

Environmental Management System

Environmental Management at S&P Global

At S&P Global, environmental responsibility is an integral part of our overall corporate citizenship. As such, we strive to minimize our environmental footprint by closely monitoring, and developing strategies to reduce the environmental impact of our operations and our office facilities.

This document outlines S&P Global's environmental management system (EMS). We are currently exploring ISO 14001 certification.

The key elements of S&P Global's environmental management system include:

- ***Environmental Impacts*** – identifying the environmental effects of the Company's operations.
- ***Environmental Policies*** – communicating the Company's commitment to the environment.
- ***Implementation Structure and Senior Management Responsibilities*** – the roles and responsibilities of senior management related to environmental policies, plans and the Company's performance.
- ***Environmental Targets and Sustainability Strategy Action Plan*** – establishing short, medium and long-term environmental goals of the Company and the strategies and actions needed to achieve these targets.
- ***Monitoring and Verification*** – collecting, monitoring and reporting environmental performance data.
- ***Communication and Feedback*** – communicating internally and externally our environmental policies and practices.

S&P Global's Environmental Impacts

As a global information provider, our environmental impacts are limited and include greenhouse gas emissions (from energy used in buildings and for transport), water use and waste (mainly from offices). We work closely with our property management company, CB Richard Ellis (CBRE), to help manage the environmental impacts of our facilities worldwide and have developed a strong partnership with them.

Environmental Policy

We have four policies that set out our commitment to the environment and the standards we expect from our employees and business partners. Each of these policies is publicly available on our website.

1. Corporate Environmental Policy
2. Paper Procurement Policy
3. Corporate Real Estate Policy
4. Supplier Code of Conduct

The following summarizes our environmental policies:

1. Corporate Environmental Policy

The purpose of the Corporate Environmental Policy is to outline the policy and procedures effective throughout the Company, worldwide, concerning environmental protection. It addresses aspects of the Company's operations which can potentially impact the environment and among other things seeks to:

- Conduct the Company's operations in compliance with applicable laws, regulations and standards concerning environmental protection and provide a mechanism for self-monitoring to ensure compliance and continual improvement.
- Establish corporate environmental objectives and targets relevant to the environmental impacts of its activities and a means to measure progress against these objectives. These objectives and targets shall be reviewed and revised as necessary on an annual basis.
- Continually improve environmental management policies, programs, and performance, based on the results of our periodic reviews and taking into account regulatory developments, customer needs, technical developments, scientific understanding, and community expectations.
- Minimize the environmental risks to our employees and the communities in which we operate.
- Promote the adoption of environmental protection goals and practices by contractors and suppliers acting on behalf of the Company, strongly encouraging improvements in our contractors' and suppliers' practices to make them consistent with those of the Company.
- Ensure that the Board of Directors is fully informed about pertinent environmental issues and the Company's environmental policy.

2. Paper Procurement Policy

Our Global Procurement team manages our Paper Procurement Policy. Given the important role that paper plays in the manufacturing of our products, the following are the steps we've taken to limit exposure to risks:

- We regularly review with our paper suppliers their environmental performance to help ensure their compliance with environmental regulations applicable in their countries of operation for papers purchased directly by S&P Global.
- We work with our paper suppliers to maximize the percentage of fiber that comes from Chain of Custody third-party certified well managed forests. We encourage improvement and proactively support sustainable forestry management practices.
- We require suppliers to have clear policies in place prohibiting illegal logging and/or use of illegal fiber. We also encourage our suppliers to engage with the appropriate stakeholders for viable solutions in cases of dispute with regard to fiber procurement practices even if they have been legally obtained.

- We communicate to our suppliers our interest in the further development of programs to increase the amount of paper recycled. Where the inclusion of recycled fiber is suitable for the product and paper grade, we use paper products with recycled fiber content. We also encourage the efficient use and conservation of raw materials.
- We survey the companies supplying us with paper and require that the pulp be at least elemental chlorine free, non-detect dioxin emissions, and meet all EPA requirements or equivalent standards in other jurisdictions. We expect continuous improvement by our suppliers in reducing the environmental loading per ton.
- We review the environmental policies of paper companies supplying paper to S&P Global.
- We include an environmental statement in written paper contracts or obtain independent confirmation of adherence to these policies.
- We conduct periodic and on-going reviews of these policies and performance of our suppliers through S&P Global Environmental Paper Compliance Survey and encourage improvement wherever possible.

3. Corporate Real Estate Policy

Corporate Real Estate manages the Corporate Real Estate Policy. The key drivers of the Corporate Real Estate's environmental policy and practices are: *Reduce, Recycle, Reuse* and *Rethink*. This is achieved through a Controlled Materials program, an Indoor Air Quality (IAQ) program, an Energy Program and our Recycling Program.

Implementation Structure and Senior Management Responsibilities

S&P Global's environmental management system and reporting structure is as follows:

- Oversight by S&P Global's Board of Directors, Nominating & Corporate Governance Committee.
- Managed by President & CEO, Douglas Peterson and the Executive Committee.
- Coordinated by the Environmental Action Committee (EAC).
 - Our Environmental Action Committee (EAC) comprises of all senior management responsible for the Company's corporate responsibility policies and practices. Specifically, the EAC is charged with addressing S&P Global's climate change and emission reduction efforts, and establishing and monitoring the Company's Environmental Sustainability Strategy. The EAC meets approximately quarterly, or as needed. The EAC reviews the Company's environmental impacts and establishes performance targets aimed at cost efficiencies and enhanced risk and reputation management.
 - The Committee convenes regularly and helps to coordinate and manage assessment of the risks associated with climate change and tracking of the Company's performance data.

Environmental Performance Targets

In 2013, following the sale of McGraw-Hill Education and transition from McGraw-Hill Companies to McGraw Hill Financial (now S&P Global), we re-assessed our environmental strategy and set new

environmental performance targets specific to our business. Our new targets have a 2013 baseline and relate to greenhouse gas (GHG) emissions, waste and paper use.

Environmental Performance Targets

	2013 baseline	2014 goals*	2016 goals*	2018 goals*
Scope 1 and Scope 2 GHG emissions	64.2 thousand tCO _{2e}			-15%
Waste diversion	46%		50%	
Recycled paper content	40%	Maintain current percentage		
Paper use	148 tons			-15%

*from 2013 baseline

Monitoring and Verification

S&P Global has engaged Deloitte Touche Tohmatsu Ltd. to manage the collection, monitoring and reporting of their environmental performance metrics. Deloitte works closely with S&P Global's internal Environmental Action Committee (EAC) to audit and verify environmental performance data. The audit began in 2009 and looks at S&P Global's Scope 1, 2 and 3 GHG emissions, electricity consumption, recycling, waste and water.

S&P Global's Scope 1, 2 and 3 GHG emissions annually receive third-party assurance from Trucost, a global environmental analysis firm. The evaluation assesses the accuracy of the data processes and systems S&P Global uses to collect environmental data for its yearly Carbon Disclosure Project (CDP) submission. The data is verified against AA1000 assurance standards.

Communication and Feedback

We solicit feedback and communicate our environmental policies and practices through a variety of channels including our:

- Environmental Action Committee (EAC) quarterly meetings
- Corporate Responsibility communications distributed internally through email and Buzz, McGraw Hill's intranet portal, and externally via the corporate website, social media and press releases.
- Corporate Responsibility webinars
- Corporate-wide Green Team network

S&P Global

- Corporate Responsibility Report
- Corporate Responsibility email address cr@mhfi.com