

[S&P Global Inc: Rule 14a-8 Proposal, November 25, 2020]

[This line and any line above it – *Not* for publication.]

ITEM 4\* – Transition to Public Benefit Corporation

**RESOLVED: S&P Global, Inc. (the “Company”)** shareholders request our Board of Directors take steps necessary to amend our certificate of incorporation and, if necessary, bylaws (including presenting such amendments to the shareholders for approval) to become a benefit corporation in light of its adoption of the Business Roundtable Statement of the Purpose of a Corporation (the “Statement”).

SUPPORTING STATEMENT: The Company signed the Statement,<sup>1</sup> which proclaims “we share a fundamental commitment to all of our stakeholders. . . . We commit to deliver value to all of them, for the future success of our companies, our communities and our country.”

However, the Company is a conventional New York corporation, so that directors do not have mandatory obligations with respect to stakeholders.<sup>2</sup> Accordingly, the Company can prioritize return to its shareholders over any other consideration. Indeed, the amount of compensation paid to executives in Company stock emphasizes that priority.<sup>3</sup>

This governance rule contradicts the commitment made in the Statement. In contrast, if the Company became a benefit corporation, its purpose would be to create “a material positive impact on society and the environment, taken as a whole . . . ,” and its directors would be required to consider interests beyond those of shareholders, including societal and environmental matters.<sup>4</sup> This would give legal status to the Statement’s otherwise empty promise.

The Company’s business is to provide ratings, information, and indices to investors. These products underlie the investing infrastructure of securities markets and shape market outcomes, including the allocation and stewardship of capital. If the Company chooses to create products that prioritize financial returns over the investors who rely on its products, investors may suffer both through the direct harm of sub-optimal products, and indirectly from costs to GDP of poorly functioning capital markets, which in turn reduces equity value.<sup>5</sup>

That matters to our shareholders, the majority of whom are beneficial owners with broadly diversified interests. As of the 2020 proxy statement, the Company’s top three holders were indexers Vanguard, BlackRock, and State Street.

Such shareholders and beneficial owners suffer when the Company prioritizes its financial returns over optimizing the services it provides to investors. Shareholders are entitled to vote on a change in governance that would serve their interests and ensure the commitment made to stakeholders is authentic and lasting.

Please vote for: Transition to Public Benefit Corporation – Proposal [4\*]

---

<sup>1</sup> <https://www.businessroundtable.org/business-roundtable-redefines-the-purpose-of-a-corporation-to-promote-an-economy-that-serves-all-americans>

<sup>2</sup> Cf. New York Consolidated Laws, Business Corporation Law - BSC §717 (permitting, but not requiring directors to consider the interests of a variety of stakeholders.)

<sup>3</sup> [https://www.sec.gov/Archives/edgar/data/64040/000110465920040439/tm209486-2\\_def14a.htm#OOCS](https://www.sec.gov/Archives/edgar/data/64040/000110465920040439/tm209486-2_def14a.htm#OOCS) (executive compensation tables)

<sup>4</sup> New York Consolidated Laws, Business Corporation Law - BSC §§1706 & 1707.

<sup>5</sup> See, e.g., <https://www.advisorperspectives.com/dshort/updates/2020/11/05/market-cap-to-gdp-an-updated-look-at-the-buffett-valuation-indicator> (total market capitalization to GDP “is probably the best single measure of where valuations stand at any given moment”) (quoting Warren Buffet)