S&P Global acquires Shades of Green business from CICERO

Brings complementary capabilities within S&P Global Ratings related to the provision of second party opinions

NEW YORK, Dec. 6, 2022 /PRNewswire/ -- S&P Global (NYSE: SPGI), provider of credit ratings, benchmarks and analytics, has announced the acquisition of the Shades of Green business from the Center for International Climate Research (CICERO), Norway's foremost institute for interdisciplinary climate research.

The acquisition will be integrated into S&P Global Ratings and further expand the breadth and depth of its second party opinions (SPOs) offering. SPOs are independent assessments of a company's financing or framework's alignment with market standards and typically provided before any borrowing is raised.

The global ESG debt universe has grown rapidly to reach $4.5 trillion now compared to $1.5 trillion two years ago according to the International Institute of Finance. Shades of Green provides independent, research-based SPOs of green, sustainability and sustainability-linked financing frameworks and climate risk assessments and impact reporting reviews grounded in climate science. Since providing the SPO for the first green bond framework issued by the World Bank in 2008, it has been a leading provider of SPOs, since being established as a subsidiary to CICERO in 2018. The firm has won multiple industry awards for the quality of its analysis and its *Shades of Green* methodology is highly respected in providing deeper transparency on climate risk.

"At S&P Global Ratings, we're committed to providing the data, analysis and opinions that investors need to make decisions with conviction. In the same way we strive to provide transparency on credit quality with our credit ratings, we've been building the capabilities and expertise to support the development of the sustainable debt market," said **Martina Cheung, President of S&P Global Ratings**. "Shades of Green's unrivalled climate expertise and track record will help us further expand and strengthen our ability to help our customers seeking access to the sustainable debt markets."

"With S&P Global Ratings, we have found a partner with the same commitment to transparency and the means to support a more sustainable financial system," added **Kristin Halvorsen, Director, Center for International Climate Research (CICERO).**

"The Shades of Green methodology provides transparency on climate risk while motivating early-movers in the market and rewarding advanced actors." **Christa Clapp, Co-founder, CICERO Shades of Green.**

S&P Global Ratings will retain an office in Oslo, Norway where Shades of Green is based. The Center for International Climate Research will continue to lend its climate expertise to Shades of Green and provide insights to S&P Global's other leading sustainability businesses.

Since launching in 2017, S&P Global Ratings' SPOs have been underpinned by a robust and published analytical approach and produced by a team of sustainable finance analysts relying on the sector level expertise provided by the credit analysts.

The transaction was signed and closed on 1 December 2022 and terms were not disclosed.

About S&P Global:

S&P Global (NYSE: SPGI) provides essential intelligence. We enable governments, businesses and individuals with the right data, expertise and connected technology so that they can make decisions with conviction. From helping our customers assess

new investments to guiding them through ESG and energy transition across supply chains, we unlock new opportunities, solve challenges and accelerate progress for the world.

We are widely sought after by many of the world's leading organizations to provide credit ratings, benchmarks, analytics and workflow solutions in the global capital, commodity and automotive markets. With every one of our offerings, we help the world's leading organizations plan for tomorrow, today.

About S&P Global Ratings

S&P Global Ratings, part of S&P Global Inc. (NYSE: SPGI), is the world's leading provider of independent credit risk research. We publish more than a million credit ratings on debt issued by sovereign, municipal, corporate and financial sector entities. With over 1,600 credit analysts in 26 countries, and more than 150 years' experience of assessing credit risk, we offer a unique combination of global coverage and local insight. Our research and opinions about relative credit risk provide market participants with information that helps to support the growth of transparent, liquid debt markets worldwide.

About CICERO

CICERO is a world leading institute for interdisciplinary climate research. We deliver high quality research and knowledge that help society respond to the climate challenge and strengthen international climate cooperation. CICERO is internationally recognised for its research on the climate effects of anthropogenic emissions, society's response to climate change, and the formulation of international agreements. We have played an active role in the IPCC since 1992. In recent years CICERO has developed considerable expertise in climate finance and in 2018 established CICERO Shades of Green, a subsidiary to professionalise the climate risk services to the financial sector, acquired by S&P Global Ratings in 2022.

Forward-Looking Statements: This press release contains "forward-looking statements," as defined in the Private Securities Litigation Reform Act of 1995. These statements, including statements about COVID-19 and the completed 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 press release 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 (including military conflict), and conditions that may result from legislative, regulatory, trade and policy changes;
- the ability of the Company to retain customers and to implement its plans, forecasts and other expectations with respect to IHS Markit's business and realize expected synergies;
- business disruption following the Merger;
- the Company's ability to meet expectations regarding the accounting and tax treatments of the Merger;
- 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;
- 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, data breach, 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;
- 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 around the globe, affecting S&P Global Market Intelligence, S&P Global Ratings, S&P Global Commodity Insights, S&P Global Mobility, S&P Dow Jones Indices, S&P Global Engineering Solutions, 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, especially in today's competitive business environment;
- 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.

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