

Anticipated acquisition by S&P Global Inc of IHS MARKIT LTD

Derogation letter in respect of Initial Enforcement Orders issued pursuant to section 72(2) Enterprise Act 2002

Please note that [X] indicates figures or text which have been deleted or replaced in ranges at the request of the Parties or third parties for reasons of commercial confidentiality.

Consent under section 72(3C) of the Enterprise Act 2002 to certain actions for the purposes of the Initial Enforcement Order made by the Competition and Markets Authority ('CMA') on 9 November 2021

We refer to your submissions dated 18 November 2021 and 19 January 2022 requesting that the CMA consents to derogations to the Initial Enforcement Order of 9 November 2021 (the **Initial Order**). The terms defined in the Initial Order have the same meaning in this letter.

Under the Initial Order, save for written consent by the CMA, IHS Markit Ltd and IHS Markit Group Holdings (collectively referred to as **IHSM**), are required to minimise as far as possible any risk of loss of competitive potential of (i) IHSM's Oil Price Information Services (including Petrochem Wire) and Coal, Metals and Mining businesses; and (ii) IHSM's Base Chemicals business (the **Chemicals Divestment Business**).

After due consideration of your request for derogations from the Initial Order, based on the information received from you and in the particular circumstances of this case, IHSM may carry out the following actions, in respect of the specific paragraphs:

Chemicals Divestment Business - Paragraphs 4(b) of the Initial Order

IHSM submitted that certain changes are required to ensure that the Chemicals Divestment Business will have all the resources to operate at closing:

- (a) the Chemicals Divestment Business does not currently have a dedicated [X] support team. Accordingly, a [X], will be carved out of IHSM to transfer with the Chemicals Divestment Business.

- (b) in order to comply with the Initial Order, IHSM is planning to implement changes to reporting lines to ensure that, where appropriate, Chemicals Divestment Business individuals no longer report to any individual outside the Chemicals Divestment Business, and vice versa.

Chemicals Divestment Business - Paragraphs 4(d), 4(e) of the Initial Order

IHSM submitted that, to facilitate the sale process and ensure that the Chemicals Divestment Business can operate immediately after closing, IHSM must take steps to separate the Chemicals Divestment Business from the rest of IHSM (including certain back-office IT and infrastructure services currently provided by IHSM). IHSM submitted that this work involves the following:

- (a) the migration of in-perimeter data and systems into the Chemicals Divestment Business including:
 - (i) Customer data currently stored in Salesforce, which must be prepared to be standalone so that it can be migrated;
 - (ii) Events data stored in Bizzabo, which will need to be migrated to a standalone events management system;
 - (iii) Sales reports currently built into various desktop data visualization tools and need to be rebuilt; and
 - (iv) Marketing data.
- (b) changes to segregate the Base Chemicals business data and technologies, and to create a segregated area within the IHSM Connect platform for Base Chemicals business data, including updating role-based access and permissions to databases / data and shared folders;
- (c) where possible and operationally reasonable, the separation and segregation of certain IHSM systems currently used by the Chemicals Divestment Business, including where continued access and support for these systems will be needed pursuant to a transition services agreement;
- (d) the separation of shared contracts so that the relevant portion can be assigned or otherwise transferred to the Chemicals Divestment Business.

On consideration of the specific facts and circumstances of this case and in the context of the current stage of the CMA review process, the CMA consents to a derogation from paragraphs 4(b), 4(d) and 4(e) strictly on the basis that:

- (a) the changes are strictly necessary for the purposes of separation planning for the divestment of the Chemicals Divestment Business in order to ensure that the Chemicals Divestment Business will have all the resources to operate at closing;
- (b) IHSM shall seek the CMA consent (which can be provided by email) of all changes in personnel (including changes in reporting lines) as a result of granting this derogation which constitute substantive changes are to the organisational structure of, or the management responsibilities within, the Chemicals Divestment Businesses.
- (c) this derogation will not lead to a deterioration of the Chemicals Divestment Business' assets or otherwise risk the loss of competitive potential of the Chemicals Divestment Business;
- (d) no other action will be taken which might prejudice a reference under section 33 of the Act or impede the taking by the CMA of any action which might be justified by the CMA's decision on that reference without seeking a derogation from the CMA;
- (e) this derogation should not prevent any remedial action that the CMA may need to take regarding this merger.

Ricardo Zimbron
Director Mergers
27 January 2022