UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2023

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from __________ to __________

Commission File Number: 1-1023

S&P Global

S&P Global Inc.
(Exact name of registrant as specified in its charter)

New York	13-1026995
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
55 Water Street , New York , New York	10041
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: 212-438-1000

Securities registered pursuant to Section 12(b) of the Act:

Class	Trading Symbol	Name of Exchange on which registered
Common stock (par value $1.00 per share)	SPGI	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Date File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer", "smaller reporting company", and "emerging growth company" in Rule 12b-2 of the Exchange Act.

☑ Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES ☐ NO ☑

As of October 27, 2023 (latest practicable date), 316.8 million shares of the issuer's classes of common stock (par value $1.00 per share) were outstanding excluding 7.2 million outstanding common shares held by the Markit Group Holdings Limited Employee Benefit Trust.

S&P Global Inc.

INDEX

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of S&P Global Inc.

Results of Review of Interim Financial Statements

We have reviewed the accompanying consolidated balance sheet of S&P Global Inc. and subsidiaries (the Company) as of September 30, 2023, the related consolidated statements of income, comprehensive income, and equity for the three- and nine-month periods ended September 30, 2023 and 2022, the related consolidated statements of cash flows for the nine-month periods ended September 30, 2023 and 2022, and the related notes (collectively referred to as the "consolidated interim financial statements"). Based on our reviews, we are not aware of any material modifications that should be made to the consolidated interim financial statements for them to be in conformity with U.S. generally accepted accounting principles.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheet of the Company as of December 31, 2022, the related consolidated statements of income, comprehensive income, equity and cash flows for the year then ended, and the related notes and schedule (not presented herein); and in our report dated February 9, 2023, we expressed an unqualified audit opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying consolidated balance sheet as of December 31, 2022, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

Basis for Review Results

These financial statements are the responsibility of the Company's management. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the SEC and the PCAOB. We conducted our review in accordance with the standards of the PCAOB. A review of interim financial statements consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the PCAOB, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

/s/ ERNST & YOUNG LLP

New York, New York
November 2, 2023

PART I — FINANCIAL INFORMATION

Item 1. Financial Statements

S&P Global Inc.

Consolidated Statements of Income
(Unaudited)

(in millions, except per share amounts)	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022
Revenue	$ 3,084	$ 2,861	$ 9,345	$ 8,244
Expenses:				
Operating-related expenses	995	989	3,109	2,745
Selling and general expenses	741	725	2,217	2,451
Depreciation	22	31	71	93
Amortization of intangibles	260	267	782	645
Total expenses	2,018	2,012	6,179	5,934
Loss (gain) on dispositions	—	2	69	(1,897)
Equity in income on unconsolidated subsidiaries	(8)	(6)	(33)	(21)
Operating profit	1,074	853	3,130	4,228
Other income, net	(5)	(37)	(5)	(86)
Interest expense, net	84	71	258	218
(Gain) loss on extinguishment of debt, net	—	(4)	—	15
Income before taxes on income	995	823	2,877	4,081
Provision for taxes on income	181	145	628	1,053
Net income	814	678	2,249	3,028
Less: net income attributable to noncontrolling interests	(72)	(70)	(202)	(213)
Net income attributable to S&P Global Inc.	$ 742	$ 608	$ 2,047	$ 2,815
Earnings per share attributable to S&P Global Inc. common shareholders:				
Net income:				
Basic	$ 2.34	$ 1.84	$ 6.41	$ 8.95
Diluted	$ 2.33	$ 1.84	$ 6.40	$ 8.91
Weighted-average number of common shares outstanding:				
Basic	317.5	329.6	319.4	314.5
Diluted	318.0	330.9	319.9	315.7
Actual shares outstanding at period end			316.8	325.8

See accompanying notes to the unaudited consolidated financial statements.

S&P Global Inc.

Consolidated Statements of Comprehensive Income
(Unaudited)

(in millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	**2022**	**2023**	**2022**
Net income	$ 814	$ 678	$ 2,249	$ 3,028
Other comprehensive income:				
Foreign currency translation adjustments	(113)	(255)	(40)	(371)
Income tax effect	(6)	(15)	2	(42)
	(119)	(270)	(38)	(413)
Pension and other postretirement benefit plans	—	4	(12)	5
Income tax effect	—	(1)	4	(1)
	—	3	(8)	4
Unrealized gain on cash flow hedges	115	54	115	283
Income tax effect	(29)	(14)	(29)	(71)
	86	40	86	212
Comprehensive income	781	451	2,289	2,831
Less: comprehensive income attributable to nonredeemable noncontrolling interests	(7)	(6)	(19)	(18)
Less: comprehensive income attributable to redeemable noncontrolling interests	(65)	(64)	(183)	(195)
Comprehensive income attributable to S&P Global Inc.	$ 709	$ 381	$ 2,087	$ 2,618

See accompanying notes to the unaudited consolidated financial statements.

S&P Global Inc.

Consolidated Balance Sheets

(in millions)	September 30, 2023	December 31, 2022
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,645	$ 1,286
Restricted cash	1	1
Accounts receivable, net of allowance for doubtful accounts: 2023 - $51; 2022 - $48	2,547	2,494
Prepaid and other current assets	611	588
Assets of a business held for sale	—	1,298
Total current assets	4,804	5,667
Property and equipment, net of accumulated depreciation: 2023 - $795; 2022 - $859	254	297
Right of use assets	392	423
Goodwill	34,785	34,545
Other intangible assets, net	17,635	18,306
Equity investments in unconsolidated subsidiaries	1,791	1,752
Other non-current assets	900	794
Total assets	$ 60,561	$ 61,784
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	$ 458	$ 450
Accrued compensation and contributions to retirement plans	655	753
Short-term debt	47	226
Income taxes currently payable	59	116
Unearned revenue	3,022	3,126
Other current liabilities	977	1,094
Liabilities of a business held for sale	—	234
Total current liabilities	5,218	5,999
Long-term debt	11,415	10,730
Lease liabilities — non-current	543	577
Pension and other postretirement benefits	183	180
Deferred tax liability — non-current	3,671	4,065
Other non-current liabilities	507	489
Total liabilities	21,537	22,040
Redeemable noncontrolling interest (Note 8)	3,510	3,267
Commitments and contingencies (Note 12)		
Equity:		
Common stock, $1 par value: authorized - 600 million shares; issued - 2023 and 2022 415 million shares	415	415
Additional paid-in capital	44,439	44,422
Retained income	18,725	17,784
Accumulated other comprehensive loss	(846)	(886)
Less: common stock in treasury	(27,314)	(25,347)
Total equity — controlling interests	35,419	36,388
Total equity — noncontrolling interests	95	89
Total equity	35,514	36,477
Total liabilities and equity	$ 60,561	$ 61,784

See accompanying notes to the unaudited consolidated financial statements.

S&P Global Inc.

Consolidated Statements of Cash Flows
(Unaudited)

(in millions)	Nine Months Ended September 30,	
	2023	2022
Operating Activities:		
Net income	$ 2,249	$ 3,028
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation	71	93
Amortization of intangibles	782	645
Provision for losses on accounts receivable	19	18
Deferred income taxes	(430)	(155)
Stock-based compensation	143	160
Loss (gain) on dispositions	69	(1,897)
Loss on extinguishment of debt, net	—	15
Other	151	249
Changes in operating assets and liabilities, net of effect of acquisitions and dispositions:		
Accounts receivable	(64)	291
Prepaid and other current assets	(128)	(66)
Accounts payable and accrued expenses	(120)	(382)
Unearned revenue	(71)	(188)
Other current liabilities	(313)	(85)
Net change in prepaid/accrued income taxes	62	(92)
Net change in other assets and liabilities	(44)	(144)
Cash provided by operating activities	2,376	1,490
Investing Activities:		
Capital expenditures	(95)	(61)
Acquisitions, net of cash acquired	(293)	242
Proceeds from dispositions	1,004	3,510
Changes in short-term investments	(9)	(2)
Cash provided by investing activities	607	3,689
Financing Activities:		
Payments on short-term debt, net	(188)	(219)
Proceeds from issuance of senior notes, net	744	5,395
Payments on senior notes	—	(3,684)
Dividends paid to shareholders	(864)	(749)
Proceeds from noncontrolling interest holders	—	410
Distributions to noncontrolling interest holders	(211)	(197)
Contingent consideration payments	(8)	—
Repurchase of treasury shares	(2,001)	(11,003)
Exercise of stock options	12	4
Employee withholding tax on share-based payments	(86)	(85)
Cash used for financing activities	(2,602)	(10,128)
Effect of exchange rate changes on cash	(22)	(167)
Net change in cash, cash equivalents, and restricted cash	359	(5,116)
Cash, cash equivalents, and restricted cash at beginning of period	1,287	6,505
Cash, cash equivalents, and restricted cash at end of period	$ 1,646	$ 1,389

See accompanying notes to the unaudited consolidated financial statements.

S&P Global Inc.

Consolidated Statements of Equity

(Unaudited)

	Three Months Ended September 30, 2023							
(in millions)	Common Stock $1 par	Additional Paid-in Capital	Retained Income	Accumulated Other Comprehensive Loss	Less: Treasury Stock	Total SPGI Equity	Noncontrolling Interests	Total Equity
Balance as of June 30, 2023	$ 415	$ 44,293	$ 18,279	$ (813)	$ 26,706	$ 35,468	$ 91	$ 35,559
Comprehensive income [1]			742	(33)		709	7	716
Dividends (Dividend declared per common share — $0.90 per share)			(286)			(286)	(2)	(288)
Share repurchases		125			625	(500)		(500)
Employee stock plans		21			(17)	38		38
Change in redemption value of redeemable noncontrolling interest			(10)			(10)		(10)
Adjustment to noncontrolling interest						—		—
Other						—	(1)	(1)
Balance as of September 30, 2023	$ 415	$ 44,439	$ 18,725	$ (846)	$ 27,314	$ 35,419	$ 95	$ 35,514

	Three Months Ended September 30, 2022							
(in millions)	Common Stock $1 par	Additional Paid-in Capital	Retained Income	Accumulated Other Comprehensive Loss	Less: Treasury Stock	Total SPGI Equity	Noncontrolling Interests	Total Equity
Balance as of June 30, 2022	$ 415	$ 43,242	$ 17,298	$ (811)	$ 20,711	$ 39,433	$ 73	$ 39,506
Comprehensive income [1]			608	(227)		381	6	387
Dividends (Dividend declared per common share — $0.85 per share)			(277)			(277)	(2)	(279)
Share repurchases		962			3,462	(2,500)		(2,500)
Employee stock plans		25			1	24		24
Change in redemption value of redeemable noncontrolling interest			106			106		106
Other						—	(4)	(4)
Balance as of September 30, 2022	$ 415	$ 44,229	$ 17,735	$ (1,038)	$ 24,174	$ 37,167	$ 73	$ 37,240

See accompanying notes to the unaudited consolidated financial statements.

Nine Months Ended September 30, 2023								
(in millions)	Common Stock $1 par	Additional Paid-in Capital	Retained Income	Accumulated Other Comprehensive Loss	Less: Treasury Stock	Total SPGI Equity	Noncontrolling Interests	Total Equity
Balance as of December 31, 2022	$ 415	$ 44,422	$ 17,784	$ (886)	$ 25,347	$ 36,388	$ 89	$ 36,477
Comprehensive income [1]			2,047	40		2,087	19	2,106
Dividends (Dividend declared per common share — $2.70 per share)			(864)			(864)	(11)	(875)
Share repurchases		125			2,126	(2,001)		(2,001)
Employee stock plans		(106)			(159)	53		53
Change in redemption value of redeemable noncontrolling interest			(247)			(247)		(247)
Adjustment to noncontrolling interest		(2)				(2)		(2)
Other			5			5	(2)	3
Balance as of September 30, 2023	$ 415	$ 44,439	$ 18,725	$ (846)	$ 27,314	$ 35,419	$ 95	$ 35,514

Nine Months Ended September 30, 2022								
(in millions)	Common Stock $1 par	Additional Paid-in Capital	Retained Income	Accumulated Other Comprehensive Loss	Less: Treasury Stock	Total SPGI Equity	Noncontrolling Interests	Total Equity
Balance as of December 31, 2021	$ 294	$ 1,031	$ 15,017	$ (841)	$ 13,469	$ 2,032	$ 75	$ 2,107
Comprehensive income [1]			2,815	(197)		2,618	18	2,636
Dividends (Dividend declared per common share — $2.47 per share)			(749)			(749)	(12)	(761)
Acquisition of IHS Markit	121	43,415				43,536		43,536
Share repurchases		(313)			10,690	(11,003)		(11,003)
Employee stock plans		96			15	81		81
Change in redemption value of redeemable noncontrolling interest			653			653		653
Other			(1)			(1)	(8)	(9)
Balance as of September 30, 2022	$ 415	$ 44,229	$ 17,735	$ (1,038)	$ 24,174	$ 37,167	$ 73	$ 37,240

[1]Excludes comprehensive income of $65 million and $64 million for the three months ended September 30, 2023 and 2022, respectively, and $183 million and $195 million for the nine months ended September 30, 2023 and 2022, respectively, attributable to our redeemable noncontrolling interest.

S&P Global Inc.

Notes to the Consolidated Financial Statements
(Unaudited)

1. Nature of Operations and Basis of Presentation

S&P Global Inc. (together with its consolidated subsidiaries, "S&P Global," the "Company," "we," "us" or "our") is a provider of credit ratings, benchmarks, analytics and workflow solutions in the global capital, commodity and automotive markets.

Our operations consist of six reportable segments: S&P Global Market Intelligence ("Market Intelligence"), S&P Global Ratings ("Ratings"), S&P Global Commodity Insights ("Commodity Insights"), S&P Global Mobility ("Mobility"), S&P Dow Jones Indices ("Indices") and S&P Global Engineering Solutions ("Engineering Solutions").

- Market Intelligence is a global provider of multi-asset-class data and analytics integrated with purpose-built workflow solutions.
- Ratings is an independent provider of credit ratings, research, and analytics, offering investors and other market participants information, ratings and benchmarks.
- Commodity Insights is a leading independent provider of information and benchmark prices for the commodity and energy markets.
- Mobility is a leading provider of solutions serving the full automotive value chain including vehicle manufacturers (OEMs), automotive suppliers, mobility service providers, retailers, consumers, and finance and insurance companies.
- Indices is a global index provider maintaining a wide variety of valuation and index benchmarks for investment advisors, wealth managers and institutional investors.
- As of May 2, 2023, we completed the sale of Engineering Solutions, a leading provider of engineering standards and related technical knowledge, and the results are included through that date.

On May 2, 2023, we completed the sale of Engineering Solutions to Allium Buyer LLC, a Delaware limited liability company controlled by funds affiliated with Kohlberg Kravis Roberts & Co. L.P. ("KKR"). We received the full proceeds from the sale of $975 million in cash, subject to purchase price adjustments, which we expect to result in approximately $750 million in after-tax proceeds. The assets and liabilities of Engineering Solutions were classified as held for sale in our consolidated balance sheet as of December 31, 2022. During the nine months ended September 30, 2023, we recorded a pre-tax loss of $120 million in Loss (gain) on dispositions and disposition-related costs of $16 million in selling and general expenses in the consolidated statement of income ($182 million after-tax, net of a release of a deferred tax liability of $157 million) related to the sale of Engineering Solutions. Following the sale, the assets and liabilities of Engineering Solutions are no longer reported in our consolidated balance sheet as of September 30, 2023. The transaction followed our announced intent in November of 2022 to divest the business. Engineering Solutions became part of the Company following our merger with IHS Markit.

On February 28, 2022, we completed the merger with IHS Markit Ltd ("IHS Markit"), and as a result, IHS Markit and its subsidiaries became wholly owned consolidated subsidiaries of S&P Global, and the financial results include IHS Markit from the date of acquisition.

The accompanying unaudited financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and notes required by U.S. GAAP for complete financial statements. Therefore, the financial statements included herein should be read in conjunction with the financial statements and notes included in our Form 10-K for the year ended December 31, 2022 (our "Form 10-K"). Certain prior-year amounts have been reclassified to conform with current presentation.

In the opinion of management, all normal recurring adjustments considered necessary for a fair statement of the results of the interim periods have been included. The operating results for the three and nine months ended September 30, 2023 are not necessarily indicative of the results that may be expected for the full year.

On an ongoing basis, we evaluate our estimates and assumptions, including those related to revenue recognition, business combinations, allowance for doubtful accounts, valuation of long-lived assets, goodwill and other intangible assets, pension plans, incentive compensation and stock-based compensation, income taxes, contingencies and redeemable noncontrolling interests. Since the date of our Form 10-K, there have been no material changes to our critical accounting policies and estimates.

Restricted Cash

Restricted cash included in our consolidated balance sheets was $1 million as of September 30, 2023 and December 31, 2022.

Contract Assets

Contract assets include unbilled amounts from when the Company transfers service to a customer before a customer pays consideration or before payment is due. As of September 30, 2023 and December 31, 2022, contract assets were $104 million and $60 million, respectively, and are included in accounts receivable in our consolidated balance sheets.

Unearned Revenue

We record unearned revenue when cash payments are received in advance of our performance. The decrease in the unearned revenue balance at September 30, 2023 compared to December 31, 2022 is primarily driven by $2.6 billion of revenues recognized that were included in the unearned revenue balance at the beginning of the period, offset by cash payments received in advance of satisfying our performance obligations.

Remaining Performance Obligations

Remaining performance obligations represent the transaction price of contracts for work that has not yet been performed. As of September 30, 2023, the aggregate amount of the transaction price allocated to remaining performance obligations was $3.7 billion. We expect to recognize revenue on approximately half and three-quarters of the remaining performance obligations over the next 12 and 24 months, respectively, with the remainder recognized thereafter.

We do not disclose the value of unfulfilled performance obligations for (i) contracts with an original expected length of one year or less and (ii) contracts where revenue is a usage-based royalty promised in exchange for a license of intellectual property.

Costs to Obtain Contracts

We recognize an asset for the incremental costs of obtaining a contract with a customer if we expect the benefit of those costs to be longer than one year. We have determined that the costs associated with certain sales commission programs are incremental to the costs to obtain contracts with customers and therefore meet the criteria to be capitalized. Total capitalized costs to obtain contracts were $202 million and $175 million as of September 30, 2023 and December 31, 2022, respectively, and are included in prepaid and other current assets and other non-current assets on our consolidated balance sheets. The capitalized asset will be amortized over a period consistent with the transfer to the customer of the goods or services to which the asset relates, calculated based on the customer term and the average life of the products and services underlying the contracts which has been determined to be approximately 5 years. The expense is recorded within selling and general expenses.

We expense sales commissions when incurred if the amortization period is one year or less. These costs are recorded within selling and general expenses.

Equity in Income on Unconsolidated Subsidiaries

The Company holds an investment in a 50/50 joint venture arrangement with shared control with CME Group that combined each company's post-trade services into a joint venture, OSTTRA. The joint venture provides trade processing and risk mitigation operations and incorporates CME's optimization businesses (Traiana, TriOptima, and Reset) and the Company's MarkitSERV business. The combination is intended to increase operating efficiencies of both businesses to more effectively service clients with enhanced platforms and services for OTC markets across interest rate, FX, equity, and credit asset classes.

Other Income, net

The components of other income, net for the periods ended September 30 are as follows:

(in millions)	Three Months		Nine Months	
	2023	2022	2023	2022
Other components of net periodic benefit cost	$ (6)	$ (7)	$ (18)	$ (18)
Net loss (gain) from investments	1	(30)	13	(68)
Other income, net	$ (5)	$ (37)	$ (5)	$ (86)

2. Acquisitions and Divestitures

Acquisitions

2023

On February 16, 2023, we completed the acquisition of Market Scan Information Systems, Inc. ("Market Scan"), a leading provider of automotive pricing and incentive intelligence, including Automotive Payments as a Service™ and its powerful payment calculation engine. The addition of Market Scan to Mobility will enable the integration of detailed transaction intelligence in areas that are complementary to existing services for dealers, OEMs, lenders, and other market participants. The acquisition of Market Scan is not material to our consolidated financial statements.

On January 3, 2023, we completed the acquisition of ChartIQ, a premier charting provider for the financial services industry. ChartIQ is a professional grade charting solution that allows users to visualize data with a fully interactive web-based library that works seamlessly across web, mobile and desktop. It provides advanced capabilities including trade visualization, options analytics, technical analysis and more. Additionally, ChartIQ allows clients to visualize vendor-supplied data combined with their own proprietary content, alternative datasets or analytics. The acquisition is part of our Market Intelligence segment and further enhances our S&P Capital IQ Pro platform, our digital investment solutions provider Markit Digital and other workflow solutions to provide the industry with leading visualization capabilities. The acquisition of ChartIQ is not material to our consolidated financial statements.

On January 4, 2023, we completed the acquisition of TruSight Solutions LLC ("TruSight") a provider of third-party vendor risk assessments. The acquisition was integrated into our Market Intelligence segment and further expands the breadth and depth of S&P Global's third party vendor risk management solutions by offering high-quality validated assessment data to clients designed to reduce further the vendor due diligence burden on service providers to the financial services industry. The acquisition of TruSight is not material to our consolidated financial statements.

2022

Merger with IHS Markit

On February 28, 2022, we completed the merger with IHS Markit. The fair value of the consideration transferred for IHS Markit was approximately $43.5 billion.

Allocation of Purchase Price

The merger with IHS Markit was accounted for as a business combination using the acquisition method of accounting in accordance with ASC 805, Business Combinations ("ASC 805"). The allocation of purchase price recorded for IHS Markit is as follows:

(in millions)		February 28, 2022
Assets acquired		
Cash and cash equivalents	$	310
Accounts receivable, net		968
Prepaid and other current assets		224
Assets of a business held for sale		1,519
Property and equipment		118
Right of use assets		240
Goodwill		31,456
Other intangible assets		18,620
Equity investments in unconsolidated subsidiaries		1,644
Other non-current assets		54
Total assets acquired	$	55,153
Liabilities assumed		
Account payable	$	174
Accrued compensation		90
Short-term debt		968
Unearned revenue		1,053
Other current liabilities		581
Liabilities of a business held for sale		72
Long-term debt		4,191
Lease liabilities - non-current		231
Deferred tax liability - non-current		4,200
Other non-current liabilities		57
Total liabilities assumed	$	11,617
Total consideration transferred	$	43,536

Acquired Identifiable Intangible Assets

The following table sets forth the fair values of the components of the identifiable intangible assets acquired and their useful lives:

(in millions)		Fair Value	Weighted Average Useful Lives
Customer relationships	$	13,596	25 years
Trade names and trademarks		1,469	14 years
Developed technology		1,043	10 years
Databases		2,512	12 years
Total Identified Intangible Assets	$	18,620	21 years

<u>Divestitures</u>

<u>2023</u>

On May 2, 2023, we completed the sale of Engineering Solutions to Allium Buyer LLC, a Delaware limited liability company controlled by funds affiliated with Kohlberg Kravis Roberts & Co. L.P. (“KKR”). We received the full proceeds from the sale of $975 million in cash, subject to purchase price adjustments, which we expect to result in approximately $750 million in after-tax proceeds. The assets and liabilities of Engineering Solutions were classified as held for sale in our consolidated balance sheet as of December 31, 2022. During the nine months ended September 30, 2023, we recorded a pre-tax loss of $120 million in Loss (gain) on dispositions and disposition-related costs of $16 million in selling and general expenses in the consolidated statement of income ($182 million after-tax, net of a release of a deferred tax liability of $157 million) related to the sale of Engineering Solutions. Following the sale, the assets and liabilities of Engineering Solutions are no longer reported in our consolidated balance sheet as of September 30, 2023. The transaction followed our announced intent in November of 2022 to divest the business. Engineering Solutions became part of the Company following our merger with IHS Markit.

In the first quarter of 2023, we received a contingent payment following the sale of Leveraged Commentary and Data ("LCD") along with a related family of leveraged loan indices in June of 2022. The contingent payment was payable six months following the closing upon the achievement of certain conditions related to the transition of LCD customer relationships. During the nine months ended September 30, 2023, the contingent payment resulted in a pre-tax gain of $46 million ($34 million after-tax) related to the sale of LCD in our Market Intelligence segment and $4 million ($3 million after-tax) in Loss (gain) on dispositions related to the sale of a family of leveraged loan indices in our Indices segment.

2022

As a condition of securing regulatory approval for the merger, S&P Global and IHS Markit agreed to divest of certain of their businesses. S&P Global's divestitures included CUSIP Global Services ("CGS"), its LCD business and a related family of leveraged loan indices while IHS Markit's divestitures included Oil Price Information Services ("OPIS"); Coal, Metals and Mining; and PetroChem Wire businesses and its Base Chemicals business.

In June of 2022, we completed the previously announced sale of LCD along with a related family of leveraged loan indices, within our Market Intelligence and Indices segments, respectively, to Morningstar for a purchase price of $600 million in cash, subject to customary adjustments, and a contingent payment of up to $50 million which was payable six months following the closing upon the achievement of certain conditions related to the transition of LCD customer relationships. During the three and nine months ended September 30, 2022, we recorded a pre-tax loss of $15 million ($11 million after-tax) and a pre-tax gain of $505 million ($378 million after-tax) for the sale of LCD. During the three and nine months ended September 30, 2022 we recorded a pre-tax gain of $14 million ($12 million after-tax) and $52 million ($43 million after-tax) for the sale of a family of leveraged loan indices in Loss (gain) on dispositions in the consolidated statements of income.

In June of 2022, we completed the previously announced sale of the Base Chemicals business to News Corp for $295 million in cash. We did not recognize a gain on the sale of the Base Chemicals business.

In March of 2022, we completed the previously announced sale of CGS, a business within our Market Intelligence segment, to FactSet Research Systems Inc. for a purchase price of $1.925 billion in cash, subject to customary adjustments. During the three and nine months ended September 30, 2022, we recorded a pre-tax loss of $2 million ($2 million after-tax) and a pre-tax gain of $1.341 billion ($1.005 billion after-tax) in Loss (gain) on dispositions in the consolidated statements of income related to the sale of CGS.

In February of 2022, we completed the previously announced sale of OPIS to News Corp for $1.150 billion in cash. We did not recognize a gain on the sale of OPIS.

Assets and Liabilities Held for Sale

The components of assets and liabilities held for sale in the consolidated balance sheets consist of the following:

(in millions)	September 30, 2023	December 31, 2022 [1]
Accounts Receivable, net	$ —	$ 88
Goodwill	—	437
Other intangible assets, net	—	697
Other assets	—	76
Assets of a business held for sale	$ —	$ 1,298
Accounts payable and accrued expenses	$ —	$ 59
Deferred tax liability	—	27
Unearned revenue	—	148
Liabilities of a business held for sale	$ —	$ 234

[1] Assets and liabilities held for sale as of December 31, 2022 relate to Engineering Solutions.

The operating profit of our businesses that were disposed of for the periods ended September 30 is as follows:

(in millions)	Three Months		Nine Months	
	2023	2022	2023	2022
Operating profit [1]	$ —	$ —	$ 19	$ 59

[1] The operating profit presented includes the revenue and recurring direct expenses associated with businesses disposed of or held for sale. The nine months ended September 30, 2023 excludes a pre-tax loss related to the sale of Engineering Solutions of $120 million. The three months ended September 30, 2022 excludes a pre-tax loss of $15 million and a pre-tax gain of $14 million related to the sale LCD and a related family of leveraged loan indices, respectively. The nine months ended September 30, 2022 excludes pre-tax gains related to the sale LCD and a related family of leveraged loan indices of of $505 million and $52 million, respectively. The three and nine months ended September 30, 2022 also excludes a pre-tax loss of $2 million and a pre-tax gain of $1.3 billion related to the sale of CGS, respectively.

3. Income Taxes

The effective income tax rate was 18.2% and 21.8% for the three and nine months ended September 30, 2023, respectively, and 17.6% and 25.8% for the three and nine months ended September 30, 2022, respectively. The lower rate for the three months ended September 30, 2022 was primarily due to a combination of discrete adjustments including transaction costs. The higher rate for the nine months ended September 30, 2022 was primarily due to the tax charge on merger related divestitures and deal related non-deductible costs.

At the end of each interim period, we estimate the annual effective tax rate and apply that rate to our ordinary quarterly earnings. The tax expense or benefit related to significant unusual or infrequently occurring items that will be separately reported or reported net of their related tax effect, and are individually computed, is recognized in the interim period in which those items occur. In addition, the effect of changes in enacted tax laws or rates or tax status is recognized in the interim period in which the change occurs.

The Company is subject to tax examinations in various jurisdictions. As of September 30, 2023 and December 31, 2022, the total amount of federal, state and local, and foreign unrecognized tax benefits was $244 million and $223 million, respectively, exclusive of interest and penalties. We recognize accrued interest and penalties related to unrecognized tax benefits in interest expense and operating-related expense, respectively. As of September 30, 2023 and December 31, 2022, we had $50 million and $38 million, respectively, of accrued interest and penalties associated with unrecognized tax benefits. Based on the current status of income tax audits, we believe that the total amount of unrecognized tax benefits may decrease by approximately $20 million in the next twelve months as a result of the resolution of local tax examinations.

For tax years beginning after December 31, 2021, the Tax Cuts and Jobs Act of 2017 ("TCJA") requires taxpayers to capitalize and amortize research and development costs pursuant to Internal Revenue Code ("IRC") Section 174. Section 174 requires taxpayers to capitalize research and development costs and amortize them over 5 years for expenditures attributed to domestic research and 15 years for expenditures attributed to foreign research. This provision affects a significant proportion of the Company for the first time in 2023. The actual impact of Section 174 capitalization and amortization on the income tax payable and deferred tax asset will depend on multiple factors, including the amount of research and development expenses we will incur and whether we conduct our research and development activities inside or outside the United States. Although Congress is considering legislation that would defer, repeal or otherwise modify this capitalization and amortization requirement, the possibility that this will happen is uncertain. If legislation is not passed to defer, repeal, or otherwise modify the capitalization and amortization requirement we expect our cash taxes to be greater than in the prior year.

4. Debt

A summary of short-term and long-term debt outstanding is as follows:

(in millions)	September 30, 2023	December 31, 2022
4.125% Senior Notes, due 2023 [1]	$ —	$ 38
3.625% Senior Notes, due 2024 [2]	47	48
4.75% Senior Notes, due 2025 [3]	4	4
4.0% Senior Notes, due 2026 [4]	3	3
2.95% Senior Notes, due 2027 [5]	497	496
2.45% Senior Notes, due 2027 [6]	1,239	1,237
4.75% Senior Notes, due 2028 [7]	814	823
4.25% Senior Notes, due 2029 [8]	1,019	1,029
2.5% Senior Notes, due 2029 [9]	497	497
2.70% Sustainability-Linked Senior Notes, due 2029 [10]	1,235	1,233
1.25% Senior Notes, due 2030 [11]	594	594
2.90% Senior Notes, due 2032 [12]	1,474	1,472
5.25% Senior Notes, due 2033 [13]	743	—
6.55% Senior Notes, due 2037 [14]	291	290
4.5% Senior Notes, due 2048 [15]	272	272
3.25% Senior Notes, due 2049 [16]	590	590
3.70% Senior Notes, due 2052 [17]	974	974
2.3% Senior Notes, due 2060 [18]	683	682
3.9% Senior Notes, due 2062 [19]	486	486
Commercial paper	—	188
Total debt	11,462	10,956
Less: short-term debt including current maturities	47	226
Long-term debt	$ 11,415	$ 10,730

[1] We made a $38 million payment on the retirement of our 4.125% senior notes in the third quarter of 2023.

[2] Interest payments are due semiannually on May 1 and November 1.

[3] Interest payments are due semiannually on February 15 and August 15.

[4] Interest payments are due semiannually on March 1 and September 1.

[5] Interest payments are due semiannually on January 22 and July 22, and as of September 30, 2023, the unamortized debt discount and issuance costs total $3 million.

[6] Interest payments are due semiannually on March 1 and September 1 and as of September 30, 2023, the unamortized debt discount and issuance costs total $11 million.

[7] Interest payments are due semiannually on February 1 and August 1.

[8] Interest payments are due semiannually on May 1 and November 1.

[9] Interest payments are due semiannually on June 1 and December 1, and as of September 30, 2023, the unamortized debt discount and issuance costs total $3 million.

[10] Interest payments are due semiannually on March 1 and September 1 and as of September 30, 2023, the unamortized debt discount and issuance costs total $15 million.

[11] Interest payments are due semiannually on February 15 and August 15, and as of September 30, 2023, the unamortized debt discount and issuance costs total $6 million.

[12] Interest payments are due semiannually on March 1 and September 1 and as of September 30, 2023, the unamortized debt discount and issuance costs total $26 million.

[13] Interest payments are due semiannually on March 15 and September 15, beginning on March 15, 2024, and as of September 30, 2023, the unamortized debt discount and issuance costs total $7 million.

[14] Interest payments are due semiannually on May 15 and November 15, and as of September 30, 2023, the unamortized debt discount and issuance costs total $2 million.

[15] Interest payments are due semiannually on May 15 and November 15, and as of September 30, 2023, the unamortized debt discount and issuance costs total $11 million.

[16] Interest payments are due semiannually on June 1 and December 1, and as of September 30, 2023, the unamortized debt discount and issuance costs total $10 million.

[17] Interest payments are due semiannually on March 1 and September 1 and as of September 30, 2023, the unamortized debt discount and issuance costs total $26 million.

[18] Interest payments are due semiannually on February 15 and August 15, and as of September 30, 2023, the unamortized debt discount and issuance costs total $17 million.

[19] Interest payments are due semiannually on March 1 and September 1 and as of September 30, 2023, the unamortized debt discount and issuance costs total $14 million.

The fair value of our total debt borrowings was $9.6 billion and $9.3 billion as of September 30, 2023 and December 31, 2022, respectively, and was estimated based on quoted market prices.

On September 12, 2023, we issued $750 million of 5.25% senior notes due in 2033. The notes are fully and unconditionally guaranteed by our wholly-owned subsidiary, Standard & Poor's Financial Services LLC. In the third quarter of 2023, the Company used the net proceeds to repay its outstanding commercial paper borrowings.

On February 28, 2022, we completed the merger with IHS Markit in an all-stock transaction. In the transaction, we assumed IHS Markit's publicly traded debt, with an outstanding principal balance of $4.6 billion, which was recorded at fair value of $4.9 billion on the acquisition date. The adjustment to fair value of the Senior Notes of approximately $292 million on the acquisition date is being amortized as an adjustment to interest expense over the remaining contractual terms of the Senior Notes.

During the nine months ended September 30, 2022, we recognized a $15 million loss on extinguishment of debt which includes a $142 million tender premium paid to tendering note holders in accordance with the terms of the tender offer, offset by a $127 million non-cash write-off related to the fair market value step up premium on extinguished debt.

We have the ability to borrow a total of $2.0 billion through our commercial paper program, which is supported by our $2.0 billion five-year credit agreement (our “credit facility”) that will terminate on April 26, 2026. As of September 30, 2023, we had no outstanding commercial paper. As of December 31, 2022, there was $188 million of commercial paper outstanding.

Commitment fees for the unutilized commitments under the credit facility and applicable margins for borrowings thereunder are linked to the Company achieving three environmental sustainability performance indicators related to emissions, tested annually. We currently pay a commitment fee of 8 basis points. The credit facility contains customary affirmative and negative covenants and customary events of default. The occurrence of an event of default could result in an acceleration of the obligations under the credit facility.

The only financial covenant required is that our indebtedness to cash flow ratio, as defined in our credit facility, was not greater than 4 to 1, and this covenant level has never been exceeded.

5. Derivative Instruments

Our exposure to market risk includes changes in foreign exchange rates and interest rates. We have operations in foreign countries where the functional currency is primarily the local currency. For international operations that are determined to be extensions of the parent company, the U.S. dollar is the functional currency. We typically have naturally hedged positions in most countries from a local currency perspective with offsetting assets and liabilities. As of September 30, 2023 and December 31, 2022, we have entered into foreign exchange forward contracts to mitigate or hedge the effect of adverse fluctuations in foreign exchange rates and cross currency swap contracts to hedge a portion of our net investment in a foreign subsidiary against volatility in foreign exchange rates. As of September 30, 2023 and December 31, 2022, we entered into a series of interest rate swaps to mitigate or hedge the adverse fluctuations in interest rates on our future debt refinancing. These contracts are recorded at fair value that is based on foreign currency exchange rates and interest rates in active markets; therefore, we classify these derivative contracts within Level 2 of the fair value hierarchy. We do not enter into any derivative financial instruments for speculative purposes.

Undesignated Derivative Instruments

During the nine months ended September 30, 2023 and twelve months ended December 31, 2022, we entered into foreign exchange forward contracts in order to mitigate the change in fair value of specific assets and liabilities in the consolidated balance sheets. These forward contracts do not qualify for hedge accounting. As of September 30, 2023 and December 31, 2022, the aggregate notional value of these outstanding forward contracts was $2.3 billion and $1.8 billion, respectively. The changes in fair value of these forward contracts are recorded in prepaid and other current assets or other current liabilities in the consolidated balance sheets with their corresponding change in fair value recognized in selling and general expenses in the consolidated statements of income. The amount recorded in prepaid and other current assets as of September 30, 2023 and December 31, 2022 was less than $1 million and $5 million, respectively. The amount recorded in other current liabilities as of September 30, 2023 and December 31, 2022 was $80 million and $37 million, respectively. The amount recorded in selling and general expense related to these contracts was a net loss of $82 million and $24 million for three and nine months ended September 30, 2023, respectively, and a net loss of $82 million and $151 million for three and nine months ended September 30, 2022, respectively.

Net Investment Hedges

As of September 30, 2023 and December 31, 2022, we held cross currency swaps to hedge a portion of our net investment in one of our European subsidiaries against volatility in the Euro/U.S. dollar exchange rate. These swaps are designated and qualify as a hedge of a net investment in a foreign subsidiary and are scheduled to mature in 2024, 2029 and 2030. As of September 30, 2023 and December 31, 2022, the notional value of our outstanding cross currency swaps designated as a net investment hedge was $1 billion. The changes in the fair value of these swaps are recognized in foreign currency translation adjustments, a component of other comprehensive income (loss), and reported in accumulated other comprehensive loss in our consolidated balance sheet. The gain or loss will be subsequently reclassified into net earnings when the hedged net investment is either sold or substantially liquidated. We have elected to assess the effectiveness of our net investment hedges based on changes in spot exchange rates. Accordingly, amounts related to the cross currency swaps recognized directly in net income for the three and nine months ended September 30, 2023 represent net periodic interest settlements and accruals, which are recognized in interest expense, net. We recognized net interest income of $6 million and $18 million for the three and nine months ended September 30, 2023 and net interest expense of $6 million and $24 million for the three and nine months ended September 30, 2022, respectively.

Cash Flow Hedges

Foreign Exchange Forward Contracts

During the nine months ended September 30, 2023 and the twelve months ended December 31, 2022, we entered into a series of foreign exchange forward contracts to hedge a portion of the Indian rupee, British pound, and Euro exposures through the third quarter of 2025 and the fourth quarter of 2024, respectively. These contracts are intended to offset the impact of movement of exchange rates on future revenue and operating costs and are scheduled to mature within twenty-four months. The changes in the fair value of these contracts are initially reported in accumulated other comprehensive loss in our consolidated balance sheet and are subsequently reclassified into revenue and selling and general expenses in the same period that the hedged transaction affects earnings.

As of September 30, 2023, we estimate that $3 million of pre-tax gain related to foreign exchange forward contracts designated as cash flow hedges recorded in other comprehensive income is expected to be reclassified into earnings within the next twelve months.

As of September 30, 2023 and December 31, 2022, the aggregate notional value of our outstanding foreign exchange forward contracts designated as cash flow hedges was $530 million and $529 million, respectively.

Interest Rate Swaps

As of September 30, 2023 and December 31, 2022, we held positions in a series of interest rate swaps. These contracts are intended to mitigate or hedge the adverse fluctuations in interest rates on our future debt refinancing and are scheduled to mature beginning in the first quarter of 2027. These interest rate swaps are designated as cash flow hedges. The changes in the fair value of these contracts are initially reported in accumulated other comprehensive loss in our consolidated balance sheet and will be subsequently reclassified into interest expense, net in the same period that the hedged transaction affects earnings.

As of September 30, 2023 and December 31, 2022, the aggregate notional value of our outstanding interest rate swaps designated as cash flow hedges was $813 million and $1.4 billion, respectively, with the current period reduction attributable to the issuance of $750 million 5.25% senior notes in September of 2023.

The following table provides information on the location and fair value amounts of our cash flow hedges and net investment hedges as of September 30, 2023 and December 31, 2022:

(in millions) **Balance Sheet Location**		**September 30, 2023**	**December 31, 2022**
Derivatives designated as cash flow hedges:			
Prepaid and other current assets	Foreign exchange forward contracts	$ 4	$ 3
Other current liabilities	Foreign exchange forward contracts	$ —	$ 7
Other non-current assets	Interest rate swap contracts	$ 197	$ 145
Derivatives designated as net investment hedges:			
Other non-current assets	Cross currency swaps	$ 77	$ 84

The following table provides information on the location and amounts of pre-tax gains (losses) on our cash flow hedges and net investment hedges for the periods ended September 30:

Three Months

(in millions)	**Gain (Loss) recognized in Accumulated Other Comprehensive Loss (effective portion)**		**Location of Gain (Loss) reclassified from Accumulated Other Comprehensive Loss into Income (effective portion)**	**Gain (Loss) reclassified from Accumulated Other Comprehensive Loss into Income (effective portion)**	
	2023	**2022**		**2023**	**2022**
Cash flow hedges - designated as hedging instruments					
Foreign exchange forward contracts	$ (5)	$ (2)	Revenue, Selling and general expenses	$ 2	$ (6)
Interest rate swap contracts	$ 120	$ 56	Interest expense, net	$ (1)	$ (1)
Net investment hedges - designated as hedging instruments					
Cross currency swaps	$ 22	$ 70	Interest expense, net	$ (1)	$ (1)

Nine Months

(in millions)	Gain (Loss) recognized in Accumulated Other Comprehensive Loss (effective portion)		Location of Gain (Loss) reclassified from Accumulated Other Comprehensive Loss into Income (effective portion)	Gain (Loss) reclassified from Accumulated Other Comprehensive Loss into Income (effective portion)	
	2023	2022		2023	2022
Cash flow hedges - designated as hedging instruments					
Foreign exchange forward contracts	$ 4	$ (20)	Revenue, Selling and general expenses	$ 4	$ (4)
Interest rate swap contracts	$ 111	$ 303	Interest expense, net	$ (4)	$ (3)
Net investment hedges - designated as hedging instruments					
Cross currency swaps	$ (9)	$ 176	Interest expense, net	$ (3)	$ (3)

The activity related to the change in unrealized gains (losses) in accumulated other comprehensive loss was as follows for the periods ended September 30:

(in millions)	Three Months		Nine Months	
	2023	2022	2023	2022
Cash Flow Hedges				
Foreign exchange forward contracts				
Net unrealized gains on cash flow hedges, net of taxes, beginning of period	$ 7	$ (9)	$ —	$ 6
Change in fair value, net of tax	(2)	(7)	7	(21)
Reclassification into earnings, net of tax	(2)	5	(4)	4
Net unrealized gains (losses) on cash flow hedges, net of taxes, end of period	$ 3	$ (11)	$ 3	$ (11)
Interest rate swap contracts				
Net unrealized gains (losses) on cash flow hedges, net of taxes, beginning of period	$ 41	$ (16)	$ 48	$ (203)
Change in fair value, net of tax	89	41	79	226
Reclassification into earnings, net of tax	1	1	4	3
Net unrealized gains (losses) on cash flow hedges, net of taxes, end of period	$ 131	$ 26	$ 131	$ 26
Net Investment Hedges				
Net unrealized gains (losses) on net investment hedges, net of taxes, beginning of period	$ 32	$ 62	$ 56	$ (17)
Change in fair value, net of tax	16	52	(10)	129
Reclassification into earnings, net of tax	1	1	3	3
Net unrealized gains on net investment hedges, net of taxes, end of period	$ 49	$ 115	$ 49	$ 115

6. Employee Benefits

We maintain a number of active defined contribution retirement plans for our employees. The majority of our defined benefit plans are frozen. As a result, no new employees will be permitted to enter these plans and no additional benefits for current participants in the frozen plans will be accrued.

We also have supplemental benefit plans providing senior management with supplemental retirement, disability and death benefits. Certain supplemental retirement benefits are based on final monthly earnings. In addition, we sponsor a voluntary 401(k) plan under which we may match employee contributions up to certain levels of compensation as well as profit-sharing plans under which we contribute a percentage of eligible employees' compensation to the employees' accounts.

We also provide certain medical, dental and life insurance benefits for active and retired employees and eligible dependents. The medical and dental plans and supplemental life insurance plan are contributory, while the basic life insurance plan is noncontributory. We currently do not prefund any of these plans.

We recognize the funded status of our retirement and postretirement plans in the consolidated balance sheets, with a corresponding adjustment to accumulated other comprehensive loss, net of taxes. The amounts in accumulated other comprehensive loss represent net unrecognized actuarial losses and unrecognized prior service costs. These amounts will be subsequently recognized as net periodic pension cost pursuant to our accounting policy for amortizing such amounts.

Net periodic benefit cost for our retirement and postretirement plans other than the service cost component are included in other income, net in our consolidated statements of income.

The components of net periodic benefit cost for our retirement plans and postretirement plans for the periods ended September 30 are as follows:

(in millions)	Three Months		Nine Months	
	2023	2022	2023	2022
Service cost	$ —	$ 1	$ 1	$ 2
Interest cost	19	12	56	36
Expected return on assets	(26)	(22)	(76)	(65)
Amortization of prior service credit / actuarial loss	1	3	2	9
Net periodic benefit cost	$ (6)	$ (6)	$ (17)	$ (18)

Net periodic benefit cost related to our postretirement plans reflected in the table above was not material for the three and nine months ended September 30, 2023 and 2022.

As discussed in our Form 10-K, we changed certain discount rate assumptions for our retirement and postretirement plans and our expected return on assets assumption for our retirement plans which became effective on January 1, 2023. The effect of the assumption changes on retirement and postretirement expense for the three and nine months ended September 30, 2023 did not have a material impact to our financial position, results of operations or cash flows.

In the first nine months of 2023, we contributed $7 million to our retirement plans and expect to make additional required contributions of approximately $3 million to our retirement plans during the remainder of the year. We may elect to make additional non-required contributions depending on investment performance or any potential deterioration of our pension plan status in the fourth quarter of 2023.

7. Stock-Based Compensation

We issue stock-based incentive awards to our eligible employees under the 2019 Employee Stock Incentive Plan and to our eligible non-employee members of the Board of Directors under a Director Deferred Stock Ownership Plan.

Total stock-based compensation expense related to restricted stock and other stock-based awards was $143 million for the nine months ended September 30, 2023 and $160 million for the nine months ended September 30, 2022. Stock-based compensation expense for the nine months ended September 30, 2022 primarily related to the early vesting of IHS Markit equity awards as a result of employee terminations and restructuring efforts. During the nine months ended September 30, 2023, the Company granted 0.5 million shares of restricted stock and other stock-based awards, which had a weighted average grant date fair value of $340.95 per share. Total unrecognized compensation expense related to unvested equity awards as of September 30, 2023 was $195 million, which is expected to be recognized over a weighted average period of 1.3 years.

8. Equity

On January 25, 2023, the Board of Directors approved an increase in the dividends for 2023 to a quarterly common stock dividend of $0.90 per share.

Stock Repurchases

On June 22, 2022, the Board of Directors approved a share repurchase program authorizing the purchase of 30 million shares (the "2022 Repurchase Program"), which was approximately 9% of the total shares of our outstanding common stock at that time. On January 29, 2020, the Board of Directors approved a share repurchase program authorizing the purchase of 30 million shares (the "2020 Repurchase Program"), which was approximately 12% of the total shares of our outstanding common stock at that time.

Our purchased shares may be used for general corporate purposes, including the issuance of shares for stock compensation plans and to offset the dilutive effect of the exercise of employee stock options. As of September 30, 2023, 21.5 million shares remained available under the 2022 Repurchase Program and the 2020 repurchase program was complete. Our 2022 Repurchase Program has no expiration date and purchases under this program may be made from time to time on the open market and in private transactions, depending on market conditions.

We enter into accelerated share repurchase ("ASR") agreements with financial institutions to initiate share repurchases of our common stock. Under an ASR agreement, we pay a specified amount to the financial institution and receive an initial delivery of shares. This initial delivery of shares represents the minimum number of shares that we may receive under the agreement. Upon settlement of the ASR agreement, the financial institution delivers additional shares. The total number of shares ultimately delivered, and therefore the average price paid per share, is determined at the end of the applicable purchase period of each ASR agreement based on the volume weighted-average share price, less a discount. We account for our ASR agreements as two transactions: a stock purchase transaction and a forward stock purchase contract. The shares delivered under the ASR agreements resulted in a reduction of outstanding shares used to determine our weighted average common shares outstanding for purposes of calculating basic and diluted earnings per share. The repurchased shares are held in Treasury. The forward stock purchase contracts were classified as equity instruments.

The terms of each ASR agreement entered into during the nine months ended September 30, 2023 and 2022, structured as outlined above, are as follows:

(in millions, except average price paid per share)

ASR Agreement Initiation Date	ASR Agreement Completion Date	Initial Shares Delivered	Additional Shares Delivered	Total Number of Shares Purchased	Average Price Paid Per Share	Total Cash Utilized
August 7, 2023 [1]	September 8, 2023	1.1	0.2	1.3	$ 387.36	$ 500
May 8, 2023 [2]	August 4, 2023	2.5	0.1	2.6	$ 384.75	$ 1,000
February 13, 2023 [3]	May 5, 2023	1.1	0.3	1.4	$ 341.95	$ 500
August 9, 2022 [4]	October 25, 2022	5.8	1.6	7.4	$ 337.94	$ 2,500
May 13, 2022 [5]	August 2, 2022	3.8	0.6	4.4	$ 343.85	$ 1,500
March 1, 2022 [6]	August 9, 2022	15.2	4.1	19.3	$ 362.03	$ 7,000

[1] The ASR agreement was structured as an uncapped ASR agreement in which we paid $500 million and initially received shares valued at 85% of the $500 million at a price equal to the market price of the Company's common stock on August 7, 2023 when the Company received an initial delivery of 1.1 million shares from the ASR program.We completed the ASR agreement on September 8, 2023 and received an additional 0.2 million shares. The ASR agreement was executed under our 2022 Repurchase Program.

[2] The ASR agreement was structured as an uncapped ASR agreement in which we paid $1 billion and initially received shares valued at 87.5% of the $1 billion at a price equal to the market price of the Company's common stock on May 8, 2023 when the Company received an initial delivery of 2.5 million shares from the ASR program.We completed the ASR agreement on August 4, 2023 and received an additional 0.1 million shares. The ASR agreement was executed under our 2022 Repurchase Program.

[3] The ASR agreement was structured as an uncapped ASR agreement in which we paid $500 million and initially received shares valued at 85% of the $500 million at a price equal to the market price of the Company's common stock on February 13, 2023 when the Company received an initial delivery of 1.1 million shares from the ASR program. We completed the ASR agreement on May 5, 2023 and received an additional 0.3 million shares. The ASR agreement was executed under our 2022 Repurchase Program.

[4] The ASR agreement was structured as an uncapped ASR agreement in which we paid $2.5 billion and initially received shares valued at 87.5% of the $2.5 billion at a price equal to the market price of the Company's common stock on August 9, 2022 when the Company received an initial delivery of 5.8 million shares from the ASR program. We completed the ASR agreement on October 25, 2022 and received an additional 1.6 million shares. The ASR agreement was executed under our 2022 and 2020 Repurchase Programs.

[5] The ASR agreement was structured as an uncapped ASR agreement in which we paid $1.5 billion and initially received shares valued at 85% of the $1.5 billion at a price equal to the market price of the Company's common stock on May 13, 2022 when the Company received an initial delivery of 3.8 million shares from the ASR program. We completed the ASR agreement on August 2, 2022 and received an additional 0.6 million shares. The ASR agreement was executed under our 2020 Repurchase Program.

[6] The ASR agreement was structured as an uncapped ASR agreement in which we paid $7 billion and initially received shares valued at 85% of the $7 billion at a price equal to the then market price of the Company's common stock on March 1, 2022 when the company received an initial delivery of 15.2 million shares from the ASR program. We completed the ASR agreement on August 9, 2022 and received an additional 4.1 million shares. The ASR agreement was executed under our 2020 Repurchase Program.

During the nine months ended September 30, 2023, we received 5.8 million shares, including 0.4 million shares received in February of 2023 related to our December 2, 2022 ASR agreement. During the nine months ended September 30, 2023, we purchased a total of 5.4 million shares for $2 billion of cash. During the nine months ended September 30, 2022, we purchased a total of 29.5 million shares for $11 billion of cash.

Redeemable Noncontrolling Interests

The agreement with the minority partners that own 27% of our S&P Dow Jones Indices LLC joint venture contains redemption features whereby interests held by minority partners are redeemable either (i) at the option of the holder or (ii) upon the occurrence of an event that is not solely within our control. Specifically, under the terms of the operating agreement of S&P Dow Jones Indices LLC, CME Group and CME Group Index Services LLC ("CGIS") has the right at any time to sell, and we are obligated to buy, at least 20% of their share in S&P Dow Jones Indices LLC. In addition, in the event there is a change of control of the Company, for the 15 days following a change in control, CME Group and CGIS will have the right to put their interest to us at the then fair value of CME Group's and CGIS' minority interest.

If interests were to be redeemed under this agreement, we would generally be required to purchase the interest at fair value on the date of redemption. This interest is presented on the consolidated balance sheets outside of equity under the caption "Redeemable noncontrolling interest" with an initial value based on fair value for the portion attributable to the net assets we acquired, and based on our historical cost for the portion attributable to our S&P Index business. We adjust the redeemable noncontrolling interest each reporting period to its estimated redemption value, but never less than its initial fair value, using both income and market valuation approaches. Our income and market valuation approaches incorporate Level 3 fair value measures for instances when observable inputs are not available. The more significant judgmental assumptions used to estimate the value of the S&P Dow Jones Indices LLC joint venture include an estimated discount rate, a range of assumptions that form the basis of the expected future net cash flows (e.g., the revenue growth rates and operating margins), and a company specific beta. The significant judgmental assumptions used that incorporate market data, including the relative weighting of market observable information and the comparability of that information in our valuation models, are forward-looking and could be affected by future economic and market conditions. Any adjustments to the redemption value will impact retained income.
Noncontrolling interests that do not contain such redemption features are presented in equity.
Changes to redeemable noncontrolling interest during the nine months ended September 30, 2023 were as follows:

(in millions)		
Balance as of December 31, 2022	$	3,267
Net income attributable to redeemable noncontrolling interest		183
Distributions payable to redeemable noncontrolling interest		(187)
Redemption value adjustment		247
Balance as of September 30, 2023	$	3,510

Accumulated Other Comprehensive Loss

The following table summarizes the changes in the components of accumulated other comprehensive loss for the nine months ended September 30, 2023:

(in millions)	Foreign Currency Translation Adjustments	Pension and Postretirement Benefit Plans	Unrealized Gain (Loss) on Cash Flow Hedges	Accumulated Other Comprehensive Loss
Balance as of December 31, 2022	$ (582)	$ (349)	$ 45	$ (886)
Other comprehensive income (loss) before reclassifications	(38) [1]	(10)	87	39
Reclassifications from accumulated other comprehensive income (loss) to net earnings	—	2 [2]	(1) [3]	1
Net other comprehensive income (loss)	(38)	(8)	86	40
Balance as of September 30, 2023	$ (620)	$ (357)	$ 131	$ (846)

1 Includes an unrealized gain related to our cross currency swaps. See Note 5 – Derivative Instruments for additional detail of items recognized in accumulated other comprehensive loss.

2 Reflects amortization of net actuarial losses and is net of a tax benefit of $1 million for the nine months ended September 30, 2023. See Note 6 — Employee Benefits for additional details of items reclassed from accumulated other comprehensive loss to net earnings.

3 See Note 5 — Derivative Instruments for additional details of items reclassified from accumulated other comprehensive loss to net earnings.

9. Earnings Per Share

Basic earnings per common share ("EPS") is computed by dividing net income attributable to the common shareholders of the Company by the weighted-average number of common shares outstanding. Diluted EPS is computed in the same manner as basic EPS, except the number of shares is increased to include additional common shares that would have been outstanding if potential common shares with a dilutive effect had been issued. Potential common shares consist primarily of stock options and restricted performance shares calculated using the treasury stock method.

The calculation of basic and diluted EPS for the periods ended September 30 is as follows:

(in millions, except per share amounts)	Three Months		Nine Months	
	2023	2022	2023	2022
Amounts attributable to S&P Global Inc. common shareholders:				
Net income	$ 742	$ 608	$ 2,047	$ 2,815
Basic weighted-average number of common shares outstanding	317.5	329.6	319.4	314.5
Effect of stock options and other dilutive securities	0.5	1.3	0.5	1.2
Diluted weighted-average number of common shares outstanding	318.0	330.9	319.9	315.7
Earnings per share attributable to S&P Global Inc. common shareholders:				
Net income:				
Basic	$ 2.34	$ 1.84	$ 6.41	$ 8.95
Diluted	$ 2.33	$ 1.84	$ 6.40	$ 8.91

We have certain stock options and restricted performance shares that are potentially excluded from the computation of diluted EPS. The effect of the potential exercise of stock options is excluded when the average market price of our common stock is lower than the exercise price of the related option during the period or when a net loss exists because the effect would have been antidilutive. Additionally, restricted performance shares are excluded when the necessary vesting conditions have not been met or when a net loss exists. For the three and nine months ended September 30, 2023 and 2022, there were no stock options excluded. Restricted performance shares outstanding of 0.8 million and 0.7 million as of September 30, 2023 and 2022, respectively, were excluded.

10. Restructuring

We continuously evaluate our cost structure to identify cost savings associated with streamlining our management structure. Our 2023 and 2022 restructuring plan consisted of a company-wide workforce reduction of approximately 589 and 1,440 positions, respectively, and is further detailed below. The charges for the restructuring plans are classified as selling and general expenses within the consolidated statements of income and the reserves are included in other current liabilities in the consolidated balance sheets.

In certain circumstances, reserves are no longer needed because employees previously identified for separation resigned from the Company and did not receive severance or were reassigned due to circumstances not foreseen when the original plans were initiated. In these cases, we reverse reserves through the consolidated statements of income during the period when it is determined they are no longer needed.

The initial restructuring charge recorded and the ending reserve balance as of September 30, 2023 by segment is as follows:

	2023 Restructuring Plan		2022 Restructuring Plan	
(in millions)	Initial Charge Recorded	Ending Reserve Balance	Initial Charge Recorded	Ending Reserve Balance
Market Intelligence	$ 40	$ 32	$ 86	$ 17
Ratings	8	6	26	5
Commodity Insights	23	18	45	7
Mobility	6	5	2	1
Indices	4	3	13	3
Engineering Solutions	—	—	2	—
Corporate	19	12	109	14
Total	$ 100	$ 76	$ 283	$ 47

We recorded a pre-tax restructuring charge of $100 million primarily related to employee severance charges for the 2023 restructuring plan during the nine months ended September 30, 2023 and have reduced the reserve by $24 million. The ending reserve balance for the 2022 restructuring plan was $164 million as of December 31, 2022. For the nine months ended September 30, 2023, we have reduced the reserve for the 2022 restructuring plan by $117 million. The ending reserve balance for the 2021 restructuring plan was $1 million and $10 million as of September 30, 2023 and December 31, 2022, respectively. The reductions primarily related to cash payments for employee severance charges.

11. Segment and Related Information

We have six reportable segments: Market Intelligence, Ratings, Commodity Insights, Mobility, Indices, and Engineering Solutions. Our Chief Executive Officer is our chief operating decision-maker and evaluates performance of our segments and allocates resources based primarily on operating profit. Segment operating profit does not include Corporate Unallocated expense, equity in income on unconsolidated subsidiaries, other income, net, interest expense, net, or (gain) loss on extinguishment of debt, net, as these are amounts that do not affect the operating results of our reportable segments. As of May 2, 2023, we completed the sale of Engineering Solutions and the results are included through that date.

A summary of operating results for the periods ended September 30 is as follows:

Revenue	Three Months		Nine Months	
(in millions)	2023	2022	2023	2022
Market Intelligence	$ 1,099	$ 1,016	$ 3,249	$ 2,774
Ratings	819	681	2,494	2,345
Commodity Insights	479	432	1,450	1,234
Mobility	379	346	1,107	797
Indices	354	334	1,042	995
Engineering Solutions	—	95	133	224
Intersegment elimination [1]	(46)	(43)	(130)	(125)
Total revenue	$ 3,084	$ 2,861	$ 9,345	$ 8,244

Operating Profit	Three Months		Nine Months	
(in millions)	2023	2022	2023	2022
Market Intelligence [2]	$ 195	$ 174	$ 599	$ 2,366
Ratings [3]	459	377	1,422	1,352
Commodity Insights [4]	184	141	527	440
Mobility [5]	80	90	213	166
Indices [6]	235	239	699	732
Engineering Solutions [7]	—	1	19	3
Total reportable segments	1,153	1,022	3,479	5,059
Corporate Unallocated expense [8]	(87)	(175)	(382)	(852)
Equity in Income on Unconsolidated Subsidiaries [9]	8	6	33	21
Total operating profit	$ 1,074	$ 853	$ 3,130	$ 4,228

Revenue for Ratings and expenses for Market Intelligence include an intersegment royalty charged to Market Intelligence for the rights to use and distribute content and data developed by Ratings.

Operating profit for the three and nine months ended September 30, 2023 includes employee severance charges of $19 million and $41 million, respectively, IHS Markit merger costs of $11 million and $36 million, respectively, and an asset write-off of $1 million. Operating profit for the nine months ended September 30, 2023 includes a gain on dispositions of $46 million and an asset impairment of $5 million. Operating profit for the three and nine months ended September 30, 2022 includes a loss on dispositions of $17 million and a gain on dispositions of $1.8 billion, respectively, employee severance charges of $13 million and $44 million, respectively, IHS Markit merger costs of $6 million and $21 million, respectively, and acquisition-related costs of $1 million and $2 million, respectively. Additionally, operating profit includes amortization of intangibles from acquisitions of $140 million and $134 million for the three months ended September 30, 2023 and 2022, respectively, and $421 million and $331 million for the nine months ended September 30, 2023 and 2022, respectively.

Operating profit for the three and nine months ended September 30, 2023 includes employee severance charges of $2 million and $8 million, respectively. Operating profit for the three and nine months ended September 30, 2022 includes employee severance charges of $2 million and $14 million, respectively. Additionally, operating profit includes amortization of intangibles from acquisitions of $2 million for the three months ended September 30, 2023 and 2022, and $6 million and $5 million for the nine months ended September 30, 2023 and 2022, respectively.

Operating profit for the three and nine months ended September 30, 2023 includes IHS Markit merger costs of $8 million and $28 million, respectively, and employee severance charges of $7 million and $23 million, respectively. Operating profit for the three and nine months ended September 30, 2022 includes employee severance costs of $14 million and $38 million, respectively, and IHS Markit merger costs of $10 million and $16 million, respectively. Additionally, operating profit includes amortization of intangibles from acquisitions of $33 million and $32 million for the three months ended September 30, 2023 and 2022, respectively, and $99 million and $77 million for the nine months ended September 30, 2023 and 2022, respectively.

Operating profit for the three and nine months ended September 30, 2023 includes employee severance charges of $3 million and $6 million, respectively, IHS Markit merger costs of $1 million and $2 million, respectively, and acquisition-related costs of $1 million and $2 million, respectively. Operating profit for the three and nine months ended September 30, 2022 includes acquisition-related benefit of $19 million and $15 million, respectively, and employee severance charges of $1 million and $3 million, respectively. Operating profit for the nine months ended September 30, 2022 includes IHS Markit merger costs of $1 million. Additionally, operating profit includes amortization of intangibles from acquisitions of $76 million for the three months ended September 30, 2023 and 2022, and $226 million and $176 million for the nine months ended September 30, 2023 and 2022, respectively.

Operating profit for the three and nine months ended September 30, 2023 includes employee severance charges of $1 million and $4 million, respectively, and IHS Markit merger costs of $1 million and $3 million, respectively. Operating profit for the nine months ended

September 30, 2023 includes a gain on disposition of $4 million. Operating profit for the three and nine months ended September 30, 2022 includes a gain on disposition of $14 million and $52 million, respectively, employee severance charges of $1 million and $4 million, respectively, and IHS Markit merger costs of $1 million. Additionally, operating profit includes amortization of intangibles from acquisitions of $9 million for the three months ended September 30, 2023 and 2022, and $27 million and $22 million for the nine months ended September 30, 2023 and 2022, respectively.

As of May 2, 2023, we completed the sale of Engineering Solutions and the results are included through that date. Operating profit for the three and nine months ended September 30, 2022 includes employee severance charges of $2 million and $4 million, respectively. Additionally, operating profit includes amortization of intangibles from acquisitions of $14 million for the three months ended September 30, 2022, and $1 million and $33 million for the nine months ended September 30, 2023 and 2022, respectively.

Corporate Unallocated expense for the three and nine months ended September 30, 2023 includes IHS Markit merger costs of $37 million and $104 million, respectively, employee severance charges of $6 million and $20 million, respectively, disposition-related costs of $3 million and $19 million, respectively, and acquisition-related costs of $1 million and $3 million, respectively. Corporate Unallocated expense for the nine months ended September 30, 2023 includes a loss on disposition of $120 million and lease impairments of $15 million. Corporate Unallocated expense for the three and nine months ended September 30, 2022 includes IHS Markit merger costs of $127 million and $483 million, respectively, employee severance charges of $23 million and $87 million, respectively, acquisition-related costs of $1 million and $7 million, respectively, an asset impairment of $9 million and a gain on acquisition of $10 million. The nine months ended September 30, 2022 includes a S&P Foundation grant of $200 million, lease impairments of $5 million and an asset write-off of $3 million. Additionally, Corporate Unallocated expense includes amortization of intangibles from acquisitions of $2 million and $1 million for the nine months ended September 30, 2023 and 2022, respectively.

Equity in Income on Unconsolidated Subsidiaries includes amortization of intangibles from acquisitions of $14 million and $13 million for the three months ended September 30, 2023 and 2022, respectively, and $42 million for the nine months ended September 30, 2023 and 2022.

The following table presents our revenue disaggregated by revenue type for the periods ended September 30:

(in millions)	Market Intelligence	Ratings	Commodity Insights	Mobility	Indices	Engineering Solutions	Intersegment Elimination [1]	Total
	Three Months Ended September 30, 2023							
Subscription	$ 932	$ —	$ 432	$ 296	$ 70	$ —	$ —	$ 1,730
Non-subscription / Transaction	42	326	26	83	—	—	—	477
Non-transaction	—	493	—	—	—	—	(46)	447
Asset-linked fees	—	—	—	—	218	—	—	218
Sales usage-based royalties	—	—	21	—	66	—	—	87
Recurring variable revenue	125	—	—	—	—	—	—	125
Total revenue	$ 1,099	$ 819	$ 479	$ 379	$ 354	$ —	$ (46)	$ 3,084
Timing of revenue recognition								
Services transferred at a point in time	$ 42	$ 326	$ 26	$ 83	$ —	$ —	$ —	$ 477
Services transferred over time	1,057	493	453	296	354	—	(46)	2,607
Total revenue	$ 1,099	$ 819	$ 479	$ 379	$ 354	$ —	$ (46)	$ 3,084

(in millions)	Market Intelligence	Ratings	Commodity Insights	Mobility	Indices	Engineering Solutions	Intersegment Elimination [1]	Total
	Nine Months Ended September 30, 2023							
Subscription	$ 2,732	$ —	$ 1,261	$ 870	$ 206	$ 125	$ —	$ 5,194
Non-subscription / Transaction	137	1,088	130	237	—	8	—	1,600
Non-transaction	—	1,406	—	—	—	—	(130)	1,276
Asset-linked fees	—	—	—	—	638	—	—	638
Sales usage-based royalties	—	—	59	—	198	—	—	257
Recurring variable revenue	380	—	—	—	—	—	—	380
Total revenue	$ 3,249	$ 2,494	$ 1,450	$ 1,107	$ 1,042	$ 133	$ (130)	$ 9,345
Timing of revenue recognition								
Services transferred at a point in time	$ 137	$ 1,088	$ 130	$ 237	$ —	$ 8	$ —	$ 1,600
Services transferred over time	3,112	1,406	1,320	870	1,042	125	(130)	7,745
Total revenue	$ 3,249	$ 2,494	$ 1,450	$ 1,107	$ 1,042	$ 133	$ (130)	$ 9,345

(in millions)	Market Intelligence	Ratings	Commodity Insights	Mobility	Indices	Engineering Solutions	Intersegment Elimination [1]	Total
	Three Months Ended September 30, 2022							
Subscription	$ 861	$ —	$ 394	$ 269	$ 69	$ 89	$ —	$ 1,682
Non-subscription / Transaction	40	244	21	77	—	6	—	388
Non-transaction	—	437	—	—	—	—	(43)	394
Asset-linked fees	—	—	—	—	210	—	—	210
Sales usage-based royalties	—	—	17	—	55	—	—	72
Recurring variable revenue	115	—	—		—		—	115
Total revenue	$ 1,016	$ 681	$ 432	$ 346	$ 334	$ 95	$ (43)	$ 2,861
Timing of revenue recognition								
Services transferred at a point in time	$ 40	$ 244	$ 21	$ 77	$ —	$ 6	$ —	$ 388
Services transferred over time	976	437	411	269	334	89	(43)	2,473
Total revenue	$ 1,016	$ 681	$ 432	$ 346	$ 334	$ 95	$ (43)	$ 2,861

(in millions)	Market Intelligence	Ratings	Commodity Insights	Mobility	Indices	Engineering Solutions	Intersegment Elimination [1]	Total
	Nine Months Ended September 30, 2022							
Subscription	$ 2,386	$ —	$ 1,088	$ 618	$ 190	$ 208	$ —	$ 4,490
Non-subscription / Transaction	111	992	96	179	—	16	—	1,394
Non-transaction	—	1,353	—	—	—	—	(125)	1,228
Asset-linked fees	—	—	—	—	642	—	—	642
Sales usage-based royalties	—	—	50	—	163	—	—	213
Recurring variable revenue	277	—	—	—	—	—	—	277
Total revenue	$ 2,774	$ 2,345	$ 1,234	$ 797	$ 995	$ 224	$ (125)	$ 8,244
Timing of revenue recognition								
Services transferred at a point in time	$ 111	$ 992	$ 96	$ 179	$ —	$ 16	$ —	$ 1,394
Services transferred over time	2,663	1,353	1,138	618	995	208	(125)	6,850
Total revenue	$ 2,774	$ 2,345	$ 1,234	$ 797	$ 995	$ 224	$ (125)	$ 8,244

[1] Intersegment eliminations primarily consists of a royalty charged to Market Intelligence for the rights to use and distribute content and data developed by Ratings.

The following provides revenue by geographic region for the periods ended September 30:

(in millions)	Three Months		Nine Months	
	2023	2022	2023	2022
U.S.	$ 1,853	$ 1,717	$ 5,644	$ 4,925
European region	693	645	2,108	1,911
Asia	344	322	1,023	912
Rest of the world	194	177	570	496
Total	$ 3,084	$ 2,861	$ 9,345	$ 8,244

See Note 2 — *Acquisitions and Divestitures* and Note 10 — *Restructuring* for additional actions that impacted the segment operating results.

12. Commitments and Contingencies

Leases

We determine whether an arrangement meets the criteria for an operating lease or a finance lease at the inception of the arrangement. We have operating leases for office space and equipment. Our leases have remaining lease terms of 1 year to 10 years, some of which include options to extend the leases for up to 15 years, and some of which include options to terminate the leases within 1 year. We sublease certain real estate leases to third parties which mainly consist of operating leases for space within our offices.

Leases with an initial term of 12 months or less are not recorded on the balance sheet; we recognize lease expenses for these leases on a straight line-basis over the lease term in operating-related expenses and selling and general expenses.

Operating lease ROU assets and operating lease liabilities are recognized based on the present value of future minimum lease payments over the lease term at commencement date. Our future minimum based payments used to determine our lease liabilities include minimum based rent payments and escalations. As most of our leases do not provide an implicit rate, we use our estimated incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments.

During three and nine months ended September 30, 2023 we a recorded pre-tax impairment charge of $3 million and $14 million related to the impairment and abandonment of operating lease related ROU assets. During the three and nine months ended September 30, 2022 we a recorded pre-tax impairment charge of $73 million and $98 million, respectively, related to the impairment and abandonment of operating lease related ROU assets. The pre-tax impairment charge recorded during the three and nine months ended September 30, 2022 is primarily associated with consolidating our real estate facilities following the merger with IHS Markit. The impairment charges are included in selling and general expenses within the consolidated statements of income.

The following table provides information on the location and amounts of our leases on our consolidated balance sheets as of September 30, 2023 and December 31, 2022:

(in millions)		September 30,	December 31,
Balance Sheet Location		**2023**	**2022**
Assets			
Right of use assets	Lease right of use assets	$ 392	$ 423
Liabilities			
Other current liabilities	Current lease liabilities	108	118
Lease liabilities — non-current	Non-current lease liabilities	543	577

The components of lease expense for the periods ended September 30 are as follows:

(in millions)	Three Months		Nine Months	
	2023	**2022**	**2023**	**2022**
Operating lease cost	$ 32	$ 39	$ 98	$ 111
Sublease income	(4)	(1)	(12)	(2)
Total lease cost	$ 28	$ 38	$ 86	$ 109

Supplemental information related to leases for the periods ended September 30 are as follows:

(in millions)	Three Months		Nine Months	
	2023	**2022**	**2023**	**2022**
Cash paid for amounts included in the measurement for operating lease liabilities				
Operating cash flows for operating leases	$ 36	$ 39	$ 113	$ 120
Right of use assets obtained in exchange for lease obligations				
Operating leases	5	1	6	4

Weighted-average remaining lease term and discount rate for our operating leases are as follows:

	September 30,	December 31,
	2023	**2022**
Weighted-average remaining lease term (years)	6.3	6.6
Weighted-average discount rate	3.33 %	3.17 %

Maturities of lease liabilities for our operating leases are as follows:

(in millions)		
2023 (Excluding the nine months ended September 30, 2023)	$	35
2024		121
2025		106
2026		99
2027		93
2028 and beyond		283
Total undiscounted lease payments	$	737
Less: Imputed interest		86
Present value of lease liabilities	$	651

Related Party Agreements

In June of 2012, we entered into a license agreement (the "License Agreement") with the holder of S&P Dow Jones Indices LLC noncontrolling interest, CME Group, replacing the 2005 license agreement between Indices and CME Group. Under the terms of the License Agreement, S&P Dow Jones Indices LLC receives a share of the profits from the trading and clearing of CME Group's equity index products. During the three and nine months ended September 30, 2023, S&P Dow Jones Indices LLC earned $43 million and $132 million, respectively, of revenue under the terms of the License Agreement. During the three and nine months ended September 30, 2022, S&P Dow Jones Indices LLC earned $42 million and $130 million, respectively, of revenue under the terms of the License Agreement. The entire amount of this revenue is included in our consolidated statement of income and the portion related to the 27% noncontrolling interest is removed in net income attributable to noncontrolling interests.

Contractual Obligations

We typically have various contractual obligations, which are recorded as liabilities in our consolidated balance sheets, while other items, such as certain purchase commitments and other executory contracts, are not recognized. For example, we are contractually committed to contracts for information-technology outsourcing, certain enterprise-wide information-technology software licensing and maintenance. In the first quarter of 2023, S&P Global and Amazon Web Services ("AWS") entered into a multi-year strategic collaboration agreement with a purchase obligation of $1.0 billion, before incremental credits, over a five-year period. With AWS as its preferred cloud provider, S&P Global will enhance its cloud infrastructure, accelerate business growth, engineer new innovations for key industry segments, and help their customers navigate rapidly changing market conditions.

Legal and Regulatory Matters

In the normal course of business both in the United States and abroad, the Company and its subsidiaries are defendants in a number of legal proceedings and are often subjected to government and regulatory proceedings, investigations and inquiries.

A class action lawsuit was filed in Australia on August 7, 2020 against the Company and a subsidiary of the Company. A separate lawsuit was filed against the Company and a subsidiary of the Company in Australia on February 2, 2021 by two entities within the Basis Capital investment group. The lawsuits both relate to alleged investment losses in collateralized debt obligations rated by Ratings prior to the financial crisis. We can provide no assurance that we will not be obligated to pay significant amounts in order to resolve these matters on terms deemed acceptable.

From time to time, the Company receives customer complaints. The Company believes it has strong contractual protections in the terms and conditions included in its arrangements with customers. Nonetheless, in the interest of managing customer relationships, the Company from time to time engages in dialogue with such customers in an effort to resolve such complaints, and if such complaints cannot be resolved through dialogue, may face litigation regarding such complaints. The Company does not expect to incur material losses as a result of these matters.

Moreover, various government and self-regulatory agencies frequently make inquiries and conduct investigations into our compliance with applicable laws and regulations, including those related to ratings activities, antitrust matters and other matters, such as ESG. For example, as a nationally recognized statistical rating organization registered with the SEC under Section 15E of the Exchange Act, S&P Global Ratings is in ongoing communication with the staff of the SEC regarding compliance with its extensive obligations under the federal securities laws. Although S&P Global seeks to promptly address any compliance issues that it detects or that the staff of the SEC or another regulator raises, there can be no assurance that the SEC or another regulator will not seek remedies against S&P Global for one or more compliance deficiencies. Any of these proceedings, investigations or inquiries could ultimately result in adverse judgments, damages, fines, penalties or activity restrictions, which could adversely impact our consolidated financial condition, cash flows, business or competitive position.

In view of the uncertainty inherent in litigation and government and regulatory enforcement matters, we cannot predict the eventual outcome of such matters or the timing of their resolution, or in most cases reasonably estimate what the eventual judgments, damages, fines, penalties or impact of activity (if any) restrictions may be. As a result, we cannot provide assurance that such outcomes will not have a material adverse effect on our consolidated financial condition, cash flows, business or competitive position. As litigation or the process to resolve pending matters progresses, as the case may be, we will continue to review the latest information available and assess our ability to predict the outcome of such matters and the effects, if any, on our consolidated financial condition, cash flows, business or competitive position, which may require that we record liabilities in the consolidated financial statements in future periods.

13. Recently Issued or Adopted Accounting Standards

In March of 2023, the Financial Accounting Standards Board ("FASB") issued accounting guidance that requires all entities to amortize leasehold improvements associated with common control leases over the useful life to the common control group. The guidance is effective for reporting periods beginning after December 15, 2023, however, early adoption is permitted. We do not expect this guidance to have a significant impact on our consolidated financial statements.

In March of 2020, the FASB issued accounting guidance to provide temporary optional expedients and exceptions to the current contract modifications and hedge accounting guidance in light of the expected market transition from London Interbank Offered Rate ("LIBOR") to alternative rates. The new guidance provides optional expedients and exceptions to transactions affected by reference rate reform if certain criteria are met. The transactions primarily include (1) contract modifications, (2) hedging relationships, and (3) sale or transfer of debt securities classified as held-to-maturity. In December of 2022, the FASB amended its guidance to defer the sunset date from December 31, 2022 to December 31, 2024. The Company may elect to adopt the amendments prospectively to transactions existing as of or entered into from the date of adoption through December 31, 2024. We do not expect this guidance to have a significant impact on our consolidated financial statements.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations (Unaudited)

The following Management's Discussion and Analysis ("MD&A") provides a narrative of the results of operations and financial condition of S&P Global Inc. (together with its consolidated subsidiaries, "S&P Global," the "Company," "we," "us" or "our") for the three and nine months ended September 30, 2023. The MD&A should be read in conjunction with the consolidated financial statements, accompanying notes and MD&A included in our Form 10-K for the year ended December 31, 2022 (our "Form 10-K"), which have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The MD&A includes the following sections:

- Overview
- Results of Operations — Comparing the Three and Nine Months Ended September 30, 2023 and 2022
- Liquidity and Capital Resources
- Reconciliation of Non-GAAP Financial Information
- Critical Accounting Estimates
- Recently Issued or Adopted Accounting Standards
- Forward-Looking Statements

OVERVIEW

We are a provider of credit ratings, benchmarks, analytics and workflow solutions in the global capital, commodity and automotive markets. The capital markets include asset managers, investment banks, commercial banks, insurance companies, exchanges, trading firms and issuers; the commodity markets include producers, traders and intermediaries within energy, petrochemicals, metals & steel and agriculture; and the automotive markets include manufacturers, suppliers, dealerships and service shops.

Our operations consist of six reportable segments: S&P Global Market Intelligence ("Market Intelligence"), S&P Global Ratings ("Ratings"), S&P Global Commodity Insights ("Commodity Insights"), S&P Global Mobility ("Mobility"), S&P Dow Jones Indices ("Indices") and S&P Global Engineering Solutions ("Engineering Solutions").

- Market Intelligence is a global provider of multi-asset-class data and analytics integrated with purpose-built workflow solutions.
- Ratings is an independent provider of credit ratings, research, and analytics, offering investors and other market participants information, ratings and benchmarks.
- Commodity Insights is a leading independent provider of information and benchmark prices for the commodity and energy markets.
- Mobility is a leading provider of solutions serving the full automotive value chain including vehicle manufacturers (OEMs), automotive suppliers, mobility service providers, retailers, consumers, and finance and insurance companies.
- Indices is a global index provider maintaining a wide variety of valuation and index benchmarks for investment advisors, wealth managers and institutional investors.
- As of May 2, 2023, we completed the sale of Engineering Solutions, a leading provider of engineering standards and related technical knowledge, and the results are included through that date.

On May 2, 2023, we completed the sale of Engineering Solutions to Allium Buyer LLC, a Delaware limited liability company controlled by funds affiliated with Kohlberg Kravis Roberts & Co. L.P. ("KKR"). We received the full proceeds from the sale of $975 million in cash, subject to purchase price adjustments, which we expect to result in approximately $750 million in after-tax proceeds. The assets and liabilities of Engineering Solutions were classified as held for sale in our consolidated balance sheet as of December 31, 2022. During the nine months ended September 30, 2023, we recorded a pre-tax loss of $120 million in Loss (gain) on dispositions and disposition-related costs of $16 million in selling and general expenses in the consolidated statement of income ($182 million after-tax, net of a release of a deferred tax liability of $157 million) related to the sale of Engineering Solutions. The transaction followed our announced intent in November of 2022 to divest the business. Engineering Solutions became part of the Company following our merger with IHS Markit. See Note 2 - *Acquisitions and Divestitures* for additional information.

On February 28, 2022, we completed the merger with IHS Markit Ltd ("IHS Markit"), and as a result, IHS Markit and its subsidiaries became wholly owned consolidated subsidiaries of S&P Global, and the financial results include IHS Markit from the date of acquisition. See Note 2 - *Acquisitions and Divestitures* for additional information.

Key results for the periods ended September 30 are as follows:

(in millions)	Three Months			Nine Months		
	2023	2022	% Change [1]	2023	2022	% Change [1]
Revenue	$ 3,084	$ 2,861	8%	$ 9,345	$ 8,244	13%
Operating profit [2]	$ 1,074	$ 853	26%	$ 3,130	$ 4,228	(26)%
Operating margin %	35 %	30 %		33 %	51 %	
Diluted earnings per share from net income	$ 2.33	$ 1.84	27%	$ 6.40	$ 8.91	(28)%

[1] % changes in the tables throughout the MD&A are calculated off of the actual number, not the rounded number presented.

[2] Operating profit for the three months ended September 30, 2023 includes IHS Markit merger costs of $58 million, employee severance charges of $38 million, disposition-related costs of $3 million, acquisition-related costs of $2 million and an asset write-off of $1 million. Operating profit for the nine months ended September 30, 2023 includes IHS Markit merger costs of $173 million, employee severance charges of $101 million, a loss on disposition of $70 million, disposition-related costs of $19 million, lease impairments of $15 million, an asset impairment of $5 million, acquisition-related costs of $5 million and an asset write-off of $1 million. Operating profit for the three months ended September 30, 2022 includes IHS Markit merger costs of $144 million, employee severance charges of $55 million, an acquisition-related benefit of $18 million, a gain on acquisition of $10 million, an asset impairment of $9 million, a loss on dispositions of $2 million and an asset write-off of $1 million. Operating profit for the nine months ended September 30, 2022 includes a gain on dispositions of $1.9 billion, IHS Markit merger costs of $523 million, a S&P Foundation grant of $200 million, employee severance charges of $195 million, a gain on acquisition of $10 million, an asset impairment of $9 million, an acquisition-related benefit of $6 million, lease impairments of $5 million and an asset write-off of $4 million. Operating profit also includes amortization of intangibles from acquisitions of $274 million and $280 million for the three months ended September 30, 2023 and 2022, respectively, and $824 million and $687 million for the nine months ended September 30, 2023 and 2022, respectively.

Three Months

Revenue increased 8% driven by increases at Ratings, Market Intelligence, Commodity Insights, Mobility and Indices, partially offset by a decrease at Engineering Solutions due to its sale on May 2, 2023. The increase at Ratings was driven by growth in both transaction revenue and non-transaction revenue. Transaction revenue increased due to growth in corporate bond ratings revenue driven by increased high-yield and bank loan issuance volumes primarily due to higher refinancing activity. Non-transaction revenue increased due to an increase in surveillance revenue, a cumulative catch-up for customers' unreported commercial paper issuance, higher Ratings Evaluation Service (“RES”) revenue and an increase in revenue at our CRISIL subsidiary. The increase at Market Intelligence was primarily due to subscription revenue growth for data feed products within Data and Advisory Solutions, work flow solutions at Enterprise Solutions, RatingsXpress®, RatingsDirect® and Credit Analytics within Credit & Risk Solutions, and Market Intelligence Desktop products. Revenue growth at Commodity Insights was primarily due to continued demand for market data and market insights products. The increase at Mobility was primarily due to price increases and new business growth within the Dealer business as well as the favorable impact of the acquisition of Market Scan in February of 2023. The increase at Indices was primarily due to higher exchange-traded derivative revenue and higher asset-linked fees revenue. Foreign exchange rates had a favorable impact of 1 percentage point.

Operating profit increased 26%. Excluding the impact of higher IHS Markit merger costs in 2022 of 15 percentage points, higher employee severance charges in 2022 of 3 percentage points, an asset impairment in 2022 of 2 percentage points and higher amortization of intangibles in 2022 of 1 percentage point, partially offset by an acquisition-related benefit in 2022 of 3 percentage points and a gain on acquisition in 2022 of 2 percentage points, operating profit increased 10%. The increase was primarily due to revenue growth, partially offset by increased incentives and higher compensation costs. Foreign exchange rates had a favorable impact of 2 percentage points.

Nine Months

Revenue increased 13% primarily due to the impact of the merger with IHS Markit; subscription revenue growth for Desktop products, RatingsXpress®, RatingsDirect®, and data feed products within Data & Advisory Solutions at Market Intelligence; continued demand for market data and market insights products and higher conference revenue at Commodity Insights; price increases and new business growth within the Dealer business as well as the favorable impact of the acquisition of Market Scan in February of 2023 at Mobility; growth in corporate bond ratings transaction revenue driven by increased investment-grade and high-yield issuance volumes due to an increase in refinancing activity and higher non-transaction revenue due to an increase in surveillance revenue, a cumulative catch-up for customers' unreported commercial paper issuance, an increase in revenue at our CRISIL subsidiary and higher RES revenue, partially offset by a decrease in new entity credit ratings revenue at Ratings; and higher exchange-traded derivative revenue and higher data subscription revenue at Indices. These increases were partially offset by a decrease at Engineering Solutions due to its sale on May 2, 2023. Foreign exchange rates had an unfavorable impact of 1 percentage point.

Operating profit decreased 26%. Excluding the unfavorable impact of a higher gain on dispositions in 2022 of 47 percentage points and higher amortization of intangibles in 2023 of 3 percentage points, partially offset by the impact of higher IHS Markit merger costs in 2022 of 8 percentage points, the impact of a S&P Foundation grant in 2022 of 5 percentage points and higher employee severance charges in 2022 of 1 percentage point, operating profit increased 10%. The increase was primarily due to revenue growth, partially offset by expenses associated with the merger with IHS Markit, increased incentives and higher compensation costs. Foreign exchange rates had a favorable impact of 1 percentage point.

Our Strategy

We are a provider of credit ratings, benchmarks, analytics and workflow solutions in the global capital, commodity and automotive markets. Our purpose is to accelerate progress. We seek to deliver on this purpose in line with our core values of discovery, partnership and integrity.
In 2022, we announced the launch of Powering Global Markets to provide a framework for our forward-looking business strategy. Through this framework, we focus on our customer's ever-changing needs, growing our core businesses, innovating in new markets and leveraging the power of our data and technology. In 2023, we are striving to deliver on our strategic priorities in the following key areas:

Finance

- Meeting or exceeding our organic revenue growth and EBITA margin targets;
- Realizing our merger/integration commitments - cost and revenue synergy targets; and
- Driving growth and superior shareholder returns through effective execution, active portfolio management and prudent capital allocation.

Customer at the Core

- Enhancing customer support and seamless user experience with a focus on ease of discoverability, distribution, and delivery of our products and services and integrated capabilities; and
- Continuing to invest in customer facing solutions and processes.

Grow and Innovate

- Continuing to fund and accelerate key growth areas and transformational adjacencies;
- Exercising disciplined organic capital allocation, inorganic and partnership strategies; and
- Growing the value of S&P Global's brand through an integrated marketing and communication strategy; driving awareness and consideration across the product offering.

Data and Technology

- Efficient integration, accessibility and governance of enterprise data assets, with initial focus on sustainability data, data science and enterprise-wide data management through the formation of a data council to drive enterprise value creation;
- Advancing transition to optimize tech spend practice i.e., shifting the balance towards funding higher growth innovation, establishing key spend benchmarks and 3-year transition plan; and
- Continuing momentum in transitioning all products and services to a cloud-based ecosystem while implementing technologies that align to our customer needs and unlock new opportunities.

Lead and Inspire

- Continuing to improve diverse representation through hiring, advancement and retention, while continuing to raise awareness through Diversity, Equity, and Inclusion education; and

- Ensuring our people are engaged with a particular focus on learning, development and career opportunities, and continue to embed our purpose and values throughout the Company.

Execute and Deliver

- Driving continuous commitment to risk management, compliance, and control across S&P Global; and

- Creating a more sustainable impact.

There can be no assurance that we will achieve success in implementing any one or more of these strategies as a variety of factors could unfavorably impact operating results, including prolonged difficulties in the global credit markets and a change in the regulatory environment affecting our businesses. See Item 1A, *Risk Factors* in this Form 10-Q and our most recently filed Annual Report on Form 10-K.

RESULTS OF OPERATIONS — COMPARING THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022

Consolidated Review

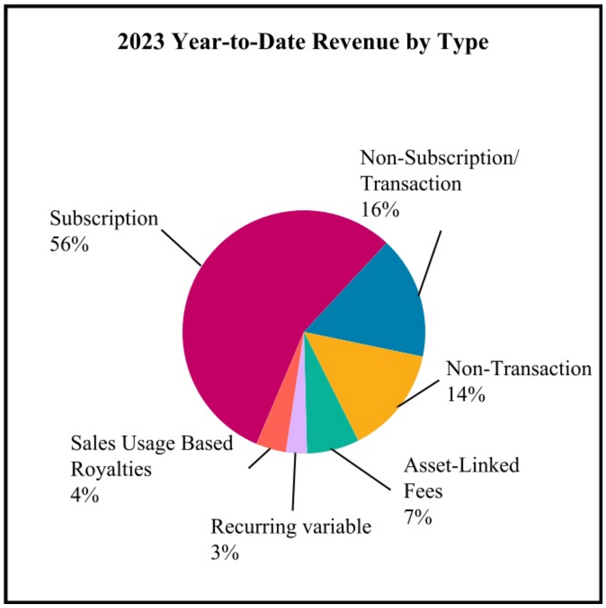
(in millions)	Three Months			Nine Months		
	2023	2022	% Change	2023	2022	% Change
Revenue	$ 3,084	$ 2,861	8%	$ 9,345	$ 8,244	13%
Total Expenses:						
Operating-related expenses	995	989	1%	3,109	2,745	13%
Selling and general expenses	741	725	2%	2,217	2,451	(10)%
Depreciation and amortization	282	298	(5)%	853	738	16%
Total expenses	2,018	2,012	—%	6,179	5,934	4%
Loss (gain) on dispositions	—	2	(80)%	69	(1,897)	N/M
Equity in income on unconsolidated subsidiaries	(8)	(6)	29%	(33)	(21)	61%
Operating profit	1,074	853	26%	3,130	4,228	(26)%
Other income, net	(5)	(37)	87%	(5)	(86)	95%
Interest expense, net	84	71	18%	258	218	18%
(Gain) loss on extinguishment of debt, net	—	(4)	N/M	—	15	N/M
Provision for taxes on income	181	145	25%	628	1,053	(40)%
Net income	814	678	20%	2,249	3,028	(26)%
Less: net income attributable to noncontrolling interests	(72)	(70)	(3)%	(202)	(213)	5%
Net income attributable to S&P Global Inc.	$ 742	$ 608	22%	$ 2,047	$ 2,815	(27)%

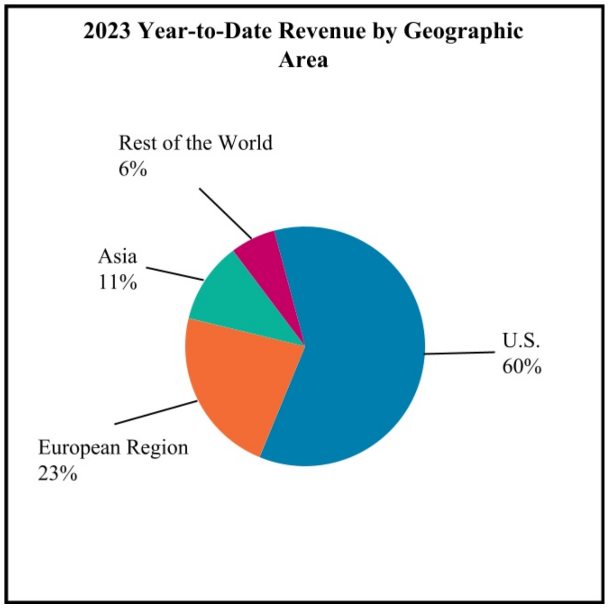
N/M – Represents a change equal to or in excess of 100% or not meaningful

Revenue

The following table provides consolidated revenue information for the periods ended September 30:

(in millions)	Three Months			Nine Months		
	2023	2022	% Change	2023	2022	% Change
Revenue	$ 3,084	$ 2,861	8%	$ 9,345	$ 8,244	13%
Subscription revenue	1,730	1,682	3%	5,194	4,490	16%
Non-subscription / transaction revenue	477	388	23%	1,600	1,394	15%
Non-transaction revenue	447	394	13%	1,276	1,228	4%
Asset-linked fees	218	210	4%	638	642	(1)%
Sales usage-based royalties	87	72	21%	257	213	20%
Recurring variable	125	115	8%	380	277	37%
% of total revenue:						
Subscription revenue	56 %	59 %		55 %	54 %	
Non-subscription / transaction revenue	16 %	14 %		17 %	17 %	
Non-transaction revenue	14 %	14 %		14 %	15 %	
Asset-linked fees	7 %	7 %		7 %	8 %	
Sales usage-based royalties	3 %	2 %		3 %	3 %	
Recurring variable	4 %	4 %		4 %	3 %	
U.S. revenue	$ 1,853	$ 1,717	8%	$ 5,644	$ 4,925	15%
International revenue:						
European region	693	645	7%	2,108	1,911	10%
Asia	344	322	7%	1,023	912	12%
Rest of the world	194	177	10%	570	496	15%
Total international revenue	$ 1,231	$ 1,144	8%	$ 3,701	$ 3,319	12%
% of total revenue:						
U.S. revenue	60 %	60 %		60 %	60 %	
International revenue	40 %	40 %		40 %	40 %	





Three Months

Revenue increased 8% as compared to the three months ended September 30, 2022. Subscription revenue increased in the three month period primarily due to growth in data feed products within Data and Advisory Solutions, work flow solutions at Enterprise Solutions, RatingsXpress®, RatingsDirect® and Credit Analytics within Credit & Risk Solutions and Desktop products at Market Intelligence, price increases and new business growth within the Dealer business as well as the favorable impact of the acquisition of Market Scan in February of 2023 at Mobility and continued demand for Commodity Insights market data and market insights products, partially offset by a decrease at Engineering Solutions due to its sale on May 2, 2023. Non-subscription / transaction revenue increased primarily due to growth in corporate bond ratings revenue driven by increased high-yield and bank loan issuance volumes primarily due to higher refinancing activity. Non-transaction revenue increased due to an increase in surveillance revenue, a cumulative catch-up for customers' unreported commercial paper issuance, higher Ratings Evaluation Service ("RES") revenue and an increase in revenue at our CRISIL subsidiary. Asset linked fees increased at Indices due to higher levels of assets under management ("AUM") for ETFs, partially offset by product mix. The increase in sales-usage based royalties was primarily driven by higher exchange-traded derivative revenue at Indices. An increase in sales usage-based royalties from the licensing of our proprietary market data and price assessments to commodity exchanges at Commodity Insights also contributed to revenue growth. Recurring variable revenue at Market Intelligence increased due to fixed income new issuance volumes. See "Segment Review" below for further information.

The favorable impact of foreign exchange rates increased revenue by 1 percentage point. This impact refers to constant currency comparisons estimated by recalculating current year results of foreign operations using the average exchange rate from the prior year.

Nine Months

Revenue increased 13% as compared to the nine months ended September 30, 2022. Subscription revenue increased in the nine month period primarily due to the impact of the merger with IHS Markit. Subscription revenue growth in Desktop products, Credit & Risk Solutions and Data & Advisory Solutions at Market Intelligence, continued demand for Commodity Insights market data and market insights products and higher data subscription revenue at Indices, partially offset by a decrease at Engineering Solutions due to its sale on May 2, 2023. Non-subscription / transaction revenue increased due to the impact of the merger with IHS Markit, growth in corporate bond ratings revenue driven by increased investment-grade and high-yield issuance volumes due to an increase in refinancing activity at Ratings and an increase in conference revenue at Commodity Insights. Non-transaction revenue increased due to an increase in surveillance revenue, a cumulative catch-up for customers' unreported commercial paper issuance, an increase in revenue at our CRISIL subsidiary and higher RES revenue, partially offset by a decrease in new entity credit ratings revenue. Asset linked fees decreased at Indices driven by product mix. The increase in sales-usage based royalties was primarily driven by higher exchange-traded derivative revenue at Indices. An increase in sales usage-based royalties from the licensing of our proprietary market data and price assessments to commodity exchanges at Commodity Insights also contributed to revenue growth. Recurring variable revenue at Market Intelligence increased due to the impact of the merger with IHS Markit and fixed income new issuance volumes. See “Segment Review” below for further information.

The unfavorable impact of foreign exchange rates reduced revenue by 1 percentage point. This impact refers to constant currency comparisons estimated by recalculating current year results of foreign operations using the average exchange rate from the prior year.

Total Expenses

The following tables provide an analysis by segment of our operating-related expenses and selling and general expenses for the periods ended September 30:

Three Months

(in millions)	2023		2022		% Change	
	Operating-related expenses	Selling and general expenses	Operating-related expenses	Selling and general expenses	Operating-related expenses	Selling and general expenses
Market Intelligence [1]	$ 486	$ 271	$ 444	$ 237	9%	14%
Ratings [2]	239	111	229	63	5%	75%
Commodity Insights [3]	148	113	132	125	12%	(10)%
Mobility [4]	99	121	88	91	12%	34%
Indices [5]	55	55	51	47	7%	17%
Engineering Solutions [6]	—	—	58	23	N/M	N/M
Intersegment eliminations [7]	(46)	—	(43)	—	7%	N/M
Total segments	981	671	959	586	2%	14%
Corporate Unallocated expense [8]	14	70	30	139	(52)%	(50)%
Total	$ 995	$ 741	$ 989	$ 725	1%	2%

N/M – Represents a change equal to or in excess of 100% or not meaningful

[1] In 2023, selling and general expenses include employee severance charges of $19 million, IHS Markit merger costs of $11 million and an asset write-off of $1 million. In 2022, selling and general expenses include include employee severance charges of $13 million, IHS Markit merger costs of $6 million and acquisition-related costs of $1 million.

[2] In 2023 and 2022, selling and general expenses include employee severance charges of $2 million.

[3] In 2023, selling and general expenses include IHS Markit merger costs of $8 million and employee severance charges of $7 million. In 2022, selling and general expenses include employee severance charges of $14 million and IHS Markit merger costs of $10 million.

[4] In 2023, selling and general expenses include employee severance charges of $3 million, IHS Markit merger costs of $1 million and acquisition-related costs of $1 million. In 2022, selling and general expenses include an acquisition-related benefit of $19 million and employee severance charges of $1 million.

[5] In 2023 and 2022, selling and general expenses include employee severance charges of $1 million and IHS Markit merger costs of $1 million.

[6] In 2022, selling and general expenses include employee severance charges of $2 million.

[7] Intersegment eliminations primarily relate to a royalty charged to Market Intelligence for the rights to use and distribute content and data developed by Ratings.

[8] In 2023, selling and general expenses include IHS Markit merger costs of $37 million, employee severance charges of $6 million, disposition-related costs of $3 million and acquisition-related costs of $1 million. In 2022, selling and general expenses include IHS Markit merger costs of $127 million, employee severance charges of $23 million, a gain on acquisition of $10 million, an asset impairment of $9 million and acquisition-related costs of $1 million.

Operating-Related Expenses

Operating-related expenses increased 1% primarily driven by increased incentives and higher compensation costs.

Intersegment eliminations primarily relate to a royalty charged to Market Intelligence for the rights to use and distribute content and data developed by Ratings.

Selling and General Expenses

Selling and general expenses increased 2%. Excluding the favorable impact of higher IHS Markit merger costs in 2022 of 17 percentage points, higher employee severance charges in 2022 of 3 percentage points, and an asset write-off of 2 percentage points, partially offset by an acquisition-related benefit in 2022 of 4 percentage points, a gain on acquisition in 2022 of 2 percentage points and disposition-related costs in 2023 of 1 percentage point, selling and general expenses increased 17%. The increase was primarily driven by increased incentives and higher compensation costs.

Depreciation and Amortization

Depreciation and amortization decreased to $282 million in 2023 compared to $298 million in 2022, primarily due to lower depreciation driven by asset disposals and lower intangible asset amortization driven by the sale of Engineering Solutions on May 2, 2023.

Nine Months

(in millions)	2023		2022		% Change	
	Operating-related expenses	Selling and general expenses	Operating-related expenses	Selling and general expenses	Operating-related expenses	Selling and general expenses
Market Intelligence [1]	$ 1,460	$ 791	$ 1,223	$ 669	19%	18%
Ratings [2]	708	337	692	264	2%	28%
Commodity Insights [3]	485	334	385	327	26%	2%
Mobility [4]	299	360	205	246	46%	46%
Indices [5]	166	152	151	135	10%	13%
Engineering Solutions [6]	85	27	137	51	(38)%	(48)%
Intersegment eliminations [7]	(130)	—	(125)	—	4%	N/M
Total segments	3,073	2,001	2,668	1,692	15%	18%
Corporate Unallocated expense [8]	36	216	77	759	(53)%	(72)%
Total	$ 3,109	$ 2,217	$ 2,745	$ 2,451	13%	(10)%

N/M – Represents a change equal to or in excess of 100% or not meaningful

[1] In 2023 selling and general expenses include employee severance charges of $41 million, IHS Markit merger costs of $36 million, an asset impairment of $5 million and an asset write-off of $1 million. In 2022, selling and general expenses include employee severance charges of $44 million, IHS Markit merger costs of $21 million and acquisition-related costs of $2 million.

[2] In 2023 and 2022, selling and general expenses include employee severance charges of $8 million and $14 million, respectively.

[3] In 2023, selling and general expenses include IHS Markit merger costs of $28 million and employee severance charges of $23 million. In 2022, selling and general expenses include employee severance charges of $38 million and IHS Markit merger costs of $16 million.

[4] In 2023, selling and general expenses include employee severance charges of $6 million, IHS Markit merger costs of $2 million and acquisition-related costs of $2 million. In 2022, selling and general expenses include acquisition-related benefit of $15 million, employee severance charges of $3 million and IHS Markit merger costs of $1 million.

[5] In 2023, selling and general expenses include employee severance charges of $4 million and IHS Markit merger costs of $3 million. In 2022, selling and general expenses include employee severance charges of $4 million and IHS Markit merger costs of $1 million.

[6] In 2022, selling and general expenses include employee severance charges of $4 million.

[7] Intersegment eliminations primarily relate to a royalty charged to Market Intelligence for the rights to use and distribute content and data developed by Ratings.

[8] In 2023, selling and general expenses include IHS Markit merger costs of $104 million, employee severance charges of $20 million, disposition-related costs of $19 million, lease impairments of $15 million and acquisition-related costs of $3 million. In 2022, selling and general expenses include IHS Markit merger costs of $483 million, a S&P Foundation grant of $200 million, employee severance

charges of $87 million, a gain on acquisition of $10 million, an asset impairment of $9 million, acquisition-related costs of $7 million, lease impairments of $5 million and an asset write-off of $3 million.

Operating-Related Expenses

Operating-related expenses increased 13% primarily driven by the impact of the merger with IHS Markit, increased incentives and higher compensation costs.

Intersegment eliminations primarily relate to a royalty charged to Market Intelligence for the rights to use and distribute content and data developed by Ratings.

Selling and General Expenses

Selling and general expenses decreased 10%. Excluding the favorable impact of higher IHS Markit merger costs in 2022 of 19 percentage points, a S&P Foundation grant in 2022 of 11 percentage points and higher employee severance charges in 2022 of 5 percentage points, partially offset by disposition-related costs in 2023 of 1 percentage point, selling and general expenses increased 24%. The increase was primarily driven by the impact of the merger with IHS Markit, increased incentives and higher compensation costs.

Depreciation and Amortization

Depreciation and amortization increased to $853 million in 2023 compared to $738 million in 2022, primarily due to higher intangible asset amortization driven by the impact of the merger with IHS Markit, partially offset by lower intangible asset amortization driven by the sale of Engineering Solutions on May 2, 2023.

Loss (Gain) on Dispositions

During the nine months ended September 30, 2023, we completed the following disposition and received a contingent payment that were included in Loss (gain) on dispositions in the consolidated statements of income:

- During the nine months ended September 30, 2023, we recorded a pre-tax loss of $120 million in Loss (gain) on dispositions and disposition-related costs of $16 million in selling and general expenses in the consolidated statement of income ($182 million after-tax, net of a release of a deferred tax liability of $157 million) related to the sale of Engineering Solutions.

- In the first quarter of 2023, we received a contingent payment following the sale of Leveraged Commentary and Data ("LCD") along with a related family of leveraged loan indices in June of 2022. The contingent payment was payable six months following the closing upon the achievement of certain conditions related to the transition of LCD customer relationships. During the nine months ended September 30, 2023, the contingent payment resulted in a pre-tax gain of $46 million ($34 million after-tax) related to the sale of LCD in our Market Intelligence segment and $4 million ($3 million after-tax) related to the sale of a family of leveraged loan indices in our Indices segment.

During the three and nine months ended September 30, 2022, we completed the following dispositions that resulted in a pre-tax loss of $2 million and a pre-tax gain of $1,897 million, respectively, which was included in Loss (gain) on dispositions in the consolidated statement of income:

- In June of 2022, we completed the previously announced sale of LCD along with a related family of leveraged loan indices, within our Market Intelligence and Indices segments, respectively, to Morningstar for a purchase price of $600 million in cash, subject to customary adjustments, and a contingent payment of up to $50 million which was payable six months following the closing upon the achievement of certain conditions related to the transition of LCD customer relationships. During the three and nine months ended September 30, 2022, we recorded a pre-tax loss of $15 million ($11 million after-tax) and a pre-tax gain of $505 million ($378 million after tax) for the sale of LCD. During the three and nine months ended September 30, 2022, we recorded a pre-tax gain of $14 million ($12 million after-tax) and $52 million ($43 million after-tax) for the sale of a family of leveraged loan indices in Loss (gain) on dispositions in the consolidated statements of income.

- In June of 2022, we completed the previously announced sale of the Base Chemicals business to News Corp for $295 million in cash. We did not recognize a gain on the sale of the Base Chemicals business.

- In March of 2022, we completed the previously announced sale of CUSIP Global Services ("CGS"), a business within our Market Intelligence segment, to FactSet Research Systems Inc. for a purchase price of $1.925 billion in cash, subject to customary adjustments. During the three and nine months ended September 30, 2022, we recorded a pre-tax loss of $2 million ($2 million after-tax) and a pre-tax gain of $1.341 billion ($1.005 billion after tax) in Loss (gain) on dispositions in the consolidated statements of income related to the sale of CGS.

- In February of 2022, we completed the previously announced sale of Oil Price Information Services ("OPIS") to News Corp for $1.150 billion in cash. We did not recognize a gain on the sale of OPIS.

Operating Profit

We consider operating profit to be an important measure for evaluating our operating performance and we evaluate operating profit for each of the reportable business segments in which we operate.

We internally manage our operations by reference to operating profit with economic resources allocated primarily based on each segment's contribution to operating profit. Segment operating profit is defined as operating profit before Corporate Unallocated expense and Equity in Income on Unconsolidated Subsidiaries. Segment operating profit is not, however, a measure of financial performance under U.S. GAAP, and may not be defined and calculated by other companies in the same manner.

The tables below reconcile segment operating profit to total operating profit for the periods ended September 30:

Three Months

(in millions)	2023	2022	% Change
Market Intelligence [1]	$ 195	$ 174	12%
Ratings [2]	459	377	22%
Commodity Insights [3]	184	141	31%
Mobility [4]	80	90	(10)%
Indices [5]	235	239	(2)%
Engineering Solutions [6]	—	1	N/M
Total segment operating profit	1,153	1,022	13%
Corporate Unallocated expense [7]	(87)	(175)	50%
Equity in Income on Unconsolidated Subsidiaries [8]	8	6	29%
Total operating profit	$ 1,074	$ 853	26%

N/M – Represents a change equal to or in excess of 100% or not meaningful

[1] 2023 includes employee severance charges of $19 million, IHS Markit merger costs of $11 million, and an asset write-off of $1 million. 2022 includes a loss on disposition of $17 million, employee severance charges of $13 million, IHS Markit merger costs of $6 million and acquisition-related costs of $1 million. 2023 and 2022 include amortization of intangibles from acquisitions of $140 million and $134 million, respectively.

[2] 2023 and 2022 include employee severance charges of $2 million and amortization of intangibles from acquisitions of $2 million.

[3] 2023 includes IHS Markit merger costs of $8 million and employee severance charges of $7 million. 2022 includes employee severance charges of $14 million and IHS Markit merger costs of $10 million. 2023 and 2022 include amortization of intangibles from acquisitions of $33 million and $32 million, respectively.

[4] 2023 includes employee severance charges of $3 million, IHS Markit merger costs of $1 million and acquisition-related costs of $1 million. 2022 includes acquisition-related benefit of $19 million, employee severance charges of $1 million and IHS Markit merger costs of $1 million. 2023 and 2022 include amortization of intangibles from acquisitions of $76 million.

[5] 2023 includes employee severance charges of $1 million and IHS Markit merger costs of $1 million. 2022 includes a gain on disposition of $14 million, employee severance charges of $1 million and IHS Markit merger costs of $1 million. 2023 and 2022 include amortization of intangibles from acquisitions of $9 million.

[6] 2022 includes employee severance charges of $2 million and amortization of intangibles from acquisitions of $14 million.

[7] 2023 includes IHS Markit merger costs of $37 million, employee severance charges of $6 million, disposition-related costs of $3 million and acquisition-related costs of $1 million. 2022 includes IHS Markit merger costs of $127 million, employee severance charges of $23 million, an asset impairment of $9 million, a gain on acquisition of $10 million and acquisition-related costs of $1 million.

[8] 2023 and 2022 include amortization of intangibles from acquisitions of $14 million and $13 million, respectively.

Segment Operating Profit — Segment operating profit increased 13% as compared to 2022. Excluding the acquisition-related benefit in 2022 of 3 percentage points, partially offset by higher amortization of intangibles in 2022 of 1 percentage point, segment operating profit increased 11%. The increase was primarily due to revenue growth, partially offset by increased incentives and higher compensation costs. See “Segment Review” below for further information.
Corporate Unallocated Expense — Corporate Unallocated expense includes costs for corporate functions, select initiatives, unoccupied office space and Kensho, included in selling and general expenses. Corporate Unallocated expense decreased 50% compared to 2022. Excluding the impact of higher IHS Markit merger costs in 2022 of 102 percentage points, higher employee severance charges in 2022 of 19 percentage points and an asset impairment in 2022 of 10 percentage points, partially offset by a gain on acquisition of 11 percentage points and higher disposition-related costs in 2023 of 3 percentage points, Corporate Unallocated expense increased 67% primarily due to increased incentives.

Equity in Income on Unconsolidated Subsidiaries — The Company holds an investment in a 50/50 joint venture arrangement with shared control with CME Group that combined each company’s post-trade services into a joint venture, OSTTRA. The joint venture provides trade processing and risk mitigation operations and incorporates CME’s optimization businesses (Traiana, TriOptima, and Reset) and the Company’s MarkitSERV business. The combination is intended to increase operating efficiencies of both businesses to more effectively service clients with enhanced platforms and services for OTC markets across interest rate, FX, equity, and credit asset classes. Equity in Income on Unconsolidated Subsidiaries includes the OSTTRA joint venture acquired in connection with the merger with IHS Markit. Equity in Income on Unconsolidated Subsidiaries was $8 million and $6 million for the three months ended September 30, 2023 and 2022, respectively.

Foreign exchange rates had a favorable impact on operating profit of 2 percentage points. This impact refers to constant currency comparisons and the remeasurement of monetary assets and liabilities. Constant currency impacts are estimated by re-calculating current year results of foreign operations using the average exchange rate from the prior year. Remeasurement impacts are based on the variance between current-year and prior-year foreign exchange rate fluctuations on assets and liabilities denominated in currencies other than the individual business’s functional currency.

Nine Months

(in millions)	2023	2022	% Change
Market Intelligence [1]	$ 599	$ 2,366	(75)%
Ratings [2]	1,422	1,352	5%
Commodity Insights [3]	527	440	20%
Mobility [4]	213	166	29%
Indices [5]	699	732	(5)%
Engineering Solutions [6]	19	3	N/M
Total segment operating profit	3,479	5,059	(31)%
Corporate Unallocated expense [7]	(382)	(852)	55%
Equity in Income on Unconsolidated Subsidiaries [8]	33	21	61%
Total operating profit	$ 3,130	$ 4,228	(26)%

N/M – Represents a change equal to or in excess of 100% or not meaningful

[1] 2023 includes a gain on disposition of $46 million, employee severance charges of $41 million, IHS Markit merger costs of $36 million, an asset impairment of $5 million and an asset write-off of $1 million. 2022 includes a gain on disposition of $1.8 billion, employee severance charges of $44 million, IHS Markit merger costs of $21 million and acquisition-related costs of $2 million. 2023 and 2022 include amortization of intangibles from acquisitions of $421 million and $331 million, respectively.

[2] 2023 and 2022 include employee severance charges of $8 million and $14 million, respectively. 2023 and 2022 include amortization of intangibles from acquisitions of $6 million and $5 million, respectively.

[3] 2023 includes IHS Markit merger costs of $28 million and employee severance charges of $23 million. 2022 includes employee severance charges of $38 million and IHS Markit merger costs of $16 million. 2023 and 2022 include amortization of intangibles from acquisitions of $99 million and $77 million, respectively.

[4] 2023 includes employee severance charges of $6 million, IHS Markit merger costs of $2 million and acquisition-related costs of $2 million. 2022 includes an acquisition-related benefit of $15 million, employee severance charges of $3 million and IHS Markit merger costs of $1 million. 2023 and 2022 include amortization of intangibles from acquisitions of $226 million and $176 million, respectively.

[5] 2023 includes a gain on disposition of $4 million, employee severance charges of $4 million and IHS Markit merger costs of $3 million. 2022 includes a gain on disposition of $52 million, employee severance charges of $4 million and IHS Markit merger costs of $1 million. 2023 and 2022 include amortization of intangibles from acquisitions of $27 million and $22 million, respectively.

[6] 2022 includes employee severance charges of $4 million. 2023 and 2022 include amortization of intangibles from acquisitions of $1 million and $33 million, respectively.

[7] 2023 includes a loss on disposition of $120 million, IHS Markit merger costs of $104 million, employee severance charges of $20 million, disposition-related costs of $19 million, lease impairments of $15 million and acquisition-related costs of $3 million. 2022 includes IHS Markit merger costs of $483 million, a S&P Foundation grant of $200 million, employee severance charges of $87 million, a gain on acquisition of $10 million, asset impairment of $9 million, acquisition-related costs of $7 million, lease impairments of $5 million and asset write-off of $3 million. 2023 and 2022 include amortization of intangibles from acquisitions of $2 million and $1 million, respectively.

[8] 2023 and 2022 include amortization of intangibles from acquisitions of $42 million.

Segment Operating Profit — Segment operating profit decreased 31% as compared to 2022. Excluding the unfavorable impact of a higher gain on dispositions in 2022 of 39 percentage points, higher amortization of intangibles from acquisitions in 2023 of 3 percentage points and higher IHS Markit merger costs in 2023 of 1 percentage point, partially offset by higher employee severance charges in 2022 of 1 percentage point, segment operating profit increased 11%. The increase was primarily due to revenue growth, partially offset by increased incentives and higher compensation costs. See “Segment Review” below for further information.

Corporate Unallocated Expense — Corporate Unallocated expense includes costs for corporate functions, select initiatives, unoccupied office space and Kensho, included in selling and general expenses. Corporate Unallocated expense decreased 55% compared to 2022. Excluding the impact of higher IHS Markit merger costs in 2022 of 78 percentage points, a S&P Foundation grant in 2022 of 41 percentage points, higher employee severance charges in 2022 of 14 percentage points, an asset impairment of in 2022 of 2 percentage points, an asset write-off in 2022 of 1 percentage point and higher acquisition-related costs in 2022 of 1 percentage point, partially offset by a loss on disposition in 2023 of 25 percentage points, disposition-related costs in 2023 of 4 percentage points, a gain on acquisition in 2022 of 2 percentage points and higher lease impairments in 2023 of 2 percentage points, Corporate Unallocated expense increased 49% primarily due to increased incentives.

Equity in Income on Unconsolidated Subsidiaries — The Company holds an investment in a 50/50 joint venture arrangement with shared control with CME Group that combined each company’s post-trade services into a joint venture, OSTTRA. The joint venture provides trade processing and risk mitigation operations and incorporates CME’s optimization businesses (Traiana, TriOptima, and Reset) and the Company’s MarkitSERV business. The combination is intended to increase operating efficiencies of both businesses to more effectively service clients with enhanced platforms and services for OTC markets across interest rate, FX, equity, and credit asset classes. Equity in Income on Unconsolidated Subsidiaries includes the OSTTRA joint venture acquired in connection with the merger with IHS Markit. Equity in Income on Unconsolidated Subsidiaries was $33 million and $21 million for the nine months ended September 30, 2023 and 2022, respectively.

Foreign exchange rates had a favorable impact on operating profit of 1 percentage point. This impact refers to constant currency comparisons and the remeasurement of monetary assets and liabilities. Constant currency impacts are estimated by re-calculating current year results of foreign operations using the average exchange rate from the prior year. Remeasurement impacts are based on the variance between current-year and prior-year foreign exchange rate fluctuations on assets and liabilities denominated in currencies other than the individual business’s functional currency.

Other Income, net

Other income, net includes gains and losses on our mark-to-market investments and the net periodic benefit cost for our retirement and post retirement plans. Other income, net increased compared to the three months and nine months ended September 30, 2022 primarily due to gains on our mark-to-market investments in 2023 compared to losses in 2022.

Interest Expense, net

Interest expense, net increased $13 million compared to the three months ended September 30, 2022 primarily due to incremental expense related to outstanding commercial paper borrowings and the issuance of $750 million 5.25% senior notes in September of 2023. Interest expense, net increased $40 million compared to the three and nine months ended September 30, 2022, respectively, primarily due to higher debt balances in 2023 resulting from the Exchange Offer that took place in March of 2022 in connection with the merger of IHS Markit.

Loss on Extinguishment of Debt, net

During the three and nine months ended September 30, 2022, we recognized a $4 million gain and a $15 million loss on extinguishment of debt. The nine months ended September 30, 2022 includes a $142 million tender premium paid to tendering note holders in accordance with the terms of the tender offer, offset by a $127 million non-cash write-off related to the fair market value step up premium on extinguished debt.

Provision for Income Taxes

The effective income tax rate was 18.2% and 21.8% for the three and nine months ended September 30, 2023, respectively, and 17.6% and 25.8% for the three and nine months ended September 30, 2022, respectively. The lower rate for the three months ended September 30, 2022 was primarily due to a combination of discrete adjustments including transaction costs. The higher rate for the nine months ended September 30, 2022 was primarily due to tax charge on merger related divestitures and deal related non-deductible costs.

Segment Review

Market Intelligence

Market Intelligence is a global provider of multi-asset-class data and analytics integrated with purpose-built workflow solutions. Market Intelligence's portfolio of capabilities are designed to help trading and investment professionals, government agencies, corporations and universities track performance, generate alpha, identify investment ideas, understand competitive and industry dynamics, perform valuations and manage credit risk.

In January of 2023, we completed the acquisition of ChartIQ, a premier charting provider for the financial services industry. ChartIQ is a professional grade charting solution that allows users to visualize data with a fully interactive web-based library that works seamlessly across web, mobile and desktop. It provides advanced capabilities including trade visualization, options analytics, technical analysis and more. Additionally, ChartIQ allows clients to visualize vendor-supplied data combined with their own proprietary content, alternative datasets or analytics. The acquisition further enhances our S&P Capital IQ Pro platform, our digital investment solutions provider Markit Digital and other workflow solutions to provide the industry with leading visualization capabilities. The acquisition of ChartIQ is not material to our consolidated financial statements.

In January of 2023, we completed the acquisition of TruSight Solutions LLC (“TruSight”) a provider of third-party vendor risk assessments. The acquisition further expands the breadth and depth of S&P Global’s third party vendor risk management solutions by offering high-quality validated assessment data to clients designed to reduce further the vendor due diligence burden on service providers to the financial services industry. The acquisition of TruSight is not material to our consolidated financial statements.

In the first quarter of 2023, we received a contingent payment following the sale of Leveraged Commentary and Data ("LCD") that resulted in a pre-tax gain of $46 million ($34 million after-tax) which was included in Loss (gain) on dispositions in the consolidated statements of income.

In June of 2022, we completed the previously announced sale of LCD, a business within our Market Intelligence segment, to Morningstar. During the three and nine months ended September 30, 2022, we recorded a pre-tax loss of $15 million ($11 million after-tax) and a pre-tax gain of $505 million ($378 million after-tax), respectively, for the sale of LCD in Loss (gain) on dispositions in the consolidated statements of income.

In March of 2022, we completed the previously announced sale of CUSIP Global Services ("CGS"), a business within our Market Intelligence segment, to FactSet Research Systems Inc. for a purchase price of $1.925 billion in cash, subject to customary adjustments. During the three and nine months ended September 30, 2022, we recorded a pre-tax loss of $2 million ($2 million after-tax) and a pre-tax gain of $1.341 billion ($1.005 billion after-tax), respectively, in Loss (gain) on dispositions in the consolidated statements of income related to the sale of CGS.

See Note 2 - *Acquisitions and Divestitures* to the consolidated financial statements of this Form 10-Q for information on the merger with IHS Markit.

Market Intelligence includes the following business lines:

- Desktop — a product suite that provides data, analytics and third-party research for global finance and corporate professionals, which includes the Capital IQ platforms (which are inclusive of S&P Capital IQ Pro, Capital IQ, Office and Mobile products);
- Data & Advisory Solutions — a broad range of research, reference data, market data, derived analytics and valuation services covering both the public and private capital markets, delivered through flexible feed-based or API delivery mechanisms. This also includes issuer solutions for public companies, a range of products for the maritime & trade market, data and insight into Financial Institutions, the telecoms, technology and media space as well as ESG and supply chain data analytics;
- Enterprise Solutions — software and workflow solutions that help our customers manage and analyze data; identify risk; reduce costs; and meet global regulatory requirements. The portfolio includes industry leading financial technology solutions like Wall Street Office, Enterprise Data Manager, Information Mosaic, and iLevel. Our Global Markets Group offering delivers bookbuilding platforms across multiple assets including municipal bonds, equities and fixed income; and
- Credit & Risk Solutions — commercial arm that sells Ratings' credit ratings and related data and research, advanced analytics, and financial risk solutions which includes subscription-based offerings, RatingsXpress®, RatingsDirect® and Credit Analytics.

Subscription revenue at Market Intelligence is primarily derived from distribution of data, valuation services, analytics, third party research, and credit ratings-related information through both feed and web-based channels. Subscription revenue also includes software and hosted product offerings which provide maintenance and continuous access to our platforms over the contract term. Recurring variable revenue at Market Intelligence represents revenue from contracts for services that specify a fee based on, among other factors, the number of trades processed, assets under management, or the number of positions valued. Non-subscription revenue at Market Intelligence is primarily related to certain advisory, pricing conferences and events, and analytical services.

The following table provides revenue and segment operating profit information for the periods ended September 30:

(in millions)	Three Months			Nine Months		
	2023	2022	% Change	2023	2022	% Change
Revenue	$ 1,099	$ 1,016	8%	$ 3,249	$ 2,774	17%
Subscription revenue	$ 932	$ 861	8%	$ 2,732	$ 2,386	15%
Recurring variable revenue	$ 125	$ 115	8%	$ 380	$ 277	37%
Non-subscription revenue	$ 42	$ 40	4%	$ 137	$ 111	23%
% of total revenue:						
Subscription revenue	85 %	85 %		84 %	86 %	
Recurring variable revenue	11 %	11 %		12 %	10 %	
Non-subscription revenue	4 %	4 %		4 %	4 %	
U.S. revenue	$ 653	$ 598	9%	$ 1,927	$ 1,634	18%
International revenue	$ 446	$ 418	6%	$ 1,322	$ 1,140	16%
% of total revenue:						
U.S. revenue	59 %	59 %		59 %	59 %	
International revenue	41 %	41 %		41 %	41 %	
Operating profit [1]	$ 195	$ 174	12%	$ 599	$ 2,366	(75)%
Operating margin %	18 %	17 %		18 %	85 %	

[1] Operating profit for the three and nine months ended September 30, 2023 includes employee severance charges of $19 million and $41 million, respectively, IHS Markit merger costs of $11 million and $36 million, respectively, and an asset write-off of $1 million. Operating profit for the nine months ended September 30, 2023 includes a gain on dispositions of $46 million and an asset impairment of $5 million. Operating profit for the three and nine months ended September 30, 2022 includes a loss on dispositions of $17 million and gain on dispositions $1.8 billion, respectively, employee severance charges of $13 million and $44 million, respectively, IHS Markit merger costs of $6 million and $21 million, respectively, and acquisition-related costs of $1 million and $2 million, respectively. Additionally, operating profit includes amortization of intangibles from acquisitions of $140 million and $134 million for the three months ended September 30, 2023 and 2022, respectively, and $421 million and $331 million for the nine months ended September 30, 2023 and 2022, respectively.

Three Months

Revenue increased 8% primarily due to subscription revenue growth for data feed products within Data and Advisory Solutions, work flow solutions at Enterprise Solutions, RatingsXpress®, RatingsDirect® and Credit Analytics within Credit & Risk Solutions, and Market Intelligence Desktop products. An increase in recurring variable revenue due to fixed income new issuance volumes also contributed to revenue growth. Foreign exchange rates had a favorable impact of 1 percentage point.

Operating profit increased 12%. Excluding the impact of a gain on dispositions in 2022 of 150 percentage points, higher acquisition-related costs in 2022 of 6 percentage points, partially offset by higher amortization of intangibles in 2023 of 55 percentage points, higher employee severance charges in 2023 of 55 percentage points, higher IHS Markit merger costs in 2023 of 47 percentage points and an asset write-off of 5 percentage points, operating profit increased 6% primarily due to revenue growth, partially offset by higher compensation costs and increased incentives. Foreign exchange rates had a favorable impact of 3 percentage points.

Nine Months

Revenue increased 17% primarily due to the impact of the merger with IHS Markit. Subscription revenue growth for Market Intelligence Desktop products, RatingsXpress®, RatingsDirect®, and data feed products within Data and Advisory Solutions also contributed to revenue growth. Foreign exchange rates had an unfavorable impact of less than 1 percentage point.

Operating profit decreased 75%. Excluding the impact of a higher gain on dispositions in 2022 of 85 percentage points, higher amortization of intangibles in 2023 of 4 percentage points and higher IHS Markit merger costs in 2023 of 1 percentage point, operating profit increased 15% primarily due to revenue growth, partially offset by expenses associated with the merger with IHS Markit, higher compensation costs and increased incentives. Foreign exchange rates had a favorable impact of 1 percentage point.

For a further discussion of competitive and other risks inherent in our Market Intelligence business, see Item 1A, *Risk Factors* in this Form 10-Q and our most recently filed Annual Report on Form 10-K. For a further discussion of the legal and regulatory matters see Note 12 – *Commitments and Contingencies* to the consolidated financial statements of this Form 10-Q.

Ratings

Ratings is an independent provider of credit ratings, research, and analytics, offering investors and other market participants information, ratings and benchmarks. Credit ratings are one of several tools investors can use when making decisions about purchasing bonds and other fixed income investments. They are opinions about credit risk and our ratings express our opinion about the ability and willingness of an issuer, such as a corporation or state or city government, to meet its financial obligations in full and on time. Our credit ratings can also relate to the credit quality of an individual debt issue, such as a corporate or municipal bond, and the relative likelihood that the issue may default.

Ratings disaggregates its revenue between transaction and non-transaction. Transaction revenue primarily includes fees associated with:

- ratings related to new issuance of corporate and government debt instruments, as well as structured finance debt instruments; and
- bank loan ratings.

Non-transaction revenue primarily includes fees for surveillance of a credit rating, annual fees for customer relationship-based pricing programs, fees for entity credit ratings and global research and analytics at CRISIL. Non-transaction revenue also includes an intersegment royalty charged to Market Intelligence for the rights to use and distribute content and data developed by Ratings. Royalty revenue was $38 million and $113 million for the three and nine months ended September 30, 2023, respectively, and $36 million and $107 million for the three and nine months ended September 30, 2022, respectively.

The following table provides revenue and segment operating profit information for the periods ended September 30:

(in millions)	Three Months			Nine Months		
	2023	**2022**	**% Change**	**2023**	**2022**	**% Change**
Revenue	$ 819	$ 681	20%	$ 2,494	$ 2,345	6%
Transaction revenue	$ 326	$ 244	34%	$ 1,088	$ 992	10%
Non-transaction revenue	$ 493	$ 437	13%	$ 1,406	$ 1,353	4%
% of total revenue:						
Transaction revenue	40 %	36 %		44 %	42 %	
Non-transaction revenue	60 %	64 %		56 %	58 %	
U.S. revenue	$ 444	$ 370	20%	$ 1,370	$ 1,282	7%
International revenue	$ 375	$ 311	21%	$ 1,124	$ 1,063	6%
% of total revenue:						
U.S. revenue	54 %	54 %		55 %	55 %	
International revenue	46 %	46 %		45 %	45 %	
Operating profit [1]	$ 459	$ 377	22%	$ 1,422	$ 1,352	5%
Operating margin %	56 %	55 %		57 %	58 %	

[1] Operating profit for the three and nine months ended September 30, 2023 includes employee severance charges of $2 million and $8 million, respectively. Operating profit for the three and nine months ended September 30, 2022 includes employee severance charges of $2 million and $14 million, respectively. Additionally, operating profit includes amortization of intangibles from acquisitions of $2 million for the three months ended September 30, 2023 and 2022, and $6 million and $5 million for the nine months ended September 30, 2023 and 2022, respectively.

Three Months

Revenue increased 20%, with a favorable impact from foreign exchange rates of 1 percentage point. Transaction revenue increased due to growth in corporate bond ratings revenue driven by increased high-yield and bank loan issuance volumes primarily due to higher refinancing activity. Non-transaction revenue increased due to an increase in surveillance revenue, a cumulative catch-up for customers' unreported commercial paper issuance, higher Ratings Evaluation Service ("RES") revenue and an increase in revenue at our CRISIL subsidiary. Transaction and non-transaction revenue also benefited from improved contract terms across product categories.
Operating profit increased 22%, with a favorable impact from foreign exchange rates of 2 percentage points, due to revenue growth, partially offset by prior-year write-downs in incentive compensation as result of financial performance and higher current-year compensation costs.

Nine Months

Revenue increased 6%, with an unfavorable impact from foreign exchange rates of less than 1 percentage point. Transaction revenue increased due to growth in corporate bond ratings revenue driven by increased investment-grade and high-yield issuance volumes primarily due to higher refinancing activity, partially offset by lower bank loan ratings revenue driven by decreased issuance volumes in the first half of 2023. Non-transaction revenue increased due to an increase in surveillance revenue, a cumulative catch-up for customers' unreported commercial paper issuance, an increase in revenue at our CRISIL subsidiary and higher RES revenue, partially offset by a decrease in new entity credit ratings revenue. Transaction and non-transaction revenue also benefited from improved contract terms across product categories.
Operating profit increased 5%, with a favorable impact from foreign exchange rates of 1 percentage point, due to revenue growth, partially offset by prior-year write-downs in incentive compensation as result of financial performance and higher current-year compensation costs.

Market Issuance Volumes

We monitor market issuance volumes regularly within Ratings. Market issuance volumes noted within the discussion that follows are based on where an issuer is located or where the assets associated with an issue are located. Structured Finance issuance includes amounts when a transaction closes, not when initially priced, and excludes domestically rated Chinese issuance. The following tables depict changes in issuance levels as compared to the prior year based on data from SDC Platinum for Corporate bond issuance and based on a composite of external data feeds and Ratings' internal estimates for Structured Finance issuance.

	Third Quarter Compared to Prior Year			Year-to-Date Compared to Prior Year		
Corporate Bond Issuance *	**U.S.**	**Europe**	**Global**	**U.S.**	**Europe**	**Global**
High-yield issuance	73%	204%	150%	58%	61%	51%
Investment-grade issuance	(16)%	37%	11%	(4)%	26%	6%
Total issuance **	(7)%	35%	9%	3%	23%	5%

Note – Global issuance includes U.S., Europe, Asia and the rest of the world.

* Includes Industrials and Financial Services.

** Includes rated and non-rated issuance.

- High-yield issuance was up in the third quarter of 2023 in the U.S. and Europe due to an increase in refinancing activity. Corporate issuance in the U.S. was down for the quarter driven by weakness in investment grade issuance.

	Third Quarter Compared to Prior Year			Year-to-Date Compared to Prior Year		
Structured Finance Issuance	**U.S.**	**Europe**	**Global**	**U.S.**	**Europe**	**Global**
Asset-backed securities ("ABS")	26%	45%	10%	2%	61%	6%
Structured credit (primarily CLOs)	(9)%	(22)%	(12)%	(32)%	(29)%	(33)%
Commercial mortgage-backed securities ("CMBS")	(33)%	*	(31)%	(73)%	(28)%	(72)%
Residential mortgage-backed securities ("RMBS")	(33)%	10%	(16)%	(52)%	(20)%	(38)%
Covered bonds	*	(19)%	(11)%	*	9%	3%
Total issuance	(2)%	(8)%	(6)%	(31)%	5%	(17)%

Note – Global issuance includes U.S., Europe, Asia and the rest of the world.

* Represents no activity in 2023 or 2022.

- ABS issuance increased in the U.S. and Europe driven by auto loans, with Europe also up from a low 2022 base.
- CLO issuance was down in the U.S. and Europe structured credit markets due to a decline in new issuance.
- CMBS and RMBS issuance was down in the U.S. reflecting unfavorable market conditions.
- Covered bond (debt securities backed by mortgages or other high-quality assets that remain on the issuer's balance sheet) issuance in Europe decreased with weakening loan and deposit growth due to higher interest rates and weaker consumer confidence.

For a further discussion of competitive and other risks inherent in our Ratings business, see Item 1A, *Risk Factors* in this Form 10-Q and our most recently filed Annual Report on Form 10-K. For a further discussion of the legal and regulatory matters see Note 12 – *Commitments and Contingencies* to the consolidated financial statements of this Form 10-Q.

Commodity Insights

Commodity Insights is a leading independent provider of information and benchmark prices for the commodity and energy markets. Commodity Insights provides essential price data, analytics, industry insights and software & services, enabling the commodity and energy markets to perform with greater transparency and efficiency.

Commodity Insights includes the following business lines:

- Energy & Resources Data & Insights — includes data, news, insights, and analytics for petroleum, gas, power & renewables, petrochemicals, metals & steel, agriculture, and other commodities;
- Price Assessments — includes price assessments and benchmarks, and forward curves;
- Upstream Data & Insights — includes exploration & production data and insights, software and analytics; and
- Advisory & Transactional Services — includes consulting services, conferences, events and global trading services.

Commodity Insights' revenue is generated primarily through the following sources:

- Subscription revenue — primarily from subscriptions to our market data and market insights (price assessments, market reports and commentary and analytics) along with other information products and software term licenses;
- Sales usage-based royalties — primarily from licensing our proprietary market price data and price assessments to commodity exchanges; and
- Non-subscription revenue — conference sponsorship, consulting engagements, events, and perpetual software licenses.

See Note 2 - *Acquisitions and Divestitures* to the consolidated financial statements of this Form 10-Q for information on the merger with IHS Markit.

The following table provides revenue and segment operating profit information for the periods ended September 30:

(in millions)	Three Months			Nine Months		
	2023	2022	% Change	2023	2022	% Change
Revenue	$ 479	$ 432	11%	$ 1,450	$ 1,234	18%
Subscription revenue	$ 432	$ 394	10%	$ 1,261	$ 1,088	16%
Sales usage-based royalties	$ 21	$ 17	29%	$ 59	$ 50	16%
Non-subscription revenue	$ 26	$ 21	23%	$ 130	$ 96	36%
% of total revenue:						
Subscription revenue	90 %	91 %		87 %	88 %	
Sales usage-based royalties	5 %	4 %		4 %	4 %	
Non-subscription revenue	5 %	5 %		9 %	8 %	
U.S. revenue	$ 180	$ 167	8%	$ 587	$ 496	18%
International revenue	$ 299	$ 265	13%	$ 863	$ 738	17%
% of total revenue:						
U.S. revenue	38 %	39 %		40 %	40 %	
International revenue	62 %	61 %		60 %	60 %	
Operating profit [1]	$ 184	$ 141	31%	$ 527	$ 440	20%
Operating margin %	38 %	33 %		36 %	36 %	

[1] Operating profit for the three and nine months ended September 30, 2023 includes IHS Markit merger costs of $8 million and $28 million, respectively, and employee severance charges of $7 million and $23 million, respectively. Operating profit for the three and nine months ended September 30, 2022 includes employee severance costs of $14 million and $38 million, respectively, and IHS Markit merger costs of $10 million and $16 million, respectively. Additionally, operating profit includes amortization of intangibles from acquisitions of $33 million and $32 million for the three months ended September 30, 2023 and 2022, respectively, and $99 million and $77 million for the nine months ended September 30, 2023 and 2022, respectively.

Three Months

Revenue increased 11% primarily due to continued demand for market data and market insights products driven by expanded product offerings to our existing customers under enterprise use contracts. An increase in sales usage-based royalties from the licensing of our proprietary market data and price assessments to commodity exchanges mainly due to increased trading volumes across all commodity sectors and an increase in consulting services in the Advisory & Transactional Services business also contributed to revenue growth. The Energy & Resources Data & Insights, Price Assessments and Upstream Data & Insights businesses continue to be the most significant revenue streams, followed by the Advisory & Transactional Services business. Foreign exchange rates had a favorable impact of less than 1 percentage point.

Operating profit increased 31%. Excluding the impact of higher employee severance charges in 2022 of 11 percentage points and higher IHS Markit merger costs in 2022 of 3 percentage points, operating profit increased 17%. The increase was primarily due to revenue growth partially offset by higher compensation costs, increased incentives and an increase in strategic investments. Foreign exchange rates had a favorable impact of 1 percentage points.

Nine Months

Revenue increased 18% primarily due to the impact of the merger with IHS Markit, continued demand for market data and market insights products driven by expanded product offerings to our existing customers under enterprise use contracts and higher conference revenue. An increase in sales usage-based royalties from the licensing of our proprietary market data and price assessments to commodity exchanges mainly due to increased trading volumes also contributed to revenue growth. The Energy & Resources Data & Insights, Price Assessments and Upstream Data & Insights businesses continue to be the most significant revenue streams, followed by the Advisory & Transactional Services business. Foreign exchange rates had an unfavorable impact of less than 1 percentage point.

Operating profit increased 20%. Excluding the impact of higher amortization of intangibles from acquisitions in 2023 of 2 percentage points and higher IHS Markit merger costs in 2023 of 1 percentage point, partially offset by higher employee severance charges in 2022 of 1 percentage point, operating profit increased 18%. The increase was primarily due to revenue growth partially offset by expenses associated with the merger with IHS Markit, higher compensation costs, increased incentives, an increase in costs related to the Commodity Insights conferences in 2023 and an increase in strategic investments. Foreign exchange rates had a favorable impact of 3 percentage points.

For a further discussion of competitive and other risks inherent in our Commodity Insights business, see Item 1A, *Risk Factors* in this Form 10-Q and our most recently filed Annual Report on Form 10-K. For a further discussion of the legal and regulatory matters see Note 12 – *Commitments and Contingencies* to the consolidated financial statements of this Form 10-Q.

Mobility

Mobility is a leading provider of solutions serving the full automotive value chain including vehicle manufacturers (OEMs), automotive suppliers, mobility service providers, retailers, consumers, and finance and insurance companies.

In February of 2023, we completed the acquisition of Market Scan Information Systems Inc. ("Market Scan"), a leading provider of automotive pricing and incentive intelligence, including Automotive Payments as a Service™ and its powerful payment calculation engine. The addition of Market Scan to Mobility will enable the integration of detailed transaction intelligence in areas that are complementary to existing services for dealers, OEMs, lenders, and other market participants. The acquisition of Market Scan is not material to our consolidated financial statements.

Mobility includes the following business lines:

- Dealer — includes analytics to predict future buyers, targeted marketing, and vehicle history data to allow people to shop, buy, service and sell used cars;
- Manufacturing — includes insights, forecasts and advisory services spanning the entire automotive value chain, from product planning to marketing, sales and the aftermarket; and
- Financial — includes reports and data feeds to support lenders and insurance companies.

Mobility's revenue is generated primarily through the following sources:

- Subscription revenue — Mobility's core information products provide critical information and insights to all global OEMs, most of the world's leading suppliers, and the majority of North American dealerships. Mobility operates across both the new and used car markets. Mobility provides data and insight on future vehicles sales and production, including detailed forecasts on technology and vehicle components; supplies car makers and dealers with market reporting products, predictive analytics and marketing automation software; and supports dealers with vehicle history reports, used car listings and service retention services. Mobility also sells a range of services to financial institutions, to support their marketing, insurance underwriting and claims management activities; and
- Non-subscription revenue — One-time transactional sales of data that are non-cyclical in nature – and that are usually tied to underlying business metrics such as OEM marketing spend or safety recall activity – as well as consulting and advisory services.

The Mobility business was acquired in connection with the merger with IHS Markit on February 28, 2022 and financial results are included since the date of acquisition. See Note 2 - *Acquisitions and Divestitures* to the consolidated financial statements of this Form 10-Q for information on the merger with IHS Markit.

The following table provides revenue and segment operating profit information for the periods ended September 30:

(in millions)	Three Months			Nine Months		
	2023	**2022**	**% Change**	**2023**	**2022**	**% Change**
Revenue	$ 379	$ 346	10%	$ 1,107	$ 797	39%
Subscription revenue	$ 296	$ 269	11%	$ 870	$ 618	41%
Non-subscription revenue	$ 83	$ 77	7%	$ 237	$ 179	32%
% of total revenue:						
Subscription revenue	78 %	78 %		79 %	78 %	
Non-subscription revenue	22 %	22 %		21 %	22 %	
U.S. revenue	$ 312	$ 282	11%	$ 910	$ 647	41%
International revenue	$ 67	$ 64	6%	$ 197	$ 150	31%
% of total revenue:						
U.S. revenue	82 %	82 %		82 %	81 %	
International revenue	18 %	18 %		18 %	19 %	
Operating profit [1]	$ 80	$ 90	(10)%	$ 213	$ 166	29%
Operating margin %	21 %	26 %		19 %	21 %	

[1] Operating profit for the three and nine months ended September 30, 2023 includes employee severance charges of $3 million and $6 million, respectively, IHS Markit merger costs of $1 million and $2 million, respectively, and acquisition-related costs of $1 million and $2 million, respectively. Operating profit for the three and nine months ended September 30, 2022 includes an acquisition-related benefit of $19 million and $15 million, respectively, and employee severance charges of $1 million and $3 million, respectively. Operating profit for the nine months ended September 30, 2022 includes IHS Markit merger costs of $1 million. Additionally, operating profit includes amortization of intangibles from acquisitions of $76 million for the three months ended September 30, 2023 and 2022, and $226 million and $176 million for the nine months ended September 30, 2023 and 2022, respectively.

Three Months

Revenue increased 10% primarily due to price increases and new business growth within the Dealer business as well as the favorable impact of the acquisition of Market Scan in February of 2023. Increases within the Financial business due to strong underwriting volumes and the Manufacturing business due to strong recall activity and uptick in marketing solutions also contributed to revenue growth. Foreign exchange rates had a favorable impact of less than 1 percentage point.

Operating profit decreased 10%. Excluding the impact of an acquisition-related benefit in 2022 of 18 percentage points and higher employee severance charges in 2023 of 2 percentage points, operating profit increased 10% driven by revenue growth, partially offset by higher compensation costs, increased incentives, higher technology costs and expenses associated with the acquisition of Market Scan. Foreign exchange rates had an unfavorable impact of 4 percentage points.

Nine Months

Revenue increased 39% primarily due to the impact of the merger with IHS Markit, price increases and new business growth within the Dealer business as well as the favorable impact of the acquisition of Market Scan in February of 2023. Increases within the Financial business due to strong underwriting volumes and the Manufacturing business due to strong recall activity and uptick in marketing solutions also contributed to revenue growth. Foreign exchange rates had an unfavorable impact of 1 percentage point.

Operating profit increased 29%. Excluding the impact of higher amortization of intangibles from acquisitions in 2023 of 5 percentage points and an acquisition-related benefit in 2022 of 2 percentage points, operating profit increased 36% driven by revenue growth, partially offset by the impact of the merger with IHS Markit, higher compensation costs, increased incentives, higher technology costs and expenses associated with the acquisition of Market Scan. Foreign exchange rates had an unfavorable impact of 3 percentage points.

For a further discussion of competitive and other risks inherent in our Mobility business, see Item 1A, *Risk Factors* in this Form 10-Q and our most recently filed Annual Report on Form 10-K. For a further discussion of the legal and regulatory matters see Note 12 – *Commitments and Contingencies* to the consolidated financial statements of this Form 10-Q.

Indices

Indices is a global index provider maintaining a wide variety of valuation and index benchmarks for investment advisors, wealth managers and institutional investors. Indices' mission is to provide transparent benchmarks to help with decision making, collaborate with the financial community to create innovative products, and provide investors with tools to monitor world markets.

During the three and nine months ended September 30, 2022, we recorded a pre-tax gain of $14 million ($12 million after-tax) and of $52 million ($43 million after-tax) in Loss (gain) on dispositions in the consolidated statements of income for the sale of a family of leveraged loan indices, within our Indices segment, to Morningstar.

Indices derives revenue from asset-linked fees when investors direct funds into its proprietary designed or owned indexes, sales usage-based royalties of its indices, as well as data subscription arrangements. Specifically, Indices generates revenue from the following sources:

- Investment vehicles — asset-linked fees such as ETFs and mutual funds, that are based on the S&P Dow Jones Indices' benchmarks that generate revenue through fees based on assets and underlying funds;
- Exchange traded derivatives — generate sales usage-based royalties based on trading volumes of derivatives contracts listed on various exchanges;
- Index-related licensing fees — fixed or variable annual and per-issue asset-linked fees for over-the-counter derivatives and retail-structured products; and
- Data and customized index subscription fees — fees from supporting index fund management, portfolio analytics and research.

See Note 2 - *Acquisitions and Divestitures* to the consolidated financial statements of this Form 10-Q for information on the merger with IHS Markit.

The following table provides revenue and segment operating profit information for the periods September 30:

(in millions)	Three Months			Nine Months		
	2023	2022	% Change	2023	2022	% Change
Revenue	$ 354	$ 334	6%	$ 1,042	$ 995	5%
Asset-linked fees	$ 218	$ 210	4%	$ 638	$ 642	(1)%
Subscription revenue	$ 70	$ 69	2%	$ 206	$ 190	8%
Sales usage-based royalties	$ 66	$ 55	18%	$ 198	$ 163	22%
% of total revenue:						
Asset-linked fees	62 %	63 %		61 %	65 %	
Subscription revenue	20 %	21 %		20 %	19 %	
Sales usage-based royalties	18 %	16 %		19 %	16 %	
U.S. revenue	$ 290	$ 271	7%	$ 849	$ 818	4%
International revenue	$ 64	$ 63	3%	$ 193	$ 177	9%
% of total revenue:						
U.S. revenue	82 %	81 %		81 %	82 %	
International revenue	18 %	19 %		19 %	18 %	
Operating profit [1]	$ 235	$ 239	(2)%	$ 699	$ 732	(5)%
Less: net operating profit attributable to noncontrolling interests	65	64		183	195	
Net operating profit	$ 170	$ 175	(3)%	$ 516	$ 537	(4)%
Operating margin %	66 %	72 %		67 %	74 %	
Net operating margin %	48 %	52 %		49 %	54 %	

[1] Operating profit for the three and nine months ended September 30, 2023 includes employee severance charges of $1 million and $4 million, respectively, and IHS Markit merger costs of $1 million and $3 million, respectively. Operating profit for the nine months ended September 30, 2023 includes a gain on disposition of $4 million. Operating profit for the three and nine months ended September 30, 2022 includes a gain on disposition of $14 million and $52 million, respectively, employee severance charges of $1 million and $4 million, respectively, and IHS Markit merger costs of $1 million. Additionally, operating profit includes amortization of intangibles from acquisitions of $9 million for the three months ended September 30, 2023 and 2022, and $27 million and $22 million for the nine months ended September 30, 2023 and 2022, respectively.

Three Months

Revenue at Indices increased 6% primarily due to higher exchange-traded derivative revenue driven by continued strength in average trading volume and higher asset-linked fees revenue. Asset-linked fees revenue increased due to higher levels of assets under management ("AUM") for ETFs, partially offset by product mix. Ending AUM for ETFs increased 21% to $2.848 trillion compared to September 30, 2022 and average levels of AUM for ETFs increased 14% to $2.955 trillion compared to the three months ended September 30, 2022. Foreign exchange rates had a favorable impact of less than 1 percentage point.

Operating profit decreased 2%. Excluding the impact of a gain on dispositions in 2022 of 7 percentage points, operating profit increased 5% due to revenue growth partially offset by increased incentives and strategic investments. Foreign exchange rates had a favorable impact of 1 percentage point.

Nine Months

Revenue at Indices increased 5% primarily due to higher exchange-traded derivative revenue driven by continued strength in average trading volume and higher data subscription revenue. Foreign exchange rates had an unfavorable impact of less than 1 percentage point.

Operating profit decreased 5%. Excluding the impact of a higher gain on dispositions in 2022 of 7 percentage points and higher amortization of intangibles from acquisitions in 2023 of 1 percentage point, operating profit increased 3%. The impact of revenue growth was partially offset by increased incentives and strategic investments. Foreign exchange rates had a favorable impact of less than 1 percentage point.

For a further discussion of competitive and other risks inherent in our Indices business, see Item 1A, *Risk Factors* in this Form 10-Q and our most recently filed Annual Report on Form 10-K. For a further discussion of the legal and regulatory matters see Note 12 – *Commitments and Contingencies* to the consolidated financial statements of this Form 10-Q.

Engineering Solutions

As of May 2, 2023, we completed the sale of Engineering Solutions, a leading provider of engineering standards and related technical knowledge, and the results are included through that date. See Note 2 - *Acquisitions and Divestitures* to the consolidated financial statements of this Form 10-Q for information on the sale of Engineering Solutions and the merger with IHS Markit.

Engineering Solutions included our Product Design offerings that provided technical professionals with the information and insight required to more effectively design products, optimize engineering projects and outcomes, solve technical problems and address complex supply chain issues. Our offerings utilized advanced knowledge discovery technologies, research tools, and software-based engineering decision engines to advance innovation, maximize productivity, improve quality and reduce risk.

Engineering Solutions' revenue was generated primarily through the following sources:

- Subscription revenue — primarily from subscriptions to our Product Design offerings providing standards, codes and specifications; applied technical reference; engineering journals, reports, best practices, and other vetted technical reference; and patents and patent applications, which includes Engineering Workbench; Goldfire's cognitive search and other advanced knowledge discovery capabilities that help pinpoint answers buried in enterprise systems and unstructured data enabling engineers and technical professionals to accelerate problem solving; and

- Non-subscription revenue — primarily from retail transaction and consulting services.

The following table provides revenue and segment operating profit information for the periods ended September 30:

(in millions)	Three Months			Nine Months		
	2023	2022	% Change	2023	2022	% Change
Revenue	$ —	$ 95	N/M	$ 133	$ 224	(41)%
Subscription revenue	$ —	$ 89	N/M	$ 125	$ 208	(40)%
Non-subscription revenue	$ —	$ 6	N/M	$ 8	$ 16	(51)%
% of total revenue:						
Subscription revenue	— %	94 %		94 %	93 %	
Non-subscription revenue	— %	6 %		6 %	7 %	
U.S. revenue	$ —	$ 53	N/M	$ 72	$ 124	(42)%
International revenue	$ —	$ 42	N/M	$ 61	$ 100	(39)%
% of total revenue:						
U.S. revenue	— %	56 %		54 %	55 %	
International revenue	— %	44 %		46 %	45 %	
Operating profit [1]	$ —	$ 1	N/M	$ 19	$ 3	N/M
Operating margin %	— %	1 %		14 %	1 %	

N/M - Represents a change equal to or in excess of 100% or not meaningful

[1] Operating profit for the three and nine months ended September 30, 2022 includes employee severance charges of $2 million and $4 million, respectively. Additionally, operating profit includes amortization of intangibles from acquisitions of $14 million for the three months ended September 30, 2022 and $1 million and $33 million for the nine months ended September 30, 2023 and 2022, respectively.

Three Months

Revenue and operating profit decreased as a result of the sale of Engineering Solutions. As of May 2, 2023, we completed the sale of Engineering Solutions and the results are included through that date.

Nine Months

Revenue decreased as a result of the sale of Engineering Solutions. Operating profit increased primarily due to the impact of higher amortization of intangibles from acquisitions for the nine months ended September 30, 2022. The Engineering Solutions business was acquired in connection with the merger with IHS Markit on February 28, 2022 and the financial results are included since the date of acquisition through May 2, 2023.

For a further discussion of competitive and other risks inherent in our Engineering Solutions business, see Item 1A, *Risk Factors* in this Form 10-Q and our most recently filed Annual Report on Form 10-K. For a further discussion of the legal and regulatory matters see Note 12 – *Commitments and Contingencies* to the consolidated financial statements of this Form 10-Q.

LIQUIDITY AND CAPITAL RESOURCES

We continue to maintain a strong financial position. Our primary source of funds for operations is cash from our businesses. Cash on hand, cash flows from operations and availability under our existing credit facility are expected to be sufficient to meet any additional operating and recurring cash needs into the foreseeable future. We use our cash for a variety of needs, including but not limited to: ongoing investments in our businesses, strategic acquisitions, share repurchases, dividends, repayment of debt, capital expenditures and investment in our infrastructure.

Cash Flow Overview

Cash, cash equivalents, and restricted cash were $1,646 million as of September 30, 2023, an increase of $359 million from December 31, 2022.

The following table provides cash flow information for the nine months ended September 30:

(in millions)	2023	2022	% Change
Net cash provided by (used for):			
Operating activities	$ 2,376	$ 1,490	60%
Investing activities	$ 607	$ 3,689	(84)%
Financing activities	$ (2,602)	$ (10,128)	(74)%

In the first nine months of 2023, free cash flow increased $838 million to $2,070 million compared to $1,232 million in the first nine months of 2022. The increase is primarily due to an increase in cash provided by operating activities as discussed below. Free cash flow is a non-GAAP financial measure and reflects our cash flow provided by operating activities less capital expenditures and distributions to noncontrolling interest holders. Capital expenditures include purchases of property and equipment and additions to technology projects. See “Reconciliation of Non-GAAP Financial Information” below for a reconciliation of cash flow provided by operating activities, the most directly comparable U.S. GAAP financial measure, to free cash flow.

Operating activities

Cash provided by operating activities increased $886 million to $2,376 million for the first nine months of 2023. The increase is mainly due to higher operating results in 2023, higher IHS Markit merger costs in 2022 and a grant payment to the S&P Global Foundation in 2022.

For the first nine months of 2023, our cash taxes were adversely impacted by the requirement to capitalize and amortize research and development expenses under Internal Revenue Code Section 174. If legislation is not passed to defer, repeal, or otherwise modify the capitalization and amortization requirement we expect our cash taxes to be greater than in the prior year. See Note 3 – *Income Taxes* to the consolidated financial statements of this Form 10-Q for further information.

Investing activities

Our cash outflows from investing activities are primarily for acquisitions and capital expenditures, while cash inflows are primarily proceeds from dispositions.

Cash provided by investing activities decreased to $607 million for the first nine months of 2023 compared to $3,689 million in the first nine months of 2022, primarily due to higher cash proceeds received from dispositions in 2022 related to the dispositions of CUSIP Global Services, Oil Price Information Services, the Leveraged Commentary and Data business and a related family of leveraged loan indices, and the Base Chemicals business. See Note 2 — *Acquisitions and Divestitures* to the consolidated financial statements of this Form 10-Q for further discussion.

Financing activities

Our cash outflows from financing activities consist primarily of share repurchases, dividends to shareholders and repayments of short-term and long-term debt, while cash inflows are primarily attributable to the borrowing of short-term and long-term debt and proceeds from the exercise of stock options.

Cash used for financing activities decreased $7,526 million to $2,602 million for the first nine months of 2023. The decrease is primarily attributable to a decrease in cash used for share repurchases in 2023. During the nine months ended September 30, 2023, we purchased a total of 5.4 million shares for $2 billion of cash. During the nine months ended September 30, 2022, we purchased a total of 29.5 million shares for $11 billion of cash. See Note 8 — *Equity* to the consolidated financial statements of this Form 10-Q for further discussion.

Contractual Obligations

We typically have various contractual obligations, which are recorded as liabilities in our consolidated balance sheets, while other items, such as certain purchase commitments and other executory contracts, are not recognized. For example, we are contractually committed to contracts for information-technology outsourcing, certain enterprise-wide information-technology software licensing and maintenance. In the first quarter of 2023, S&P Global and Amazon Web Services ("AWS") entered into a multi-year strategic collaboration agreement with a purchase obligation of $1.0 billion, before incremental credits, over a five-year period. With AWS as its preferred cloud provider, S&P Global will enhance its cloud infrastructure, accelerate business growth, engineer new innovations for key industry segments, and help their customers navigate rapidly changing market conditions.

Additional Financing

We have the ability to borrow a total of $2.0 billion through our commercial paper program, which is supported by our $2.0 billion five-year credit agreement (our "credit facility") that will terminate on April 26, 2026. As of September 30, 2023, we had no outstanding commercial paper. As of December 31, 2022, there was $188 million of commercial paper outstanding.

Commitment fees for the unutilized commitments under the credit facility and applicable margins for borrowings thereunder are linked to the Company achieving three environmental sustainability performance indicators related to emissions, tested annually. We currently pay a commitment fee of 8 basis points. The credit facility contains customary affirmative and negative covenants and customary events of default. The occurrence of an event of default could result in an acceleration of the obligations under the credit facility.

The only financial covenant required is that our indebtedness to cash flow ratio, as defined in our credit facility, was not greater than 4 to 1, and this covenant level has never been exceeded.

Dividends

On January 25, 2023, the Board of Directors approved a quarterly common stock dividend of $0.90 per share.

Supplemental Guarantor Financial Information

The senior notes described below were issued by S&P Global Inc. and are fully and unconditionally guaranteed by Standard & Poor's Financial Services LLC, a 100% owned subsidiary of the Company.

- On September 12, 2023, we issued $750 million of 5.25% senior notes due in 2033.
- On March 1, 2023, S&P Global Inc. issued new senior notes that have been registered with the SEC and guaranteed by Standard & Poor's Financial Services LLC in exchange for the following series of unregistered senior notes of like principal amount and terms:
    - $700 million of 4.75% Senior Notes due 2028 that were originally issued on March 2, 2022;
    - $921 million of 4.25% Senior Notes due 2029 that were originally issued on March 2, 2022;
    - $1,237 million of 2.45% Senior Notes due 2027 that were originally issued on March 18, 2022;
    - $1,227 million of 2.70% Sustainability-Linked Senior Notes due 2029 that were originally issued on March 18, 2022;
    - $1,492 million of 2.90% Senior Notes due 2032 that were originally issued on March 18, 2022;
    - $974 million of 3.70% Senior Notes due 2052 that were originally issued on March 18, 2022; and
    - $500 million of 3.90% Senior Notes due 2062 that were originally issued on March 18, 2022.
- On August 13, 2020, we issued $600 million of 1.25% senior notes due in 2030 and $700 million of 2.3% senior notes due in 2060.
- On November 26, 2019, we issued $500 million of 2.5% senior notes due in 2029 and $600 million of 3.25% senior notes due in 2049.
- On May 17, 2018, we issued $500 million of 4.5% senior notes due in 2048.
- On September 22, 2016, we issued $500 million of 2.95% senior notes due in 2027.
- On May 26, 2015, we issued $700 million of 4.0% senior notes due in 2025.
- On November 2, 2007 we issued $400 million of 6.55% Senior Notes due 2037.

The notes above are unsecured and unsubordinated and rank equally and ratably with all of our existing and future unsecured and unsubordinated debt. The guarantees are the subsidiary guarantor’s unsecured and unsubordinated debt and rank equally and ratably with all of the subsidiary guarantor’s existing and future unsecured and unsubordinated debt.

The guarantees of the subsidiary guarantor may be released and discharged upon (i) a sale or other disposition (including by way of consolidation or merger) of the subsidiary guarantor or the sale or disposition of all or substantially all the assets of the subsidiary guarantor (in each case other than to the Company or a person who, prior to such sale or other disposition, is an affiliate of the Company); (ii) upon defeasance or discharge of any applicable series of the notes, as described above; or (iii) at such time as the subsidiary guarantor ceases to guarantee indebtedness for borrowed money, other than a discharge through payment thereon, under any Credit Facility of the Company, other than any such Credit Facility of the Company the guarantee of which by the subsidiary guarantor will be released concurrently with the release of the subsidiary guarantor’s guarantees of the notes.
Other subsidiaries of the Company do not guarantee the registered debt securities of either S&P Global Inc. or Standard & Poor's Financial Services LLC (the “Obligor Group”) which are referred to as the “Non-Obligor Group”.

The following tables set forth the summarized financial information of the Obligor Group on a combined basis. This summarized financial information excludes the Non-Obligor Group. Intercompany balances and transactions between members of the Obligor Group have been eliminated. This information is not intended to present the financial position or results of operations of the Obligor Group in accordance with U.S. GAAP.
Summarized results of operations for the periods ended September 30, 2023 are as follows:

(in millions)	Three Months	Nine Months
Revenue	$ 764	$ 2,293
Operating Profit	428	1,407
Net Income	631	1,220
Net income attributable to S&P Global Inc.	631	1,220

Summarized balance sheet information as of September 30, 2023 and December 31, 2022 is as follows:

(in millions)	September 30, 2023	December 31, 2022
Current assets (excluding intercompany from Non-Obligor Group)	$ 1,306	$ 699
Non-current assets	1,418	1,410
Current liabilities (excluding intercompany to Non-Obligor Group)	404	1,046
Non-current liabilities	11,849	11,172
Intercompany payables to Non-Obligor Group	14,158	11,926

RECONCILIATION OF NON-GAAP FINANCIAL INFORMATION

Free cash flow is a non-GAAP financial measure and reflects our cash flow provided by operating activities less capital expenditures and distributions to noncontrolling interest holders. Capital expenditures include purchases of property and equipment and additions to technology projects. Our cash flow provided by operating activities is the most directly comparable U.S. GAAP financial measure to free cash flow.

We believe the presentation of free cash flow allows our investors to evaluate the cash generated from our underlying operations in a manner similar to the method used by management. We use free cash flow to conduct and evaluate our business because we believe it typically presents a more conservative measure of cash flows since capital expenditures and distributions to noncontrolling interest holders are considered a necessary component of ongoing operations. Free cash flow is useful for management and investors because it allows management and investors to evaluate the cash available to us to prepay debt, make strategic acquisitions and investments and repurchase stock.

The presentation of free cash flow is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with U.S. GAAP. Free cash flow, as we calculate it, may not be comparable to similarly titled measures employed by other companies. The following table presents a reconciliation of our cash flow provided by operating activities to free cash flow for the nine months ended September 30:

(in millions)	2023	2022	% Change
Cash provided by operating activities	$ 2,376	$ 1,490	60%
Capital expenditures	(95)	(61)	
Distributions to noncontrolling interest holders	(211)	(197)	
Free cash flow	$ 2,070	$ 1,232	68%

(in millions)	2023	2022	% Change
Cash provided by investing activities	607	3,689	(84)%
Cash used for financing activities	(2,602)	(10,128)	(74)%

CRITICAL ACCOUNTING ESTIMATES

Our accounting policies are described in Note 1 — *Accounting Policies* to the consolidated financial statements in our most recent Form 10-K. As discussed in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations*, in our most recent Form 10-K, we consider an accounting estimate to be critical if it required assumptions to be made that were uncertain at the time the estimate was made and changes in the estimate or different estimates could have a material effect on our results of operations. These critical estimates include those related to revenue recognition, business combinations, allowance for doubtful accounts, valuation of long-lived assets, goodwill and other intangible assets, pension plans, incentive compensation and stock-based compensation, income taxes, contingencies and redeemable non-controlling interests. We base our estimates on historical experience, current developments and on various other assumptions that we believe to be reasonable under these circumstances, the results of which form the basis for making judgments about carrying values of assets and liabilities that cannot readily be determined from other sources. There can be no assurance that actual results will not differ from those estimates. Since the date of our most recent Form 10-K, there have been no material changes to our critical accounting estimates.

RECENTLY ISSUED OR ADOPTED ACCOUNTING STANDARDS

See Note 13 – *Recently Issued or Adopted Accounting Standards* to the consolidated financial statements of this Form 10-Q for further information.

FORWARD-LOOKING STATEMENTS

This report contains “forward-looking statements,” as defined in the Private Securities Litigation Reform Act of 1995. These statements, including statements about 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 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 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, pandemics (e.g., COVID-19), 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 and energy 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, 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 each of our business divisions and the products our business divisions offer, and our compliance therewith;
- the ability of the Company to implement its plans, forecasts and other expectations with respect to IHS Markit’s business and realize expected synergies;
- the Company’s ability to meet expectations regarding the accounting and tax treatments of the Merger;
- 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 this Form 10-Q and Item 1A, *Risk Factors* in our most recently filed Annual Report on Form 10-K.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Our exposure to market risk includes changes in foreign exchange rates and interest rates. We have operations in foreign countries where the functional currency is primarily the local currency. For international operations that are determined to be extensions of the parent company, the U.S. dollar is the functional currency. We typically have naturally hedged positions in most countries from a local currency perspective with offsetting assets and liabilities. As of September 30, 2023 and December 31, 2022, we entered into foreign exchange forward contracts in order to mitigate the change in fair value of specific assets and liabilities in the consolidated balance sheet. These forward contracts are not designated as hedges and do not qualify for hedge accounting. As of September 30, 2023 and December 31, 2022, we entered into foreign exchange forward contracts to hedge the effect of adverse fluctuations in foreign exchange rates and held cross-currency swap contracts to hedge a portion of our net investment in a foreign subsidiary against volatility in foreign exchange rates. As of September 30, 2023 and December 31, 2022, we held positions in a series of interest rate swaps to mitigate or hedge the adverse fluctuations in interest rates. We have not entered into any derivative financial instruments for speculative purposes. See Note 5 - *Derivative Instruments* to the consolidated financial statements of this Form 10-Q for further discussion.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed so that information required to be disclosed in our reports filed with the U.S. Securities and Exchange Commission (the “SEC”) is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to management, including our Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), as appropriate, to allow timely decisions regarding required disclosure.

As of September 30, 2023, an evaluation was performed under the supervision and with the participation of management, including the CEO and CFO, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934). Based on that evaluation, management, including the CEO and CFO, concluded that our disclosure controls and procedures were effective as of September 30, 2023.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting that occurred during the most recent quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

See Note 12 – *Commitments and Contingencies* - *Legal & Regulatory Matters* to the consolidated financial statements of this Form 10-Q for information on our legal proceedings.

Item 1A. Risk Factors

In addition to the other information set forth in this Quarterly Report on Form 10-Q, you should carefully consider the risk factors we have previously disclosed in Item 1A, *Risk Factors*, in our most recent Form 10-K, and the additional risk factor below.

Cybersecurity, Technology and Innovation Risks

Our approach to artificial intelligence may not be successful, which could materially and adversely affect our business, financial condition or results of operations.

Generative artificial intelligence ("AI") is an emerging technology that is expected to fundamentally change the way data is gathered, protected, licensed, processed, and consumed. Given the importance of data to our products and services, AI is expected to become an increasingly important part of our business and industry. We have established a Company-wide AI strategy to drive our approach to data protection, licensing and AI integration in our processes, products and services. We have made significant investments in various AI initiatives. However, the AI landscape is complex and rapidly evolving, and new and enhanced laws and regulations, governmental or regulatory scrutiny, competition from established or emerging companies, litigation, ethical concerns, cybersecurity concerns, intellectual property concerns, or other complications could adversely impact our ability to protect our data and intellectual property, to develop and offer products and services that effectively use AI, to compete with other AI products or services, or to improve efficiency of producing existing products or services through the effective use of AI to remain competitive. For instance, competitors may deploy AI in ways that make processing of information relatively inexpensive or free, which could significantly reduce demand for our data. Additionally, we may be unable to effectively license or otherwise protect our data from unintended use by AI. For additional risks related to intellectual property rights, see the risk factor entitled "Our ability to protect our intellectual property rights could impact our competitive position." In addition, the number of approaches to integrating and commercializing AI is currently large, and many of those approaches may fail to gain market acceptance or become obsolete as AI continues to evolve. At this time, we are unable to predict which offerings will ultimately be successful. Notwithstanding our investments, our products and services may become less marketable or less competitive, or potentially obsolete if either our approach to integrating AI into our products and services fails to gain market acceptance or our approach to protecting our data and intellectual property is ultimately inadequate. Any of these factors could materially and adversely affect our business, financial condition or results of operations.

Item 2. Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities

On June 22, 2022, the Board of Directors approved a share repurchase program authorizing the purchase of 30 million shares (the "2022 Repurchase Program"), which was approximately 9% of the total shares of our outstanding common stock at that time. During the third quarter of 2023, we received 1.4 million shares, which included 0.1 million shares received from our accelerated share repurchase ("ASR") agreement that we entered into on May 8, 2023 and 1.3 million shares received from our ASR agreement that we entered into on August 7, 2023. Further discussion relating to our ASR agreements can be found in Note 8 - *Equity*. As of September 30, 2023, 21.5 million shares remained under the 2022 Repurchase Program.

Repurchased shares may be used for general corporate purposes, including the issuance of shares for stock compensation plans and to offset the dilutive effect of the exercise of employee stock options. Our 2022 Repurchase Program has no expiration date and purchases under this program may be made from time to time on the open market and in private transactions, depending on market conditions.

The following table provides information on our purchases of our outstanding common stock during the third quarter of 2023 pursuant to the 2022 Repurchase Program (column c). In addition to these purchases, the number of shares in column (a) include shares of common stock that are tendered to us to satisfy our employees' tax withholding obligations in connection with the vesting of awards of restricted shares (we repurchase such shares based on their fair market value on the vesting date).

There were no other share repurchases during the quarter outside the repurchases noted below.

Period	(a) Total Number of Shares Purchased	(b) Average Price Paid per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Programs	(d) Maximum Number of Shares that may yet be Purchased Under the Programs
July 1— July 31, 2023	13,100	$ 405.95	—	22.9 million
August 1 — August 31, 2023 [1,2]	1,225,796	384.77	1,224,208	21.7 million
September 1 — September 30, 2023 [3]	203,625	387.39	202,108	21.5 million
Total — Quarter [1,2,3]	**1,442,521**	**$ 386.25**	**1,426,316**	**21.5 million**

[1] Includes 0.1 million shares received from the conclusion of our ASR agreement that we entered into on May 8, 2023.

[2] Includes 1.1 million shares received from the initiation of our ASR agreement that we entered into on August 7, 2023.

[3] Includes 0.2 million shares received from the conclusion of our ASR agreement that we entered into on August 7, 2023.

Item 5. Other Information

IRAN THREAT REDUCTION AND SYRIA HUMAN RIGHTS ACT DISCLOSURE

Pursuant to Section 219 of the Iran Threat Reduction and Syria Human Rights Act of 2012, which amended the Securities Exchange Act of 1934, an issuer is required to disclose in its annual or quarterly reports, as applicable, whether, during the reporting period, it or any of its affiliates knowingly engaged in certain activities, transactions or dealings relating to Iran or with individuals or entities designated pursuant to certain Executive Orders. Disclosure is generally required even where the activities, transactions or dealings were conducted in compliance with applicable laws and regulations.

During the third quarter of 2023, the Company engaged in limited transactions or dealings related to the purchase or sale of information and informational materials, which are generally exempt from U.S. economic sanctions, with persons that are owned or controlled, or appear to be owned or controlled, by the Government of Iran or are otherwise subject to disclosure pursuant to Section 219 of the Iran Threat Reduction and Syria Human Rights Act of 2012. Commodities Insights provided subscribers access to proprietary data, analytics, and industry information that enable commodities markets to perform with greater transparency and efficiency. Market Intelligence sourced certain trade data from Iran. The Company will continue to monitor such activities closely. During the third quarter of 2023, the Company recorded no revenue or net profit attributable to the Commodities Insights transactions or dealings described above, which reflects the uncertainty of collection. The Company attributes a *de minimis* amount of gross revenues and net profits to the data sourced from Iran by Market Intelligence.

RULE 10b5-1 PLAN ELECTIONS

On August 2, 2023, Douglas Peterson, President and Chief Executive Officer, adopted a pre-arranged stock trading plan for the sale of up to 18,000 shares of the Company's common stock. Mr. Peterson's plan will terminate on the earlier of (i) May 24, 2024 and (ii) the date on which all sales contemplated under the plan have been executed. Mr. Peterson's plan is intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Securities Exchange Act of 1934, as amended ("Exchange Act"). No other Rule 10b5-1 trading arrangements or "non-Rule 10b5-1 trading arrangements" (as defined by S-K Item 408(c)) were entered into or terminated by our directors or officers (as defined in Rule 16a-1(f) under the Exchange Act) during the third quarter of 2023.

Item 6. Exhibits

(3.1)	Amended and Restated Certificate of Incorporation of Registrant, as amended and restated on May 13, 2020, incorporated by reference from the Registrant's Form 8-K filed May 18, 2020
(3.2)	Amended and Restated By-Laws of Registrant, as amended and restated on September 27, 2023, incorporated by reference from the Registrant's Form 8-K filed October 2, 2023
(4.1)	Ninth Supplemental Indenture, dated as of September 12, 2023, among S&P Global Inc., Standard & Poor's Financial Services LLC and U.S. Bank Trust Company, National Association, as trustee, incorporated by reference from the Registrant's Form 8-K filed September 12, 2023
(4.2)	Form of 5.250% Senior Notes due 2033 (included in Exhibit 4.1), incorporated by reference from the Registrant's Form 8-K filed September 12, 2023
(4.3)	Registration Rights Agreement, dated as of September 12, 2023, among S&P Global Inc., BofA Securities, Inc. and Citigroup Global Markets Inc., as representatives of the initial purchasers, incorporated by reference from the Registrant's Form 8-K filed September 12, 2023
(10)*	Side letter dated July 25, 2023 to letter agreement dated December 11, 2020 to Steve Kemps, Executive Vice President and Chief Legal Officer, incorporated by reference from the Registrant's Form 10-Q filed July 27, 2023
(15)	Letter on Unaudited Interim Financials
(31.1)	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended
(31.2)	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended
(32)	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(101.INS)	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
(101.SCH)	Inline XBRL Taxonomy Extension Schema
(101.CAL)	Inline XBRL Taxonomy Extension Calculation Linkbase
(101.LAB)	Inline XBRL Taxonomy Extension Label Linkbase
(101.PRE)	Inline XBRL Taxonomy Extension Presentation Linkbase
(101.DEF)	Inline XBRL Taxonomy Extension Definition Linkbase
(104)	Cover Page Interactive Data File (formatted as Inline XBRL with applicable taxonomy extension information contained in Exhibit 101)

* These exhibits relate to management contracts or compensatory plan arrangements.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this quarterly report on Form 10-Q to be signed on its behalf by the undersigned, thereunto duly authorized.

S&P Global Inc.

Registrant

Date:	November 2, 2023	By:	/s/ *Ewout L. Steenbergen* Ewout L. Steenbergen Executive Vice President and Chief Financial Officer
Date:	November 2, 2023	By:	/s/ *Christopher F. Craig* Christopher F. Craig Senior Vice President, Controller and Chief Accounting Officer

Exhibit (15)

The Board of Directors and Shareholders of
S&P Global Inc.

We are aware of the incorporation by reference in the following Registration Statements:

1. Registration Statement on Form S-8 (No. 33-49743) pertaining to the 1993 Key Employee Stock Incentive Plan,
2. Registration Statements on Form S-8 (No.333-30043 and No. 333-40502) pertaining to the 1993 Employee Stock Incentive Plan,
3. Registration Statement on Form S-8 (No. 333-92224) pertaining to the 2002 Stock Incentive Plan,
4. Registration Statement on Form S-8 (No. 333-116993) pertaining to the Amended and Restated 2002 Stock Incentive Plan,
5. Registration Statement on Form S-8 (No. 333-06871) pertaining to the Director Deferred Stock Ownership Plan,
6. Registration Statement on Form S-8 (No. 33-50856) pertaining to the Savings Incentive Plan of McGraw-Hill, Inc. and its Subsidiaries, the Employee Retirement Account Plan of McGraw-Hill, Inc. and its Subsidiaries, the Standard & Poor's Savings Incentive Plan for Represented Employees, the Standard & Poor's Employee Retirement Account Plan for Represented Employees, the Employees' Investment Plan of McGraw-Hill Broadcasting Company, Inc. and its Subsidiaries,
7. Registration Statement on Form S-8 (No. 333-126465) pertaining to the Savings Incentive Plan of The McGraw-Hill Companies, Inc. and its Subsidiaries, the Employee Retirement Account Plan of The McGraw-Hill Companies, Inc. and its Subsidiaries, the Standard & Poor's Savings Incentive Plan for Represented Employees, and the Standard & Poor's Employee Retirement Account Plan for Represented Employees,
8. Registration Statement on Form S-8 (No. 333-157570) pertaining to the 401(k) Savings and Profit Sharing Plan of The McGraw-Hill Companies, Inc. and its Subsidiaries,
9. Registration Statement on Form S-8 (No. 333-167885) pertaining to the Amended and Restated 2002 Stock Incentive Plan,
10. Registration Statement on Form S-8 (No. 333-231476) pertaining to the S&P Global Inc. 2019 Stock Incentive Plan S&P Global Inc. Amended and Restated Director Deferred Stock Ownership Plan; and
11. Registration Statement on Form S-4 (No. 333-251999) and the related Prospectus of S&P Global Inc.
12. Registration Statement on Form S-8 POS (No. 333-251999) pertaining to IHS Markit Ltd. 2014 Equity Incentive Award Plan and IHS Markit Ltd. 2004 Long-Term Incentive Plan
13. Registration Statement on Form S-4 (No. 333-269236) and the related Prospectus of S&P Global Inc.
14. Registration Statement on Form S-4 (No. 333-269237) and the related Prospectus of S&P Global Inc.

of our report dated November 2, 2023 relating to the unaudited consolidated interim financial statements of S&P Global Inc., which are included in its Form 10-Q for the quarter ended September 30, 2023.

/s/ ERNST & YOUNG LLP

New York, New York
November 2, 2023

Exhibit (31.1)

Certification pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act, as amended

I, Douglas L. Peterson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of S&P Global Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 2, 2023

/s/ *Douglas L. Peterson*

Douglas L. Peterson

President and Chief Executive Officer

Exhibit (31.2)

Certification pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act, as amended

I, Ewout L. Steenbergen, certify that:

1. I have reviewed this quarterly report on Form 10-Q of S&P Global Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 2, 2023

/s/ Ewout L. Steenbergen

Ewout L. Steenbergen
Executive Vice President and Chief Financial Officer

Exhibit (32)

Certifications pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, each of the undersigned officers of S&P Global Inc. (the "Company"), does hereby certify, to such officer's knowledge, that:

This quarterly report on Form 10-Q of the Company for the quarter ended September 30, 2023 fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78m); and

The information contained in this quarterly report on Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 2, 2023	/s/ *Douglas L. Peterson*
	Douglas L. Peterson
	President and Chief Executive Officer
Date: November 2, 2023	/s/ *Ewout L. Steenbergen*
	Ewout L. Steenbergen
	Executive Vice President and Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.