

# S&P Global Quarterly Update

October 24, 2024

# 3Q 2024

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**S&P Global**

# 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 presentation 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 slower GDP growth or recession, instability in the banking sector and inflation), and factors that contribute to uncertainty and volatility, natural and man-made disasters, civil unrest, public health crises (e.g., pandemics), geopolitical uncertainty (including military conflict), and conditions that may result from legislative, regulatory, trade and policy changes;
- the volatility and health of debt, equity, commodities, energy and automotive 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;
- 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;
- concerns in the marketplace affecting the Company’s credibility or otherwise affecting market perceptions of the integrity or utility of independent credit ratings, benchmarks, indices and other services;
- our ability to attract, incentivize and retain key employees, especially in a competitive business environment;
- 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 jurisdictions in which it operates, including sanctions laws relating to countries such as Iran, Russia, 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 around the globe affecting each of our businesses and the products they offer, and our compliance therewith;
- the Company’s ability to make acquisitions and dispositions and successfully integrate the businesses we acquire;
- consolidation of the Company’s customers, suppliers or competitors;
- the introduction of competing products or technologies by other companies;
- our ability to develop new products or technologies, to integrate our products with new technologies (e.g., artificial intelligence), or to compete with new products or technologies offered by new or existing competitors;
- the effect of competitive products and pricing, including the level of success of new product developments and global expansion;
- the impact of customer cost-cutting pressures;
- a decline in the demand for our products and services by our customers and other market participants;
- the ability of the Company, and its third-party service providers, to maintain adequate physical and technological infrastructure;
- the Company’s ability to successfully recover from a disaster or other business continuity problem, such as an earthquake, hurricane, flood, civil unrest, protests, military conflict, terrorist attack, outbreak of pandemic or contagious diseases, security breach, cyber attack, data breach, power loss, telecommunications failure or other natural or man-made event;
- the level of merger and acquisition activity in the United States and abroad;
- 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 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.

# Comparison of adjusted information to U.S. GAAP information

This presentation includes Company financials on an as-reported basis. The Company also refers to and presents certain additional non-GAAP financial measures, within the meaning of Regulation G under the Securities Exchange Act of 1934. These measures are: adjusted operating profit and margin; trailing twelve-month adjusted operating margin; adjusted expenses; and adjusted diluted EPS.

The Company is not able to provide reconciliations of certain forward-looking non-GAAP financial measures to comparable GAAP measures because certain items required for such reconciliations are outside of the Company's control and/or cannot be reasonably predicted without unreasonable effort.

The Company's non-GAAP measures include adjustments that reflect how management views our businesses. The Company believes these non-GAAP financial measures provide useful supplemental information that enables investors to better compare the Company's performance across periods, and management also uses these measures internally to assess the operating performance of its business, to assess performance for employee compensation purposes and to decide how to allocate resources. However, investors should not consider any of these non-GAAP measures in isolation from, or as a substitute for, the financial information that the Company reports.

The Company's earnings releases, including its earnings release dated October 24, 2024, contain financial measures calculated in accordance with GAAP that correspond to the non-GAAP measures included in this presentation, and the earnings releases and the Earnings Supplemental Disclosure contain reconciliations of such GAAP and non-GAAP measures. The Company's earnings releases and the Earnings Supplemental Disclosure are available on the Company's website at <https://investor.spglobal.com/quarterly-earnings>.

# European regulations affecting investors in credit rating agencies

European Union Regulation 1060/2009 (as amended) applies to credit rating agencies (CRAs) registered in the European Union (“EU”) and therefore to the activities of S&P Global Ratings Europe Limited, an indirect wholly-owned subsidiary of S&P Global Inc., which is registered and regulated as a CRA with the European Securities and Markets Authority.

The United Kingdom’s Credit Rating Agencies (Amendment etc.) (EU Exit) Regulations 2019 applies to CRAs registered in the United Kingdom (“UK”) and therefore to the activities of S&P Global Ratings UK Limited, an indirect wholly-owned subsidiary of S&P Global Inc., which is registered and regulated as a CRA with the Financial Conduct Authority.

Any person obtaining direct or indirect ownership or control of 5% or more or 10% or more of the shares in S&P Global Inc. may (i) impact how S&P Global Ratings can conduct its CRA activities in the EU and the UK, and/or (ii) themselves become directly impacted by EU Regulation 1060/2009 (as amended) and the Credit Rating Agencies (Amendment etc.) (EU Exit) Regulations 2019.

Persons who have or expect to obtain such shareholdings in S&P Global Inc. should promptly contact S&P Global’s Investor Relations department ([investor.relations@spglobal.com](mailto:investor.relations@spglobal.com)) for more information and should also obtain independent legal advice in such respect.

# Quarterly Update Call Presenters



**Doug Peterson**  
President and CEO



**Chris Craig**  
Interim  
Chief Financial Officer



**Martina Cheung**  
Incoming  
President and CEO;  
Current  
President, S&P Global Ratings



**Mark Grant**  
Senior Vice President,  
Investor Relations

# Strategy, Vision, and Execution

Doug Peterson  
President and CEO

# Third quarter highlights

## Financial highlights <sup>1</sup>

Revenue increased 16% y/y, with revenue from subscription products growing 8%

Adjusted operating profit increased 20% y/y, while TTM adjusted operating margins expanded 330 bps

Adjusted diluted EPS increased 21% year over year

YTD, S&P Global has repurchased \$2 billion of shares, and plans to repurchase an additional \$1.3B by year-end

## Additional highlights

Continued innovation in new products, GenAI functionality across the organization, and strong growth in strategic initiatives

Continued portfolio optimization initiatives with the announced divestiture of PrimeOne, expected to close in the coming weeks

Announcement of post-transition leadership team and strong outcomes driving confidence in a very successful CEO transition



Customer at the Core

# Favorable markets and mixed commercial conditions

## Persistent strength in debt markets

More than \$1 trillion in Billed Issuance in 3Q and more than \$3 trillion in Billed Issuance ytd

## Equity markets improving

Capital markets activity, M&A activity, and equity index valuations continue to show year-over-year improvements

## Commodities remain strong

Commercial execution and strength among commodities end markets, particularly the energy sector, driving performance in Commodity Insights

## Headwinds in Financial Services

Sales cycles, discretionary budgets, and retention rates all impacting end markets for Market Intelligence

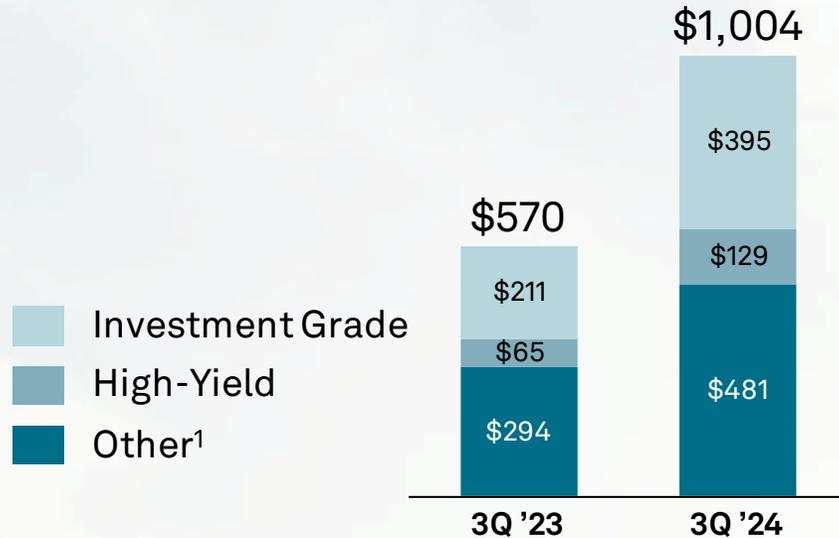


Customer at the Core

# Growth across all products drove billed issuance

## Billed issuance up 76%

(\$ in billions)

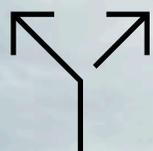


## Updates on market conditions

High-yield and Bank Loan issuance bolstered by increased non-refinance activities, notably dividend recapitalizations and M&A

Issuers taking advantage of narrow credit spreads and rate stability

Robust investor demand as they seek to secure yields in anticipation of further rate cuts



Grow & Innovate

# Third quarter Vitality Index performance

## Vitality Index<sup>1</sup>

Vitality revenue of \$377 million, which is revenue from new or enhanced products, accounted for 11% of revenue in 3Q '24

## Key contributors of Vitality revenue

CARFAX Car Listings (Mobility)

Energy Transition and Climate Products (CI)

CARFAX BIG (Mobility)

LNG Price Assessments (CI)



Grow & Innovate

# GenAI improving our products and our productivity

## Our Products & Services

**Advanced Analytics Solutions and GenAI** on S&P Global Capital IQ Pro leverages analytics and AI to build predictive models, automate workflows, and uncover hidden patterns in data.

**AI-Ready Data** – Clean Energy Technology (CET), LNG, and Crude research and insights are available as of today through Commodity Insights' cloud delivery partners formatted for customer retrieval-augmented generation (RAG) applications.

**ChatAI**: Gen AI-powered chat bot, on Commodity Insights' Platts Connect platform designed to answer customer questions in a more interactive and efficient way using AI-Ready Data.

**GenAI-enabled Car Fox** is transforming CARFAX customer engagement and experience while driving brand affinity.

## Our Productivity

### Spark AI Academy

Internal training program covering GenAI essentials, focusing on responsible use of AI, prompt-authoring skills for effective communication with AI tools, and insights into practical applications of GenAI within S&P Global.



Execute & Deliver

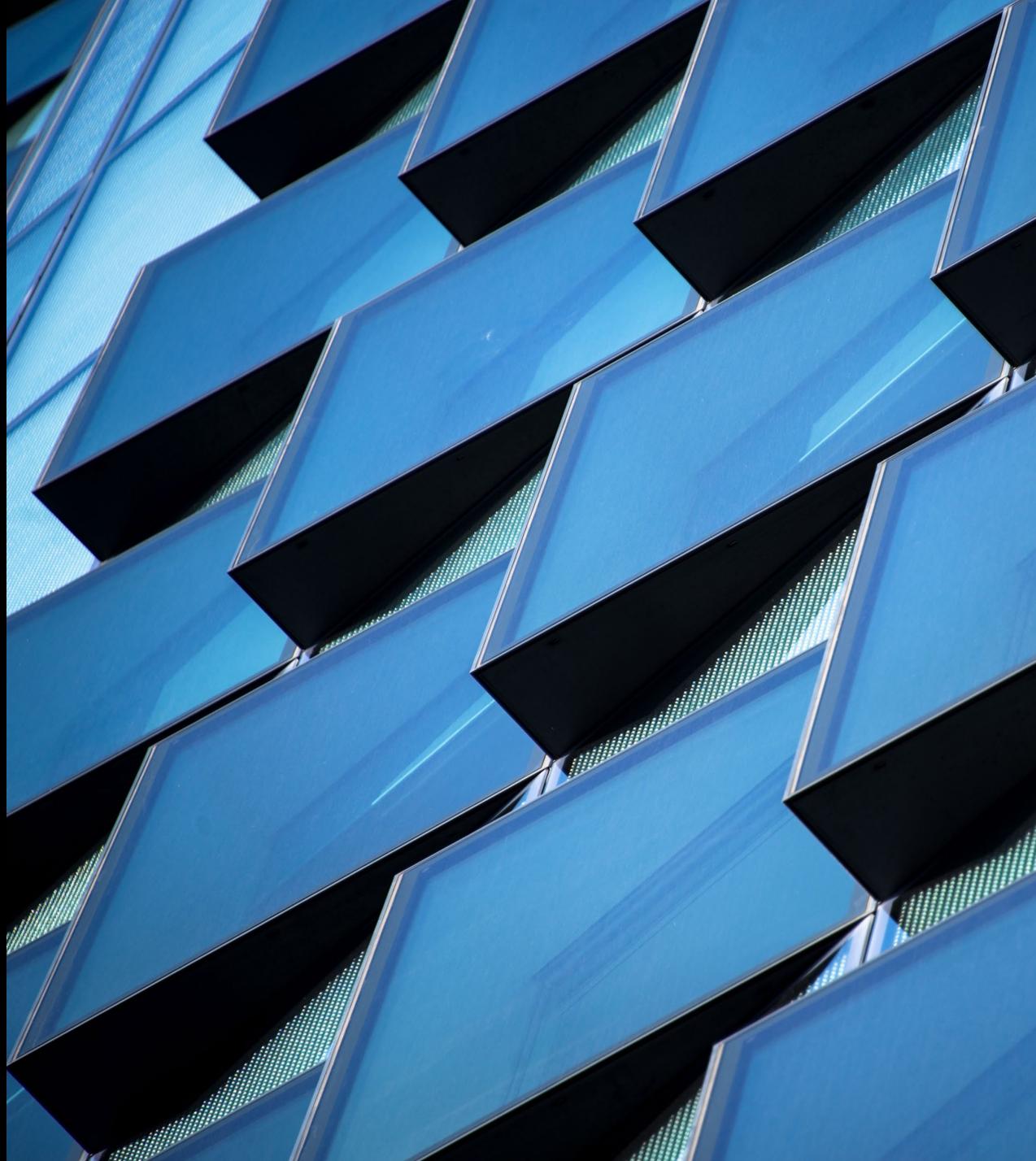
# Double-digit revenue growth driven by Ratings and Indices

Financial Performance	3Q '24 Revenue Growth <sup>1</sup>	TTM Adjusted Operating Margin <sup>2</sup>	TTM Adjusted Operating Margin Y/Y <sup>2</sup>
<b>S&amp;P Global</b> Market Intelligence	6%	32.9%	60 bps
<b>S&amp;P Global</b> Ratings	36%	61.9%	650 bps
<b>S&amp;P Global</b> Commodity Insights	9%	46.7%	50 bps
<b>S&amp;P Global</b> Mobility	9%	38.8%	-20 bps
<b>S&amp;P Dow Jones Indices</b> <small>A Division of S&amp;P Global</small>	18%	70.0%	200 bps
<b>Total S&amp;P Global</b>	16%	48.5%	330 bps

# Third Quarter Financial Results

Chris Craig

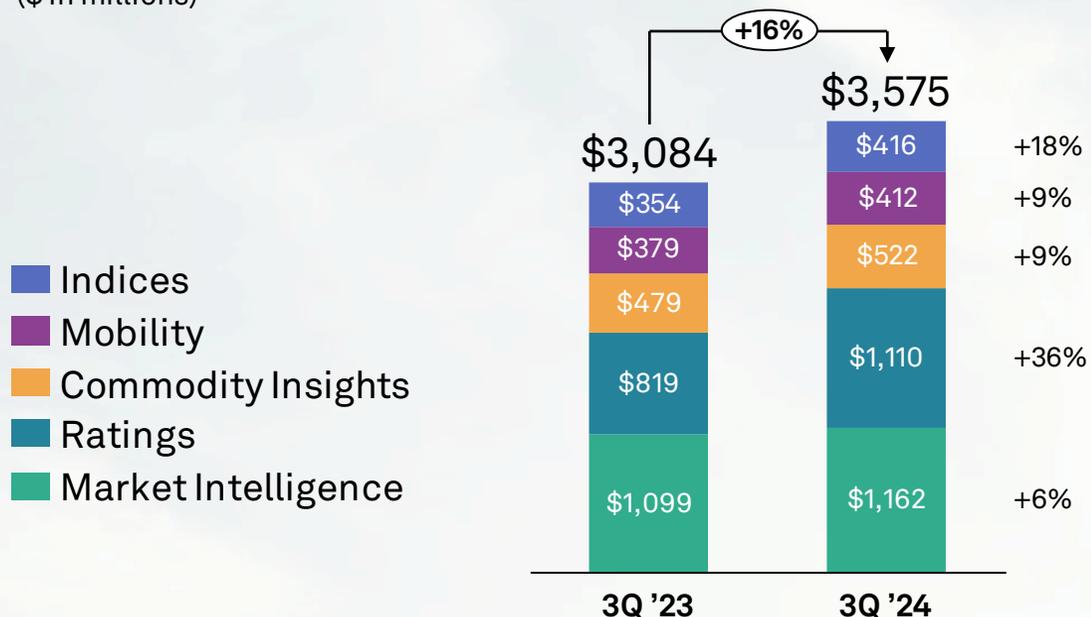
Interim Chief Financial Officer



# Third quarter enterprise financial results

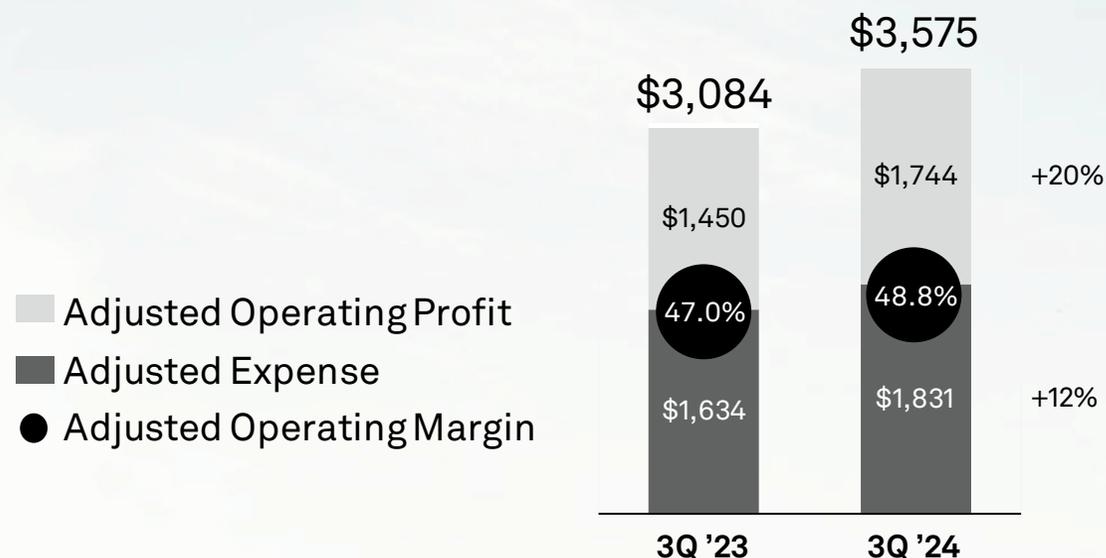
## Revenue

(\$ in millions)



## Adjusted Operating Profit & Expense

(\$ in millions)

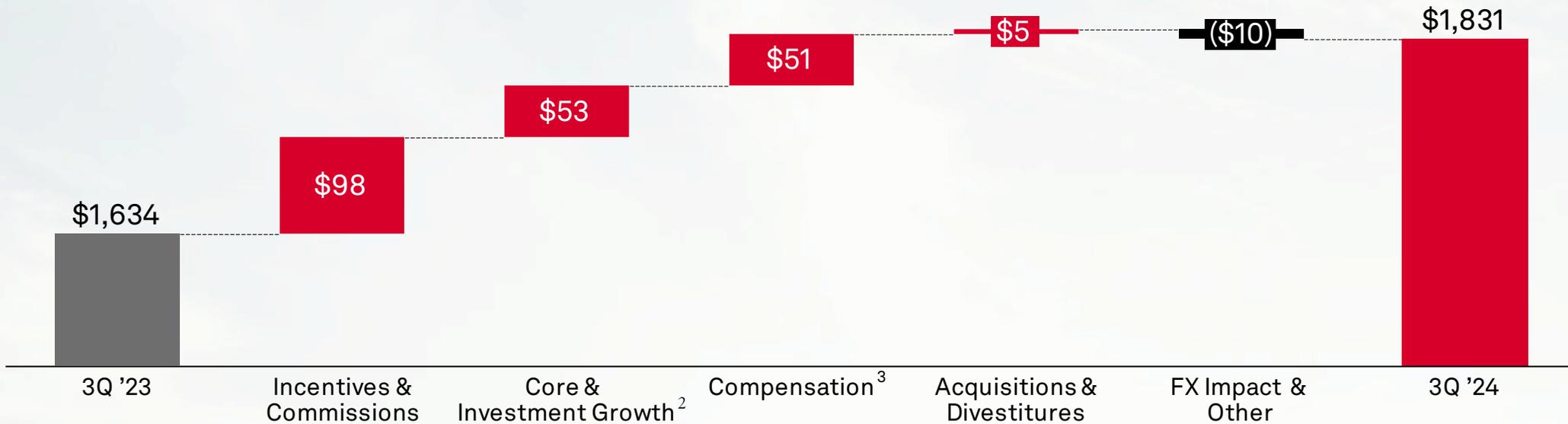


Adjusted Diluted Earnings Per Share: \$3.89 (+21% y/y)

# Third quarter expense bridge

## Total Adjusted Expenses <sup>1</sup>

(\$ in millions)



1. Refers to non-GAAP adjusted expenses in the current period and the year-ago period

2. Core & Investment Growth includes BAU growth, growth initiatives, and cloud

3. Compensation excludes incentives, commissions, and growth initiative spend

# Continued growth in strategic investment areas

## Sustainability & Energy Transition <sup>1</sup>

(\$ in millions)



## Private Market Solutions <sup>2</sup>

(\$ in millions)



## Revenue Synergies

(\$ in millions)



# S&P Global Market Intelligence

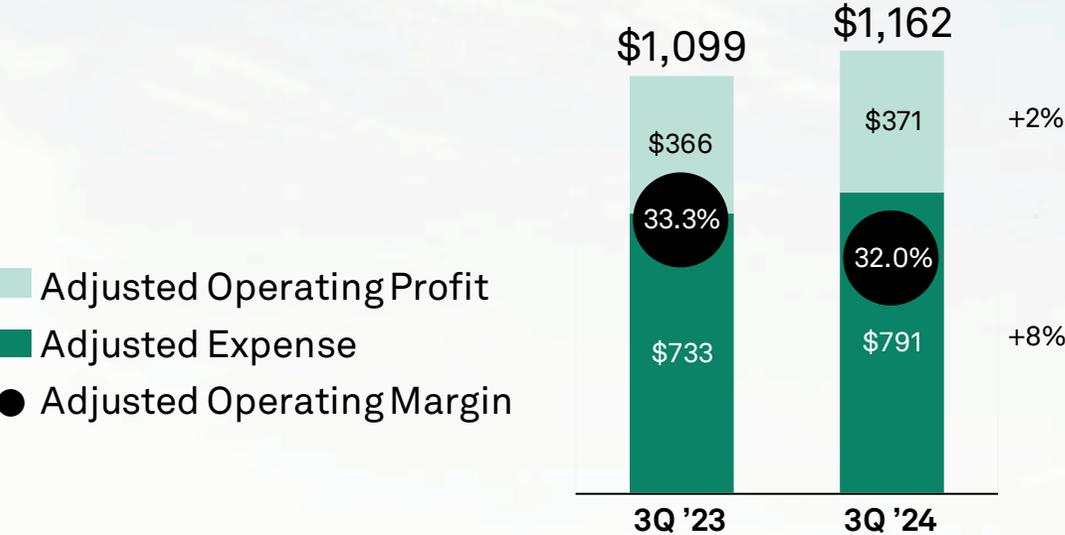
## Revenue

(\$ in millions)



## Adjusted Operating Profit & Expense

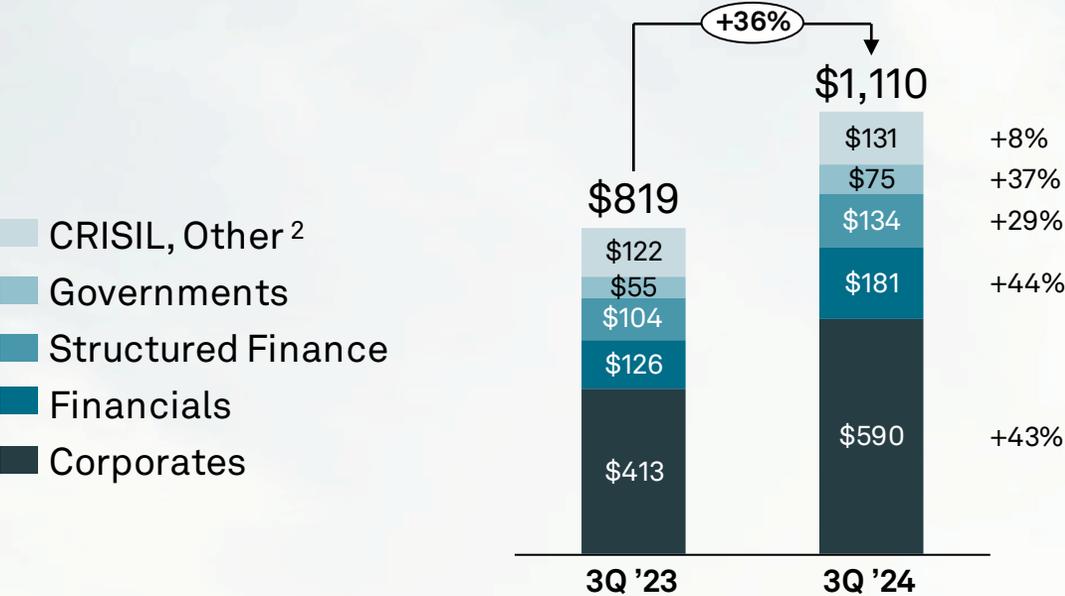
(\$ in millions)



# S&P Global Ratings

## Revenue <sup>1</sup>

(\$ in millions)



## Adjusted Operating Profit & Expense

(\$ in millions)



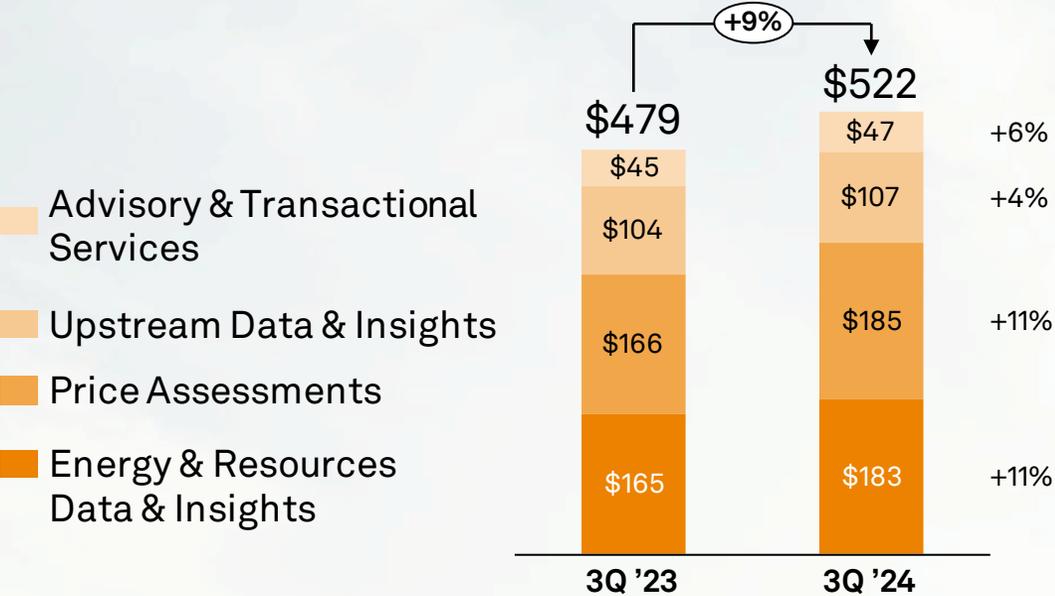
Transaction revenue increased 83% y/y. Non-Transaction revenue increased 4% y/y.

(figures above in millions; some amounts may not sum due to rounding)  
 1. 3Q '23 revenue includes \$19 million from a cumulative catch-up for customers' self-reported commercial paper issuance, primarily in Structured Finance  
 2. Other includes intersegment royalty, Taiwan Ratings Corporation, and adjustments  
 Note: All financials other than revenue refer to non-GAAP adjusted metrics. Revenue refers to GAAP revenue.

# S&P Global Commodity Insights

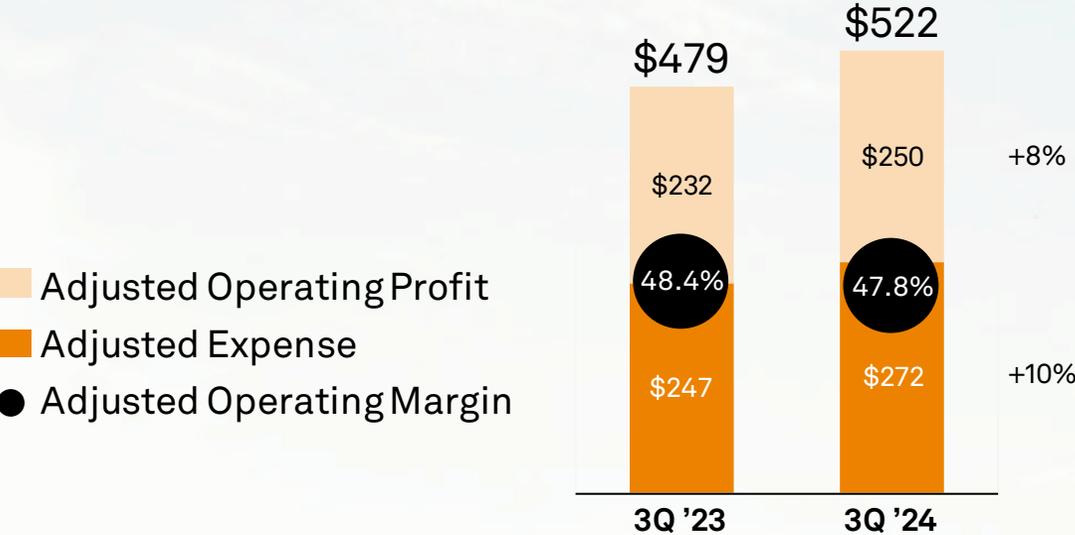
## Revenue<sup>1</sup>

(\$ in millions)



## Adjusted Operating Profit & Expense

(\$ in millions)



(figures above in millions; some amounts may not sum due to rounding)

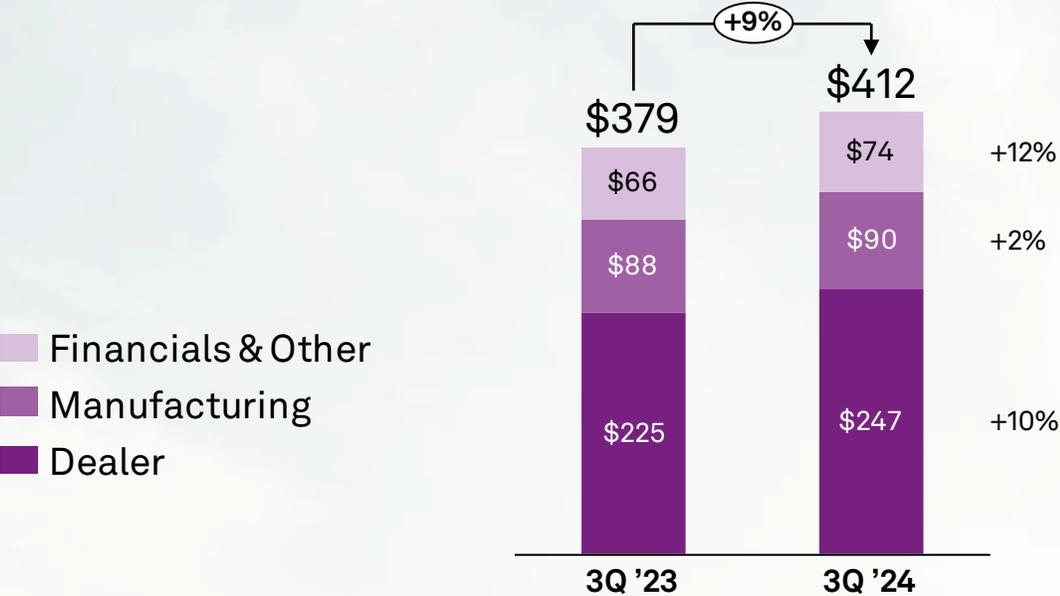
1. Revenue and growth rates reflect a product reclassification from Energy & Resources Data & Insights to Upstream Data & Insights completed in 1Q 2024. See Earnings Supplemental Disclosure from 1Q 2024 for full-year 2023 revenue reclassification reconciliation at <http://investor.spglobal.com/Quarterly-Earnings>

Note: All financials other than revenue refer to non-GAAP adjusted metrics. Revenue refers to GAAP revenue.

# S&P Global Mobility

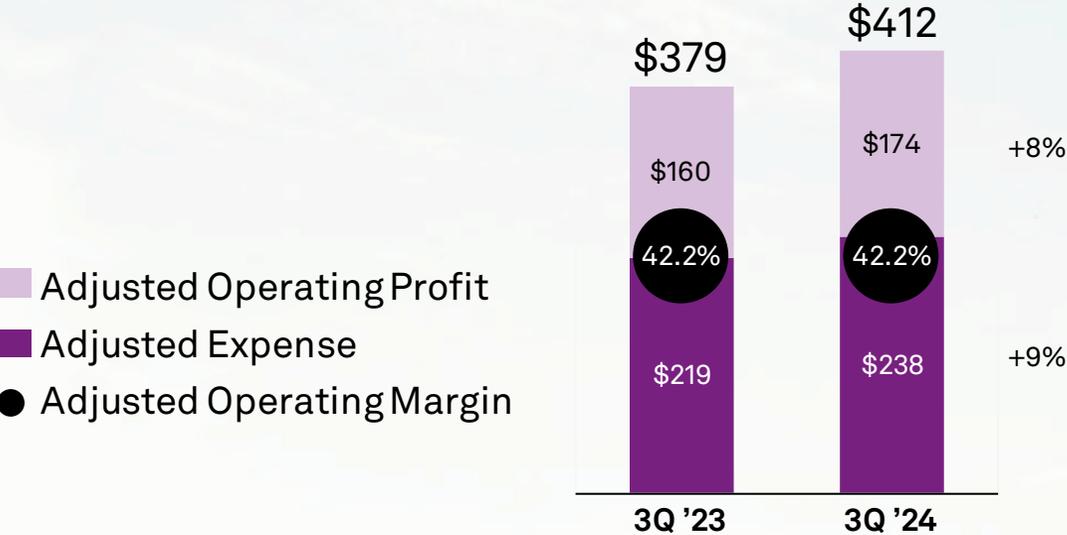
## Revenue

(\$ in millions)



## Adjusted Operating Profit & Expense

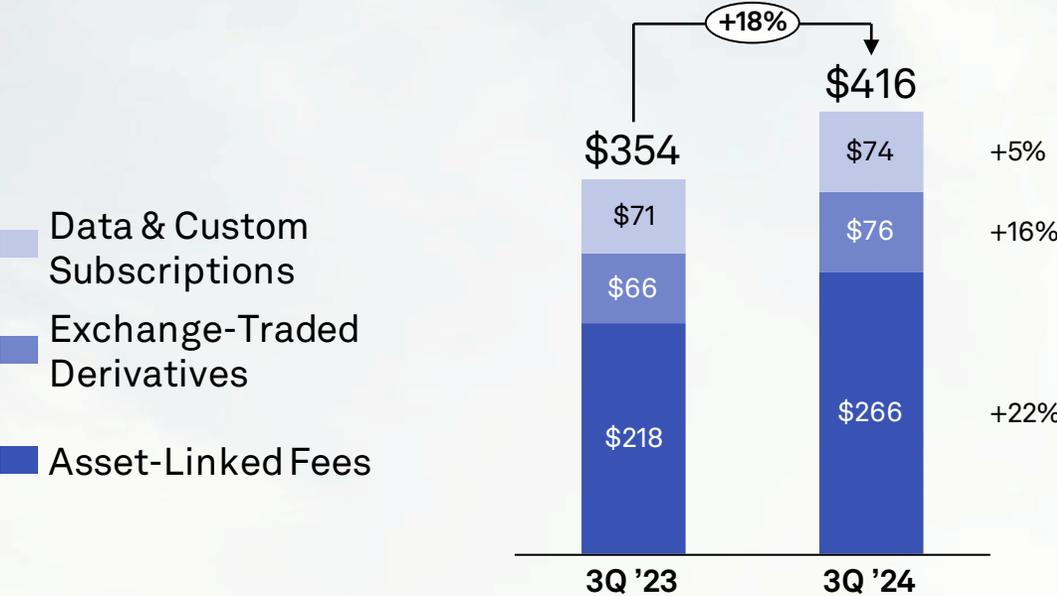
(\$ in millions)



# S&P Dow Jones Indices

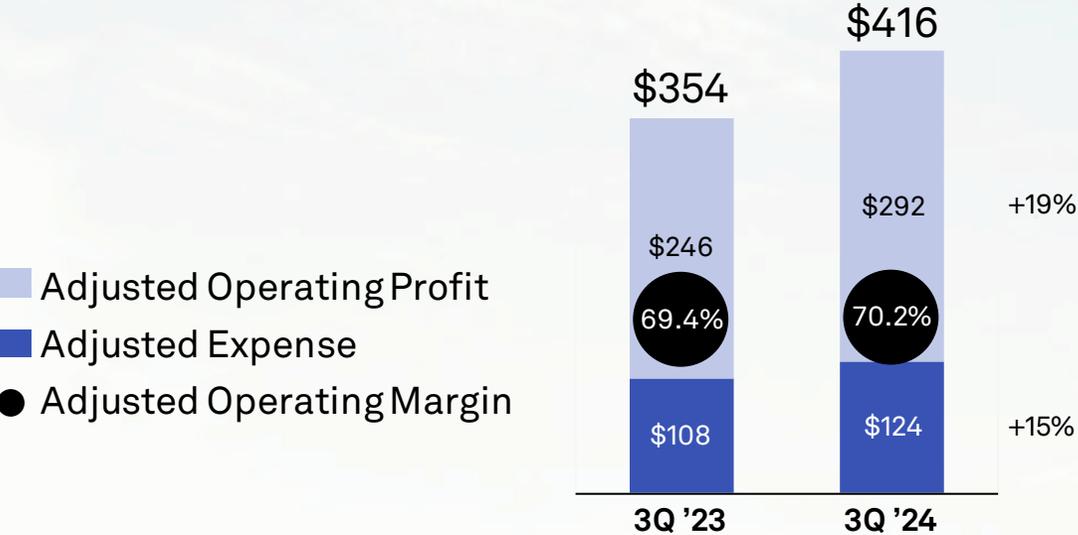
## Revenue

(\$ in millions)



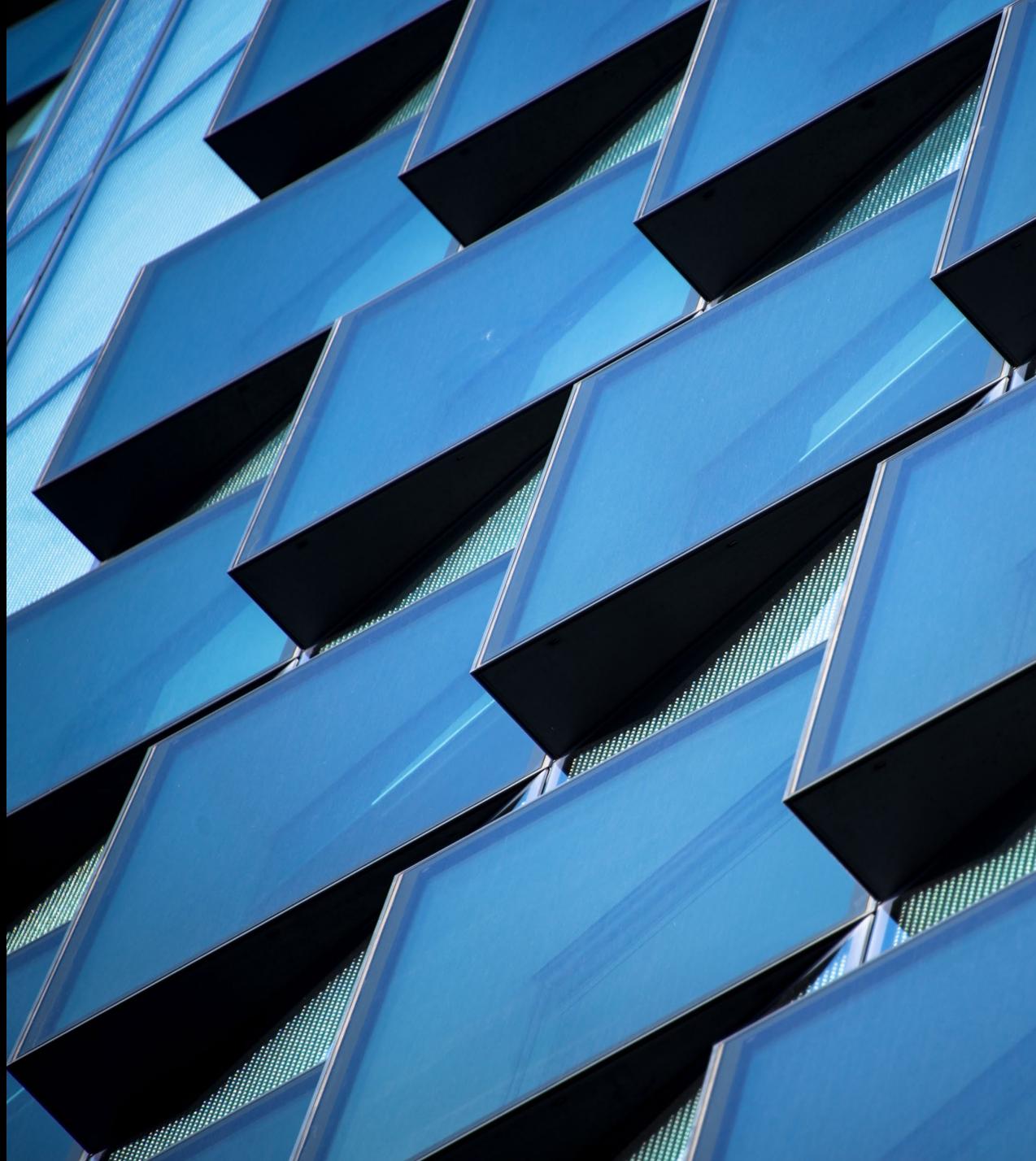
## Adjusted Operating Profit & Expense

(\$ in millions)



# Leadership Transition Update

Martina Cheung  
Incoming President and CEO;  
Current President, S&P Global Ratings



# CEO Transition Update: Prepared to take the baton

## **Our Customers**

Active engagement with multiple stakeholder groups to ensure we are focused on maximizing customer value over the long term

## **Our Products & Services**

Deep-dive sessions with product and commercial teams to proactively align our innovation roadmap with the future needs of our customers

## **Our People**

Townhalls and roundtable discussions with S&P people around the world to answer questions and reinforce our strong culture of excellence

# Leadership Evolution

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**S&P Global**

**Martina Cheung**  
*President & Chief Executive Officer*

**Eric Aboaf**

*Executive Vice President & Chief Financial Officer*

**Saugata Saha**

*President, S&P Global Market Intelligence and Chief Enterprise Data Officer*

**Yann Le Pallec**

*President, S&P Global Ratings*

**Mark Eramo and Dave Ernsberger**

*Co-Presidents, S&P Global Commodity Insights*

**Edouard Tavernier**

*President, S&P Global Mobility*

**Dan Draper**

*Chief Executive Officer, S&P Dow Jones Indices*

**Sally Moore**

*Chief Client Officer, S&P Global*

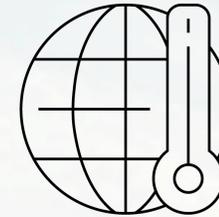
# Strategic Initiatives in Focus



Benchmarks



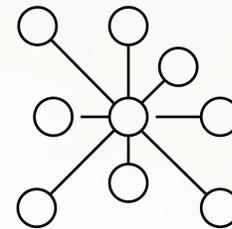
Private Markets



Energy Transition &  
Sustainability



Enterprise Data



Generative AI

# 2024 macroeconomic assumptions underlying guidance

Real GDP  
Growth<sup>1</sup>

**3.2%**

Global

United States	2.7%
Eurozone	0.8%
China	4.6%
India	6.8%

United States  
CPI<sup>2</sup>

**2.9%**

Platts Dated  
Brent<sup>3</sup>

**\$81**

Average Per Barrel

2024 Billed  
Issuance Growth<sup>4</sup>

**~50%**

Note: S&P Global Ratings billed issuance includes the impact of levered loans, and excludes issuance billed under the frequent issuer program, as well as items that do not impact transaction revenue, such as unrated debt and most international public finance.

1. S&P Global Ratings Economic Research - Global Economic Outlook Q4 2024 (9/26/24)
2. S&P Global Ratings Economic Research - Economic Outlook U.S. Q4 2024 (9/24/24)
3. S&P Global Commodity Insights Global Crude Oil Markets Short-Term Outlook (9/26/24)
4. Internal estimate developed by S&P Global Ratings management

# Updated 2024 GAAP guidance

	Previous	Current
Revenue Growth	8.0% - 10.0%	11.5% - 12.5%
Operating Profit Margin Expansion	500 - 550 bps	600 - 650 bps
Diluted EPS	\$11.15 - \$11.40	\$11.95 - \$12.15

Indicates a change from prior guidance

# Updated 2024 adjusted guidance

	Previous	Current
Revenue Growth	8.0% - 10.0%	11.5% - 12.5%
Operating Profit Margin Expansion	125 - 175 bps	200 - 250 bps
Diluted EPS	\$14.35 - \$14.60 +14% to +16% y/y	\$15.10 - \$15.30 +20% to +21% y/y

Indicates a change from prior guidance

# Updated 2024 division revenue outlook

	Previous	Current
<b>S&amp;P Global</b> Market Intelligence	6.0% - 7.5%	6.0% - 6.5%
<b>S&amp;P Global</b> Ratings	14.0% - 16.0%	26.0% - 28.0%
<b>S&amp;P Global</b> Commodity Insights	8.0% - 9.5%	9.0% - 9.5%
<b>S&amp;P Global</b> Mobility	8.0% - 9.0%	8.0% - 8.5%
<b>S&amp;P Dow Jones Indices</b> <small>A Division of S&amp;P Global</small>	10.0% - 12.0%	13.0% - 15.0%

Indicates a change from prior guidance

# Updated 2024 division adjusted margin outlook

	Previous	Current
<b>S&amp;P Global</b> Market Intelligence	33.0% - 34.0%	32.5% - 33.0%
<b>S&amp;P Global</b> Ratings	58.5% - 59.5%	61.0% - 62.0%
<b>S&amp;P Global</b> Commodity Insights	46.5% - 47.5%	46.5% - 47.0%
<b>S&amp;P Global</b> Mobility	38.5% - 39.5%	38.5% - 39.0%
<b>S&amp;P Dow Jones Indices</b> <small>A Division of S&amp;P Global</small>	69.0% - 70.0%	69.5% - 70.5%

Indicates a change from prior guidance

# 3Q 2024 Earnings Call Q&A

**Doug Peterson**  
President and CEO

**Chris Craig**  
Interim Chief Financial Officer

**Martina Cheung**  
Incoming President & CEO  
Current President, S&P Global Ratings

**Mark Grant**  
Senior Vice President, Investor Relations

October 24, 2024

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October 24, 2024

**S&P Global**

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**Domestic: 866-405-7296**

**International: 203-369-0607**

**No password required**