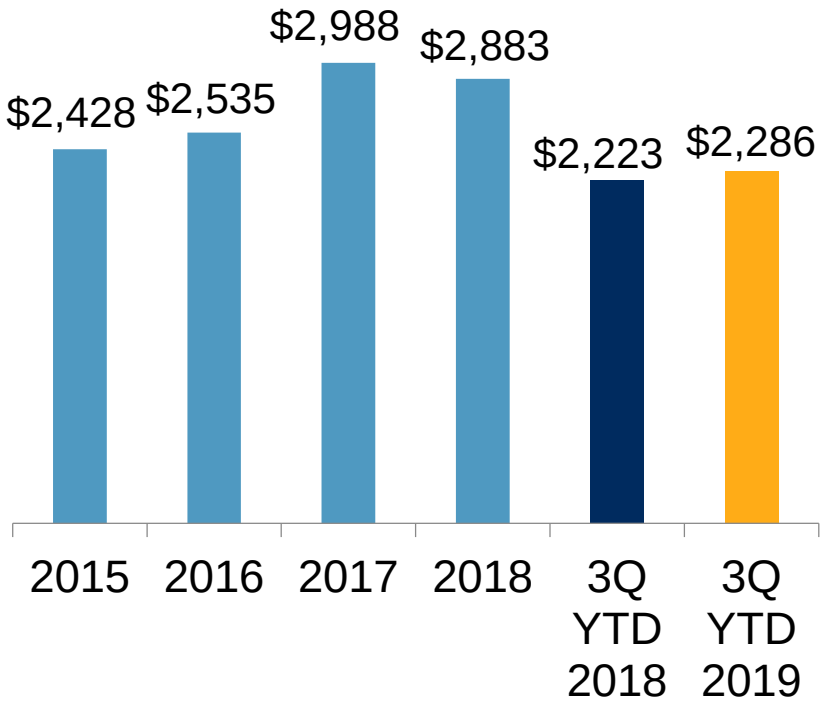


* **Non-Subscription** revenues relate to Market Intelligence, Platts, and S&P Dow Jones Indices; and includes sales-usage based royalties
** **Subscription** revenues relate to Market Intelligence, Platts, and S&P Dow Jones Indices; **Non-Transaction** revenues relate to Ratings; **Asset-Linked Fee** revenues primarily relates to S&P Dow Jones Indices

Ratings financial snapshot

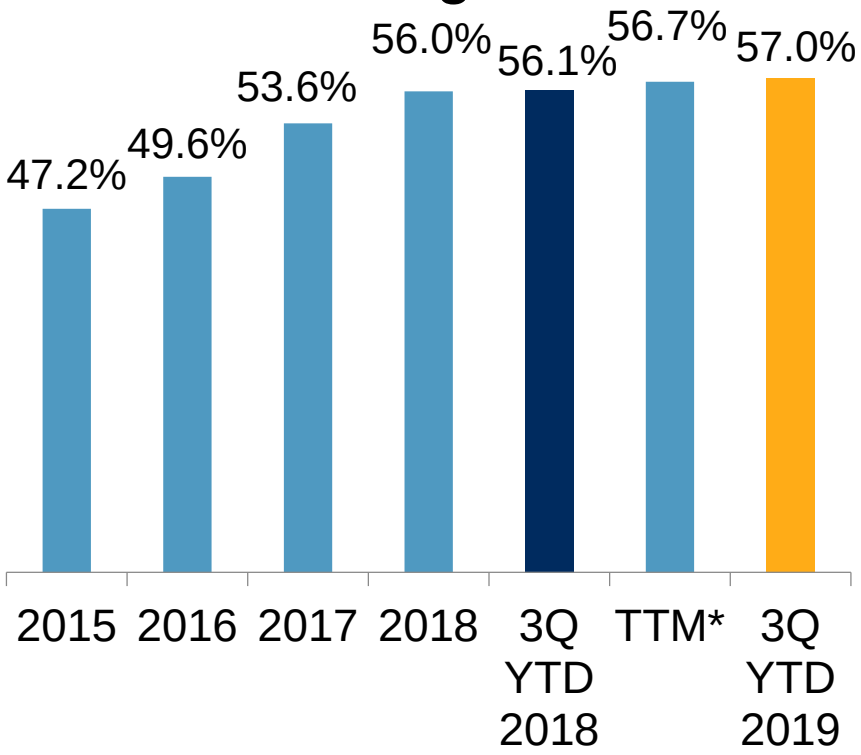
Revenue

3-year CAGR: 6%



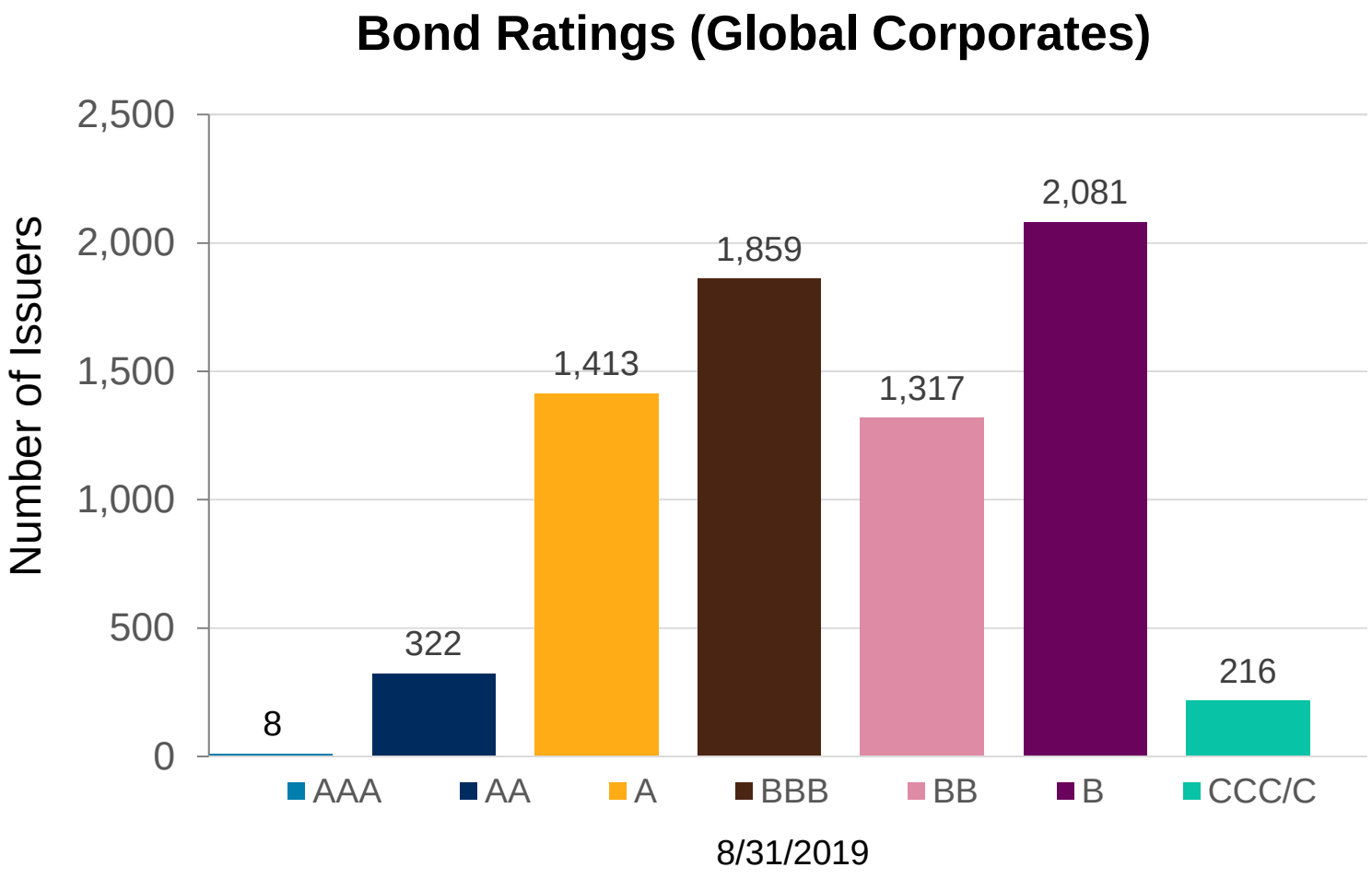
($ in millions)

Adjusted Operating Profit Margin



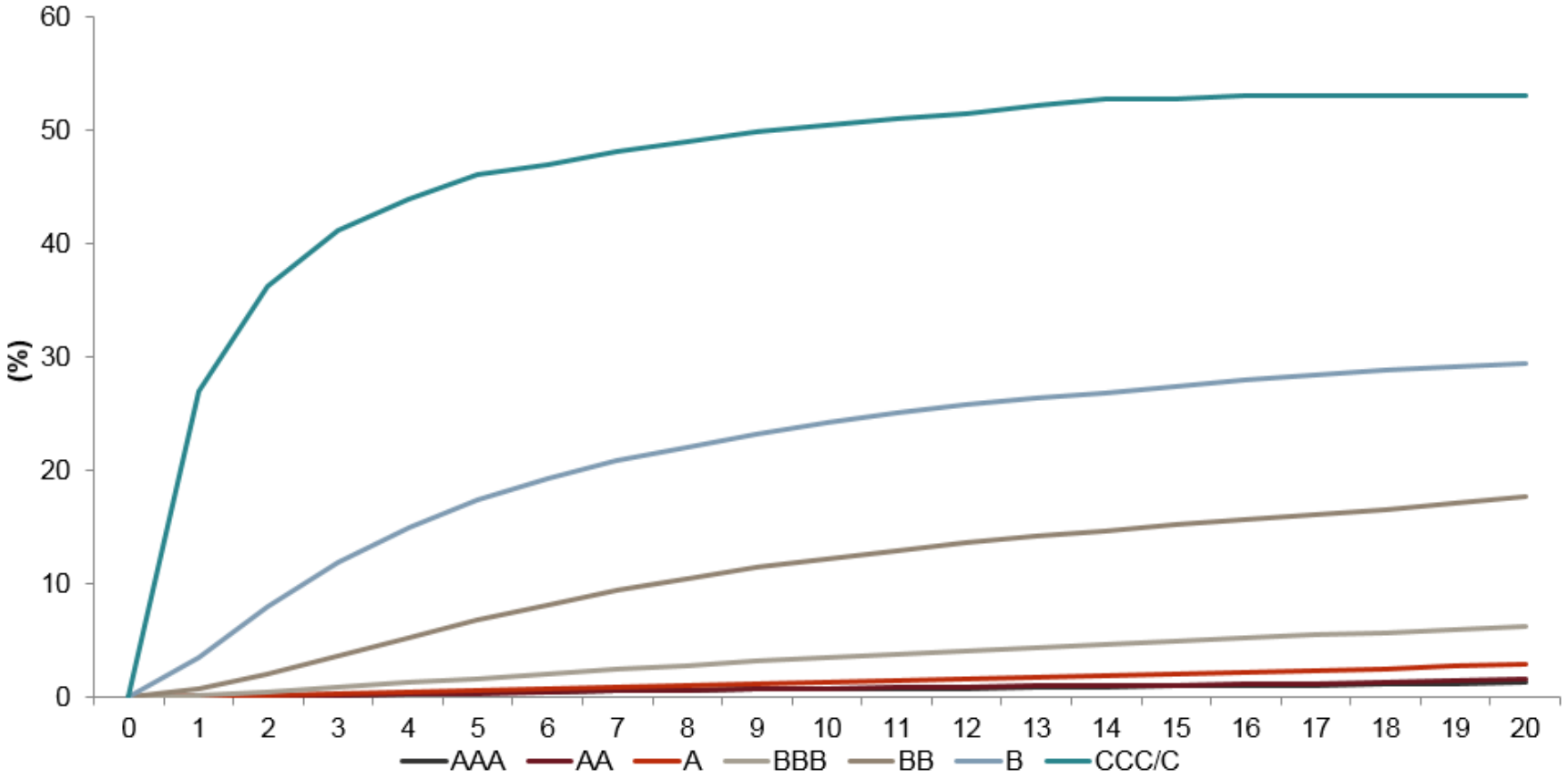
* 3Q 2019 trailing twelve months

Global ratings by S&P Global Ratings reflect full breadth of ratings spectrum



Ratings help investors gauge the risk of default

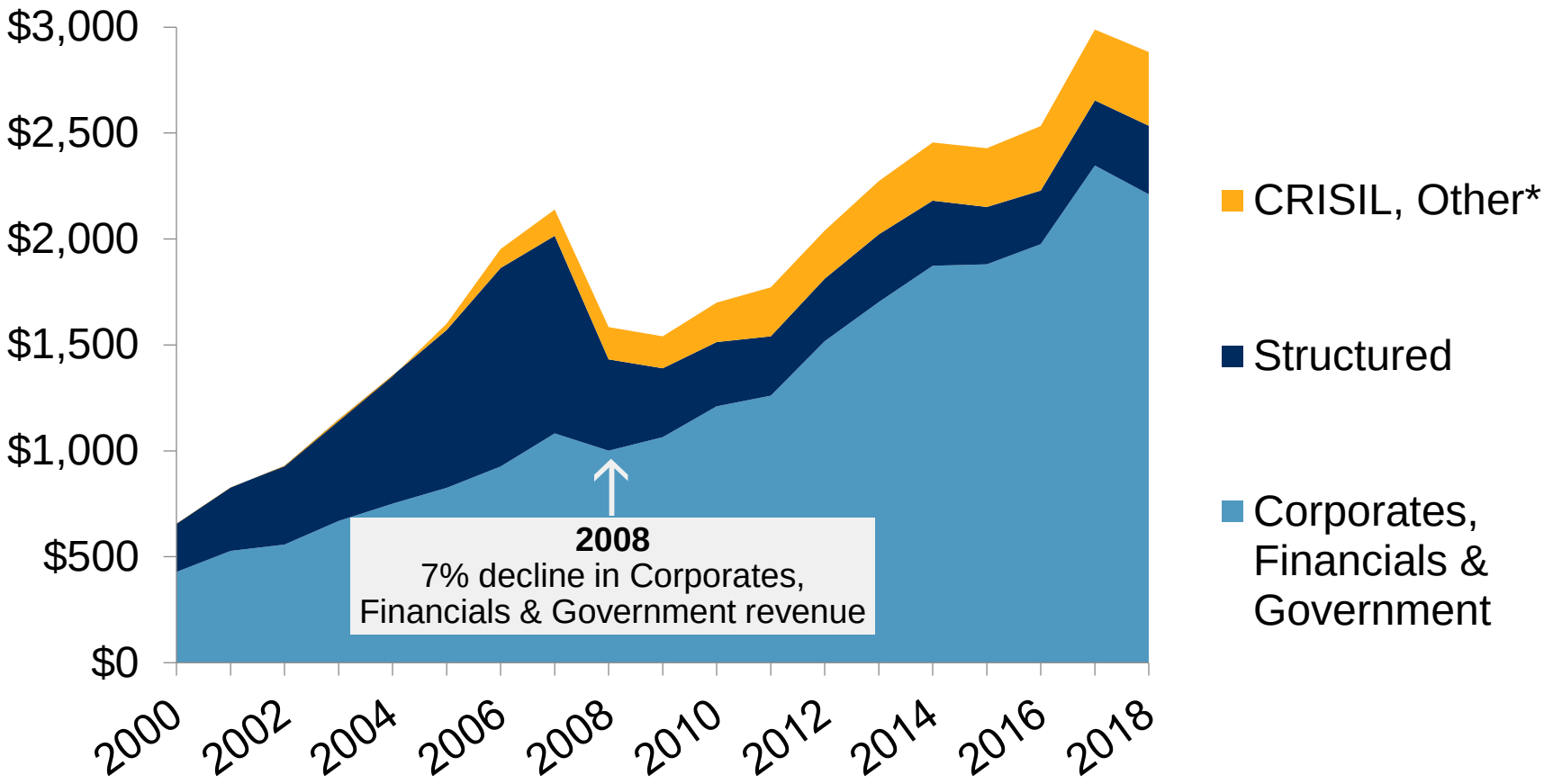
Global Corporates Cumulative Default Rates



S&P Global

S&P Global Ratings: Revenue 2000–2018

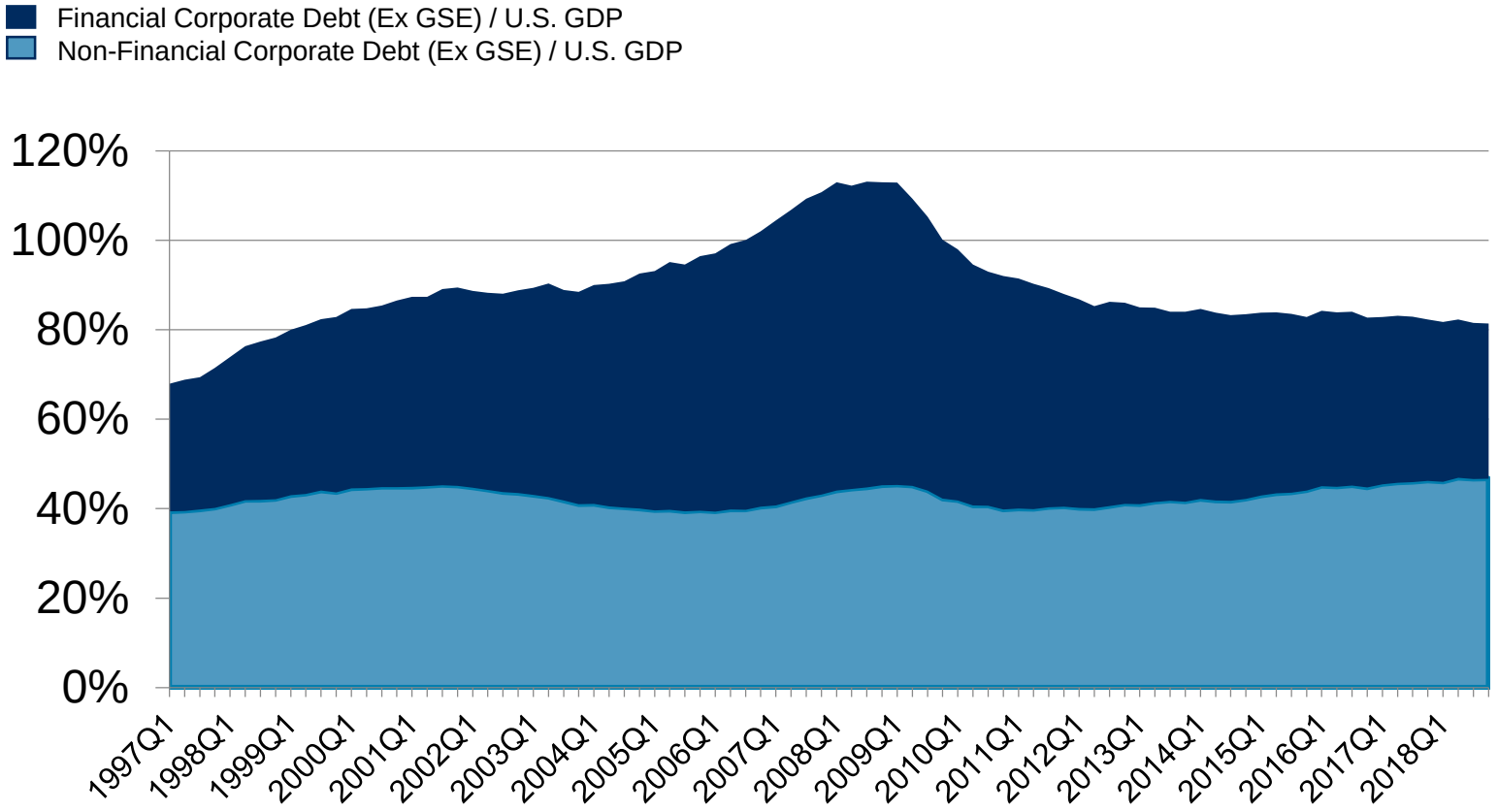
Financial crisis had modest impact on Corporate & Government revenue



(Revenue, $ in millions)

* Other includes CRISIL, intersegment royalty, Taiwan Ratings Corporation, and adjustments

U.S. corporate debt as a share of U.S. GDP (nominal)

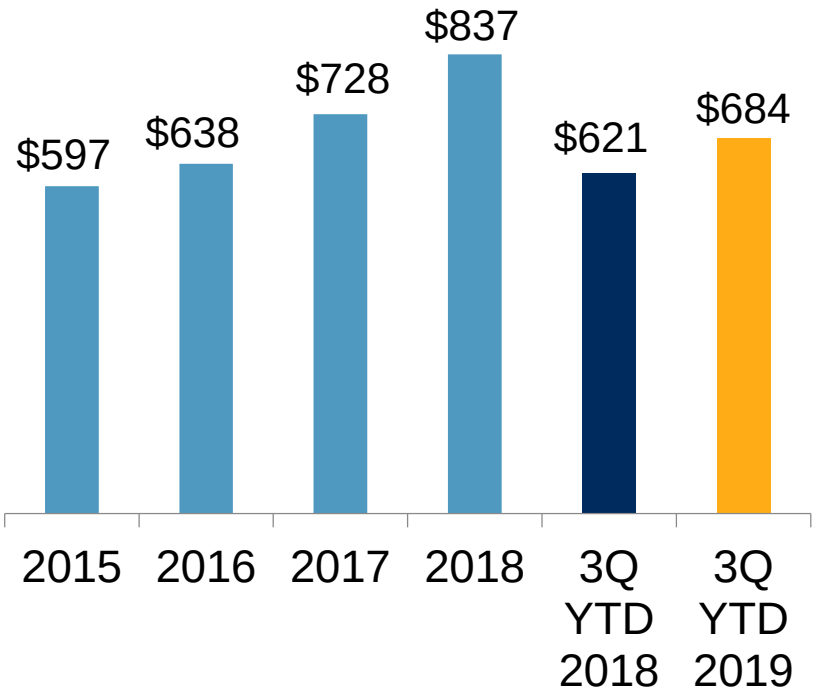


Credit market instruments including bonds, commercial paper, and loans, excluding agency and GSE-backed securities from financials.

Sources: U.S. Federal Reserve and S&P Global Fixed Income Research

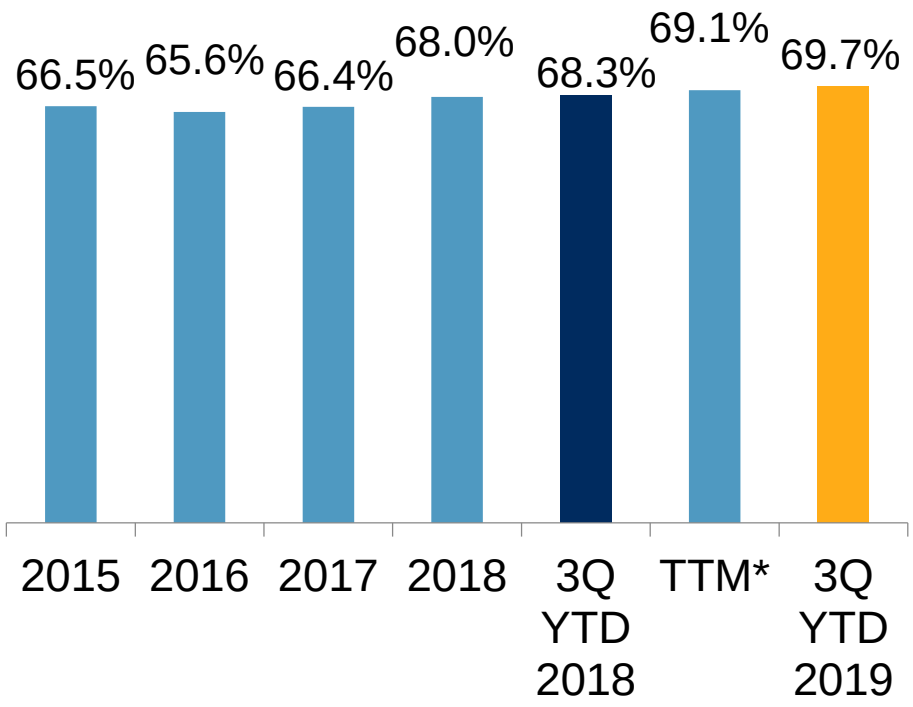
S&P Dow Jones Indices financial snapshot

Revenue
3-year CAGR: 12%



($ in millions)

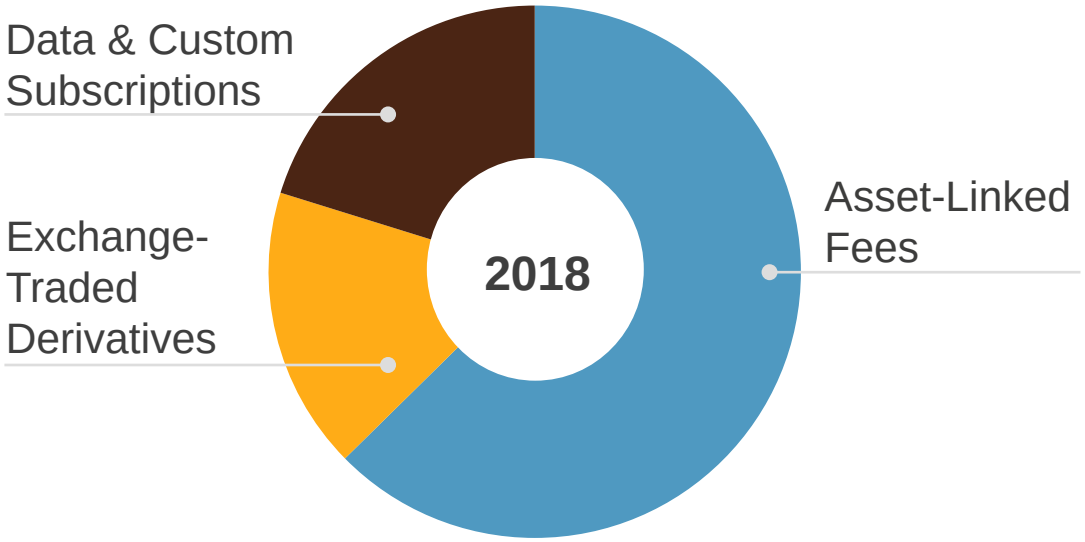
Adjusted Operating Profit Margin



* 3Q 2019 trailing twelve months

S&P Dow Jones Indices revenue mix

At the forefront of passive investing



AREAS OF FOCUS:

Continue index innovation (e.g. factors, smart beta, ESG)

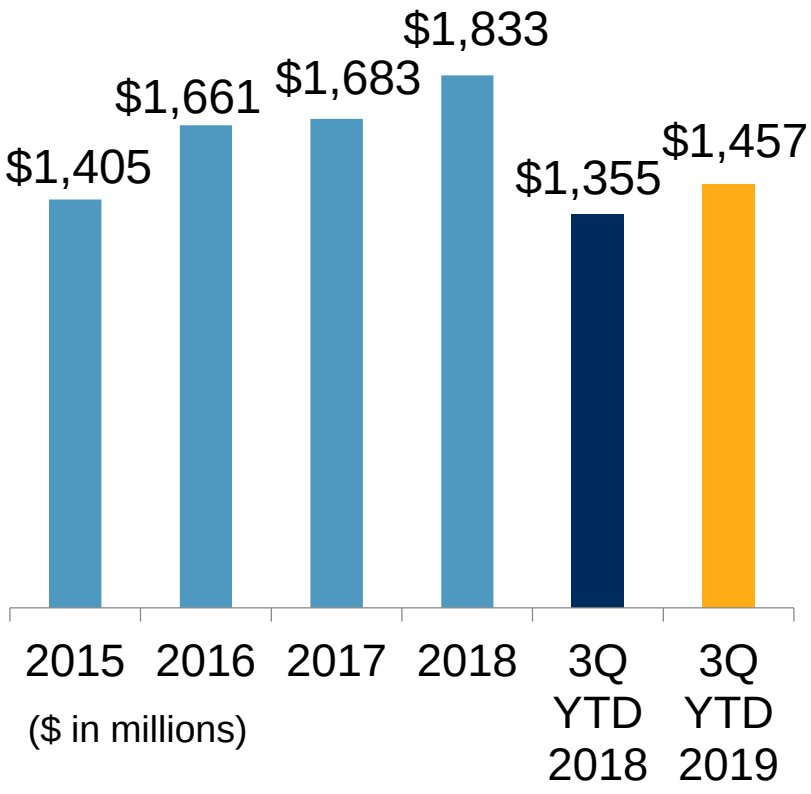
Expand local presence in emerging markets

Increase global indices awareness

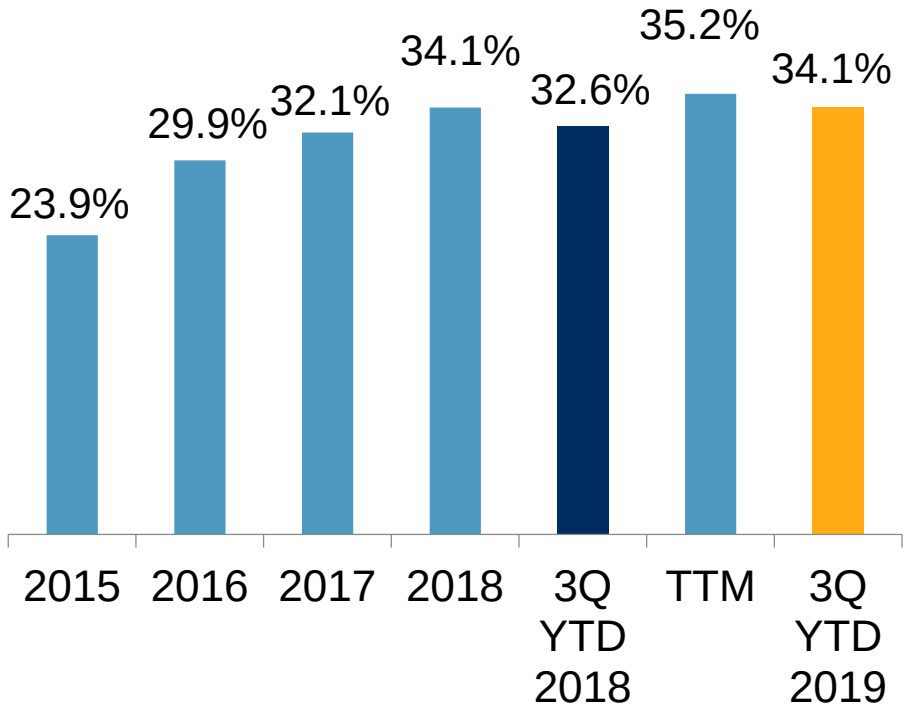
Market Intelligence financial snapshot

Revenue

3-year CAGR: 9%



Adjusted Operating Profit Margin



* 3Q 2019 trailing twelve months

S&P Global Market Intelligence

Desktop

Data Management Solutions

Credit Risk Solutions

AREAS OF FOCUS:

Release production version of new Market Intelligence platform

Transition Capital IQ users to the new platform

Continue to add unique content and analytical tools

RECENTLY ACQUIRED:

Panjiva - Global trade flow data

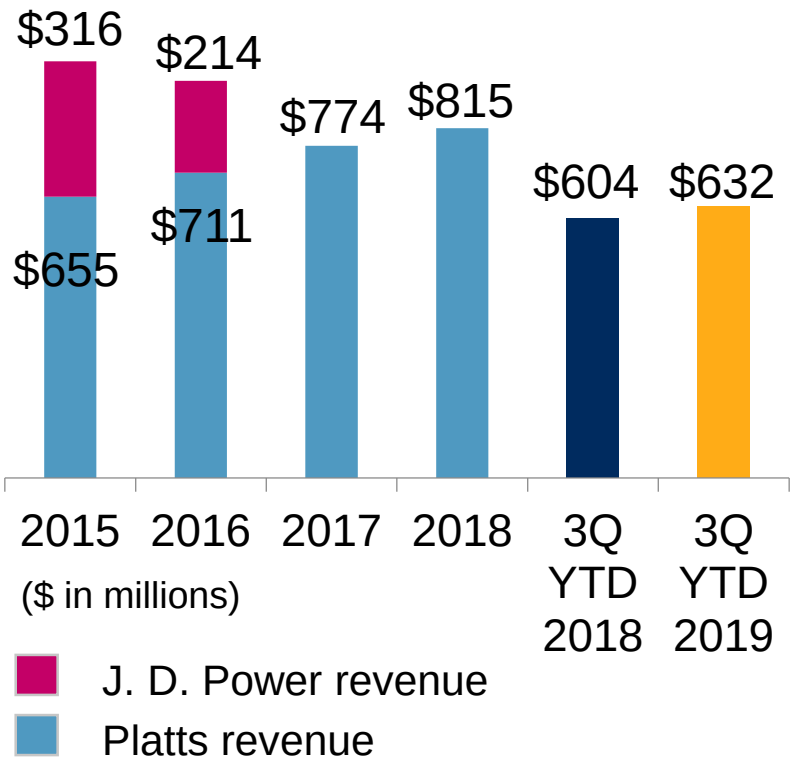
RateWatch – Bank data & analytics

S&P Global Platts financial snapshot

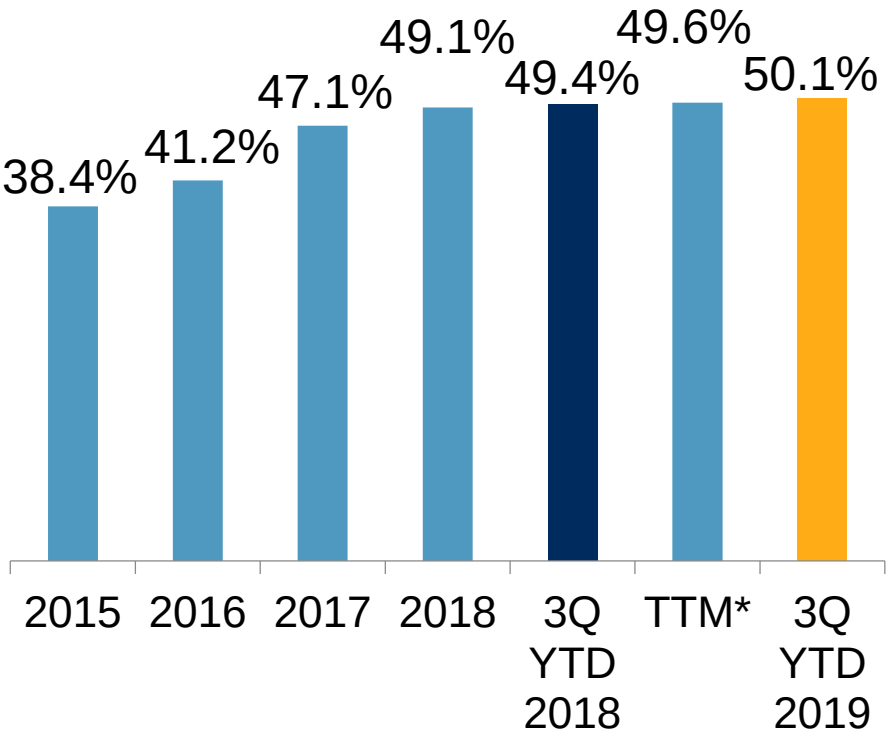
(Comparisons impacted by the sale of J.D. Power in September 2016)

Revenue

Platts 3-year CAGR: 8%



Adjusted Operating Profit Margin



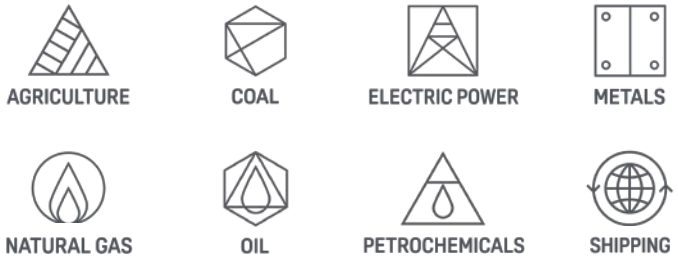
* 3Q 2019 trailing twelve months

S&P Global Platts

Revenue generated from subscriptions and licensing for derivative trading

Thousands of daily price assessments

Comprehensive coverage across commodity markets



AREAS OF FOCUS:

Create world-class capability in trade flow analytics

Pursue unique benchmarks in new regions and markets

Develop exchange relationships in new markets / geographies

ESG at S&P Global

Ratings
(Fixed Income)

- ESG Evaluations
- Green Bond Evaluations

Market Intelligence
(Corporates, Equity, Fixed Income)

- Trucost environmental & data scorecards & analytics
- ESG & SDG scores
- ESG data, news & research

ESG Data Factory

- Public and private company data
- Asset-level data
- Alternative data

Indices
(Equity / Passive)

- ESG indices
- Thematics/SDG Indices
- Green Bond Indices

Platts
(Corporates)

- Energy & commodities asset-level data
- 2° scenario planning

ESG performance highlights

We see ESG as an essential component of sustainable company performance

Environmental

Commitment to sustainable supply chain through strong Vendor Code of Conduct

Shared our expertise with change-making sustainability organizations such as the Financial Stability Board's Task Force on Climate Related Financial Disclosures

20% of facilities ISO 14001 EMS certified with plans to continue certification in key offices

Decreased paper use by 57% since 2013, surpassing our 2018 goal of 15%

Neutralized emissions from employee travel earning the official CarbonNeutral® Travel certification

Social

Ensuring a diverse & inclusive culture is set from the top through recruitment strategies and partnerships

Invested more than $8.5 million in the development of our employees

Launched EssentialTech initiative to train employees for the future of work. Nearly 14,000 have taken the 1st course -Automation, Machine Learning & AI

Clear alignment between the business priorities, talent agenda, and workforce planning for critical roles and emerging talent

Governance

All directors (other than the CEO) are independent and the Chairman and CEO roles are separated

100% response rate on our annual Code of Business Ethics employee & manager training

Pay for Performance philosophy

Strong oversight over strategy and risk

Focus on Board refreshment; current members have an average tenure of 6.5 years

Strategic priority for board diversity, 4/12 Directors are women and 2 are African American

Key governance highlights

Accountability	Board Independence & Refreshment	Compensation & Risk Management
Annual elections for directors	**Independent Chairman** of the Board	**Equity Ownership Requirements** for directors and executive officers
Majority voting in uncontested director elections	All directors except our CEO are **independent**	**"Double trigger" vesting** of equity-based awards upon a change in control
Special meeting rights for shareholders holding 25% or more of the voting stock	**Executive sessions** of independent directors **every Board meeting**, with and without CEO present	**Pay recovery policy** or **"clawback"** applicable to employees under Company policy and S&P Global Ratings policy
Proxy access right for shareholders holding at least 3% of our outstanding shares for at least three years to nominate up to two directors or 20% of the Board, whichever is greater	Our nominees have an **average tenure of 6.5** years and half of our nominees have been members of the Board for five years or less	**Anti-hedging and anti-pledging policy** for directors and executive officers
Annual performance evaluations of the Board and each committee	**Retirement age** prevents directors from standing for re-election after reaching age 72, absent special exception	**Risk oversight**, including succession planning, by the Board and committees

ESG product highlights

In addition to our focus of increasing investments in ESG technologies & products, we have a strong portfolio of existing products that support global, long-term sustainability

S&P Global Ratings

- Identifies how ESG performance can affect creditworthiness
- Launched Ratings ESG Evaluation and Green Evaluation Tool

S&P Global Market Intelligence

- Publishes ESG news, data and analytics
- Leading provider of governance, energy & asset-level data

TRUCOST

- Helps clients assesses risks & opportunities relating to climate change, natural resource constraints, and broader ESG factors

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

- Provider of ESG indices since 1999 and first to publish carbon metrics on equity indices
- Launched ESG Scores – S&P 500® ESG Index the first index based on this score

S&P Global Platts

- Distributes daily prices, news and data analysis on the EU Emissions Trading System
- Offers clients scenario planning services to understand long term outlooks on energy supply and demand

ESG awards & recognition

































2019 Goldman Sachs U.S. Financial Services Conference

Douglas L. Peterson
President and CEO
S&P Global

Martin Fraenkel
President
S&P Global Platts

December 10, 2019

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