

CEO's Letter

As great as last year was for our company, in many ways 2022 is shaping up to be even better.

Douglas L. Peterson
President and CEO



Dear Fellow Shareholder:

S&P Global continued to thrive in 2021. We delivered outstanding results for our customers, our partners and our shareholders. And we made important strides to help our people by enhancing programs and benefits to support them personally and professionally.

As great as last year was for our company, in many ways 2022 is shaping up to be even better. In February, we closed a transformative merger with IHS Markit. We believe combining our two companies will create substantial long-term value for all our stakeholders.

Since we announced the deal 15 months ago, 2,000 people from both companies, working across key integration work streams, have spent countless hours getting us ready so that we hit the ground running as soon as the deal closed. We made the best use of the merger review period, and I thank our teams for everything they've done to support what has been our most important strategic initiative.

I am also grateful to our Board of Directors. We have a world-class Board. Throughout this process their independent judgment and expert perspectives have been a huge benefit to our company and to our shareholders.

A Winning Combination: S&P Global and IHS Markit

Our merger with IHS Markit will create exciting new opportunities to deliver broader, deeper and more interconnected data, benchmarks and workflow tools to support decision making. We will use the combination of data, technology and the talents of our 35,000-plus people to offer even more powerful solutions to clients across the corporate, commodities and financial services sectors—from auto manufacturers to asset managers.

Our Combined Culture

Immediately after we closed the merger, I welcomed over 15,000 of our new colleagues from IHS Markit. We have long admired their deep expertise and capabilities. As we've gotten to know them, we found that we have a lot in common. We share a focus on innovation and customer centricity, we care for our people, and we're passionate about serving markets. Over the last several months, the leaders of both companies have been meeting to ensure our combined culture embraces the best and most complementary characteristics of each organization.

Our emerging culture is anchored in the core values of discovery, partnership and integrity, and a unifying purpose to accelerate progress for our customers and for the world. We play a key role in advancing human progress by providing the insights that spur business expansion and create economic opportunities in society. This purpose comes with enormous responsibility. It requires us to do the right thing. It requires us to continue our pioneering ways of discovering new solutions. And it requires us to serve the markets and our customers with trusted information—to be true partners.

Putting our people first is, and will continue to be, very important for our culture. The merger was an opportunity to harmonize best practices and find new ways to enhance the people experience. Even before our combination, we continued investing in our people. For example, we instituted wellness and recharge days, we increased parental paid leave, and we began piloting a 20-week “returnship” in India for women in technology who want to re-enter the workforce after career breaks.

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Our greatest strength has always been the quality of our people. They are dedicated. They are diligent. And they are committed to making this fabulous organization even better. It's a privilege to work at their side. The Board and Executive Committee are grateful for their help during another year of uncertainty created by the pandemic.

I also want to express my deep thanks to Lance Uggla, who founded Markit in 2003, led IHS Markit the last four years as Chairman and CEO, and who has transitioned to serving as a special advisor for one year after we closed. He created and built a highly successful company, and his leadership and partnership have been tremendous. I look forward to working with him over the next year.

Our Growth Strategy and Expanded Capabilities

Our long-term growth strategy is rooted in our vision to power the markets of the future and is underpinned by our leading franchises, deep sector expertise, and talent. Our unique and complementary assets enable us to deliver differentiated customer value propositions and strengthen our core businesses in providing leading benchmarks, data and analytics, and workflow solutions.

As a result of our merger, S&P Global now has a greater scale, breadth and depth of capabilities to better serve a global customer base that includes most of the world's leading companies.

And we are better positioned to serve fast-growing, emerging segments. We now offer a more robust, comprehensive set of solutions covering environmental, social and governance (ESG) factors, climate and energy transition, private assets and SMEs, counterparty risk management, supply chain, trade, and alternative data sets. These additional emerging segments together represent a \$20 billion total addressable market, growing at double-digit rates annually.

Continuing to innovate will be critical, which is why we are excited to leverage our unparalleled data assets, coupled with cutting-edge technology provided by Kensho, to support fields such as data science and discovery and distribution platforms, including IHS Markit's Data Lake.

As we move forward, we plan to invest approximately \$130 million in ongoing organic initiatives in key areas we plan to prioritize in the near term. These investments align with the strategy to evolve and grow the core business, expand into transformational adjacencies and build upon our foundational capabilities.

We produced another exceptional year of earnings and revenue growth in 2021.

Financial Profile and Outlook

Our 2022 outlook calls for mid-single-digit revenue growth and double-digit EPS growth. With our differentiated capabilities in core segments, as well as high-growth adjacencies, we also have a strong medium-term financial outlook, targeting 6.5% to 8.0% annual organic revenue growth and 200 basis points of annual EBITA margin expansion on average through 2023.

Capital Allocation Targets

We have the financial discipline and the flexibility to fund investments to accelerate growth.

Our balance sheet continues to be strong, and we expect to generate annual free cash flow exceeding \$5 billion in 2023. These factors give us the flexibility to fund investments to accelerate organic growth, pursue strategic M&A, as well as support a robust capital return program with a targeted capital return of at least 85% of free cash flow between dividends and share repurchases.

2021 Financial Performance

We produced another exceptional year of earnings and revenue growth in 2021. We delivered 12% organic revenue growth and a 17% increase in adjusted diluted earnings per share in 2021. All four legacy S&P Global businesses contributed with growth in both revenue and adjusted operating profit margin.

We benefited from a resilient global economy and strong equity, bank loan and oil markets, M&A activity, bond issuance, and an expanding portfolio of essential new products.

Innovation and Product Launches

New products and investments in organic growth, including in technology and data projects, were evident across our company.

We unveiled Kensho NERD, or Named Entity Recognition and Disambiguation, a cutting-edge machine learning system. NERD is the first entity extraction system on the market specifically optimized for business-related documents and entities. It unlocks the full potential of textual data by finding organizations, people, places and events mentioned in documents, newsfeeds or other text and linking each to a corresponding record in a database. This enables users to perform powerful analysis on unstructured text.

In 2021, S&P Dow Jones Indices launched a series of cryptocurrency indices, the S&P Twitter Sentiment Index, and the S&P MAESTRO 5 Index (Multi-Asset Equal Risk Factor Contribution).

Demonstrating the enduring trust markets have in our indices, we marked several milestones across our index franchise. In 2021, the iconic Dow Jones Industrial Average celebrated 125 years. Sixty-five years ago, we launched the S&P 500. Thirty years ago, the S&P GSCI, a pioneering commodity index, made its market debut. And 10 years ago, we brought together two of the biggest names in business and indexing with the creation of the S&P Dow Jones Indices joint venture.

Last year also saw the introduction of Platts Dimensions Pro, which provides users with a seamless one-stop shop experience across Platts' benchmark price assessments, news and analytics, spanning 13 commodities. In addition to desktop and mobile systems, Platts Dimensions Pro content is accessible through our machine-to-machine delivery channels such as real-time delivery, bulk delivery, Excel-based solutions and APIs.

At S&P Global Market Intelligence, we launched a refreshed integrated desktop solution, now called S&P Capital IQ Pro. This is a comprehensive desktop solution with a vastly expanded range of datasets and content, powered by innovative functionality and tools.

In China, there is continued momentum and interest in our ratings. We completed 57 domestic ratings in 2021, up over 150% in 2020.

And we keep increasing our ESG offerings. Before highlighting a few of them, it's helpful to have context about the market dynamics which are creating opportunities for us to meet client needs.

Navigating the Transition to a Sustainable Future

The pandemic and last year's UN climate change conference, COP26, continued to reinforce the importance of ESG considerations by managers and Boards.

Investors and other members of society are demanding that company leaders produce better outcomes for people and the planet. Requests are coming from asset managers, asset owners and from new regulatory frameworks around the globe. Furthermore, community and business partners want to know how companies behave and how they treat people, and they want more transparency about operations.

The good news is there is a growing amount of private capital that is ready, willing and able to be deployed to produce positive environmental and social outcomes.

The UN-supported Principles for Responsible Investment, which were launched in 2006, have attracted nearly 4,000 signatories representing \$121 trillion in assets under management.

Moreover, the Glasgow Financial Alliance for Net Zero, created in April 2021, now has about 450 firms worldwide pledging more than \$130 trillion by 2050 to help transition to a net-zero economy.

What does all this mean for S&P Global? As we move forward, ESG data and insights will become even more important to make investment choices. This information already is critical to investors, risk managers, corporations and governments to help them make decisions every day. We have the capabilities to be the premier resource in this category.

Introducing Sustainable1

In 2021, we launched Sustainable1, a single source for essential intelligence, to help clients successfully navigate the transition to a sustainable future. We decided to bring together different commercial ESG initiatives from every division in the company. This gives us one ESG-focused approach with 700 billion ESG data points. We now have approximately 500 full-time people working across Sustainable1 and we are growing.

Last year, ESG and climate-related product revenue was \$98 million, growing from \$65 million in 2020. We forecast this business to be approximately \$600 million in 2025 and will continue to grow quickly from there.

This growth is propelled by strong demand for existing services and an expanding product portfolio.

In 2021, S&P Global Market Intelligence launched Climate Risk Gauge, a tool to apply climate scenarios to assess credit impact, and a host of other offerings. The Sustainable1 team also enhanced ESG Scores available on S&P Capital IQ Pro. We now have ESG Scores on more than 11,000 companies, up from 8,000 companies last year.

We're also proud to be an investor in Novata, an innovative new public benefit corporation and technology platform. Novata was launched last year to provide the private markets ecosystem with ESG measurement, data collection and benchmarking.

At S&P Global Ratings, we saw 48% growth in ESG Evaluations and a 79% increase in Green Evaluations in 2021 compared to 2020. The Ratings team also launched Second Party Opinions for Sustainability-linked Financings.

In 2021, S&P Dow Jones Indices launched sustainability-focused versions of its flagship U.S. equity indices. It also introduced a series of S&P ESG Dividend Aristocrats ESG indices and it strengthened its lineup of climate-focused indices.

And at S&P Global Platts, we continue to advance the data intelligence, insights and analysis needed to bring transparency to stakeholders charting their paths to a decarbonized energy future. In 2021, S&P Global Platts began publishing daily carbon credit price assessments, reflecting nature-based carbon credit and household device carbon credit projects that are intended to bring additional transparency to carbon prices and carbon trading activity. Furthermore, Platts launched the world's first daily carbon-neutral LNG price assessment.

Our ESG Commitments

As a provider of ESG data, analytics and benchmarks, we know as well as anyone the critical need to have our own best-in-class approach to these issues. We continue to strengthen our commitment to ESG matters through our strategies, initiatives and reporting.

For example, last year we were one of the first companies to issue a sustainability-linked banking facility in the United States tied to climate action goals and the first such banking facility in the U.S. media and information services sector.

We also announced our plan to achieve net-zero greenhouse gas (GHG) emissions by 2040.

And we provided ways for our people to support their local communities. In 2021, employee volunteerism contributed \$1.4 million in economic value to nonprofits around the globe and the S&P Global Foundation distributed \$15 million, a 30% increase over the year before, to organizations that support Covid-19 relief, diversity, economic inclusion and environmental sustainability. You can find out more about these programs in our Impact Report.

Harmonizing Global ESG-related Standards

The world of ESG and impact investing is moving fast. In 2021, a number of events demonstrated there is powerful momentum to build a more transparent and trustworthy investing ecosystem.

At COP26, the IFRS Foundation announced the formation of the International Sustainability Standards Board (ISSB). The ISSB will “develop a comprehensive global baseline of high-quality sustainability disclosure standards.” We welcomed this news.

In addition, the Impact Taskforce (ITF), a private-sector led, independent body supported by the UK's government under its presidency of the G7, released recommendations focused on driving private financing to promote impact-driven economies and societies. I was privileged to represent S&P Global as chair of the ITF workstream dealing with the steps that are needed to produce greater transparency, harmonized disclosure standards, and better data to facilitate the flow of capital toward projects with positive impact on people and the planet.

These initiatives, as well as others, are healthy developments to achieve more transparency and better comparability and standardization of sustainability-related information.

Risk Management

For as much as S&P Global has excelled, the world continues to wrestle with challenging events and a changing risk landscape. As we enter the third year of a pandemic, effectively dealing with Covid-19 and its evolving variants will continue to be an issue for our company, as it will be for other businesses and institutions. Our responses must continue to be driven by the imperatives of protecting our people and their families, and supporting our customers, our communities and our other stakeholders.

In addition to Covid-19, persistently high inflation, fueled by supply-chain disruption, overly loose monetary policy and soaring energy prices, could create headwinds for a still fragile economic recovery in 2022. Moreover, we have lowered our economic forecast to reflect the effects of the Russia-Ukraine conflict. Our global GDP forecast is for 3.4% expansion this year.

For these issues—as well as cybersecurity, public policy dynamics, and other major risk categories—the leadership team maintains an open, high-quality dialogue with our Board of Directors, which has responsibility to exercise effective and meaningful oversight of the company's risk management process.

Strong today. Stronger tomorrow.

With an extraordinary 2021 behind us and the rapid progress we've made integrating IHS Markit early this year, I feel incredibly optimistic about our company. We have market-leading franchises with iconic brands. We have a strong financial profile. We're investing on a larger scale than ever to fuel future growth. We have the talent, technology and data to support the critical decision-making needed by our customers. And we have a unifying purpose, strategy and culture. All these things make me very hopeful about the future of S&P Global.

Sincerely,

A handwritten signature in black ink that reads "Douglas Peterson". The signature is written in a cursive, flowing style.

Douglas L. Peterson

President and CEO