

## McGraw Hill Financial's Communication on Progress 2015

Principles	Assessment, policy and goals	Implementation	Measurement of Outcomes
<p><b>Human Rights Principles</b></p> <p><b>Principle 1:</b> Businesses should support and respect the protection of internationally proclaimed human rights</p> <p><b>Principle 2:</b> Make sure that they are not complicit in human rights abuses.</p>	<p>McGraw Hill Financial is committed to developing an organizational culture that adheres to and supports the internationally recognized rights stated in the Universal Declaration of Human Rights. This dedication to Human Rights is made clear through the implementation of Company-wide Human Rights, Supplier Code of Conduct and Code of Business Ethics policies that address all of our partners, suppliers and employees.</p> <p>The Human Rights policy directly addresses MHFI's alignment and support of the UN's Declaration of Human Rights through responsible and transparent operations that demonstrate respect and support for all human rights.</p> <p>The Code of Business Ethics (COBE) further demonstrates our commitment to human rights in the workplace including, but not limited to, a safe and healthy work environment, zero tolerance of harassment, a workplace free of discrimination and courteous and considerate treatment from the company. The Code is endorsed by a letter from the President and CEO and we provide annual training to all of our employees in order to explain and reinforce the Code of Ethics.</p>	<p>Implementation of our commitment to Human Rights is achieved through a variety of ways. One of the principle ways is through our annual <a href="#">Corporate Responsibility Report</a>. Other implementation measures include:</p> <ul style="list-style-type: none"> <li>• Established a corporate-wide Human Rights Policy</li> <li>• Operate FAIR (Fast and Impartial Resolution), a voluntary dispute resolution program administers by an independent firm that offers a neutral mediator and, if necessary, arbitration</li> <li>• 24-Hour anonymous employee hotline available to employees worldwide</li> <li>• Mandatory Code of Business Ethics and policy training for every new hire and annual training for existing employees with a process that requires certification that they have done so</li> </ul> <p>The Company has also worked with third party consultants to produce a materiality assessment of strategic stakeholders to ensure key ethical concerns are addressed in our policies.</p>	<p>Annually our Internal Audit Department completes an audit of the certification process of the Code of Business Ethics and Employee Hotline Usage. The results are reported to the Audit Committee and the Board of Directors.</p> <p>Compliance with our policies is linked to remuneration - A letter from the Executive Vice President of Human Resources is sent with our Code of Business Ethics and states that continued employment with the Corporation and eligibility for performance salary increases are contingent upon employees signing and adhering to the Code.</p> <p>We outline expectations of our suppliers through our Supplier Code of Conduct and evaluate their performance annually in seven categories, including human rights, through our CR scorecard.</p>

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<p data-bbox="99 132 399 210"><b>Human Rights Principles</b></p> <p data-bbox="99 210 399 483"><b>Principle 1:</b> Businesses should support and respect the protection of internationally proclaimed human rights</p> <p data-bbox="99 483 399 630"><b>Principle 2:</b> Make sure that they are not complicit in human rights abuses.</p>	<p data-bbox="399 132 794 378">It is a clear measure of how highly we value these principles that signing the Code and attending annual trainings on the Code continues to be a condition of employment.</p> <p data-bbox="399 378 794 840">We also support human rights in our supply chain, including the right to minimum wage and non-discrimination in the workplace and we prohibit the use of forced and child labor. We are also committed to providing opportunities for diverse supplier groups and expanding the number of firms that are minority and women-owned.</p> <p data-bbox="399 840 794 1029">McGraw Hill Financial’s goal is always to provide a safe, fair and open workplace for all our stakeholders.</p> <p data-bbox="399 1029 794 1071">Policies:</p> <ul data-bbox="399 1071 794 1239" style="list-style-type: none"> <li data-bbox="399 1071 794 1113">• <a href="#">Human Rights Policy</a></li> <li data-bbox="399 1113 794 1155">• <a href="#">Code of Business Ethics</a></li> <li data-bbox="399 1155 794 1197">• <a href="#">Supplier Code of Conduct</a></li> <li data-bbox="399 1197 794 1239">• <a href="#">Supplier Diversity Program</a></li> </ul>		

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<p data-bbox="99 128 399 170"><b>Labor Principles</b></p> <p data-bbox="99 170 399 464"><b>Principle 3:</b> Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining</p> <p data-bbox="99 464 399 632"><b>Principle 4:</b> The elimination of all forms of forced and compulsory labor</p> <p data-bbox="99 632 399 947"><b>Principle 5:</b> The effective abolition of child labor Principle 6: the elimination of discrimination in respect of employment and occupation.</p>	<p data-bbox="399 128 794 548">McGraw Hill Financial has a firm belief in the respect of human and labor rights for our employees as stated in our Supplier Code of Conduct, Diversity &amp; Inclusion Principles, Code of Business Ethics, Supplier Diversity Program and Human Rights Policy which supports the UN’s Universal Declaration of Human Rights.</p> <p data-bbox="399 548 794 905">MHFI’s policies encompass the rights, compensation and responsibilities of our employees, partners and suppliers. McGraw Hill Financial’s goal is to fully support labor principles by having these several policies in place.</p> <p data-bbox="399 905 794 947">Policies &amp; Programs:</p> <ul data-bbox="399 947 794 1199" style="list-style-type: none"> <li>• <a href="#">Human Rights Policy</a></li> <li>• <a href="#">Code of Business Ethics</a></li> <li>• <a href="#">Supplier Code of Conduct</a></li> <li>• <a href="#">Supplier Diversity Program</a></li> <li>• <a href="#">Diversity and Inclusion Principles</a></li> </ul>	<p data-bbox="794 128 1167 653">In early 2014, we established our formal Human Rights Policy. This reinforces our commitment to conduct responsible and transparent operations that demonstrate respect and support for all human rights as articulated in the United Nations Universal Declaration of Human Rights. It also lays out our expectations that suppliers adopt the same high standards of ethical conduct.</p> <p data-bbox="794 653 1167 842">Our human rights impacts are reported on annually in our <a href="#">Corporate Responsibility Report</a>.</p> <p data-bbox="794 842 1167 1199">McGraw Hill Financial’s Supplier Code of Conduct sets out the principles, guidelines and expectations we have of our suppliers in conducting business responsibly. Regarding forced and involuntary labor we expect:</p> <ul data-bbox="794 1199 1167 1808" style="list-style-type: none"> <li>• Suppliers will not use any forced, compulsory or involuntary labor, whether bonded, indentured or imprisoned.</li> <li>• Employees shall be able to terminate their employment with reasonable notice.</li> <li>• Workers below the age of 18 should not be involved in activities likely to jeopardize their health, safety or morals or interfere with their compulsory education.</li> </ul>	<p data-bbox="1167 128 1533 485">In the event an incident is reported, McGraw Hill reviews and holds those accountable for any violations to our policies. These investigations are made internally, with legal counsel as required and senior management is updated on regular basis.</p> <p data-bbox="1167 485 1533 989">The Company tracks indicators such as work related illnesses to help monitor the health and well-being of our employees. MHFI is proud to report a .000 rate of major work injuries and illnesses and a .003 rate of minor. This data can be found in our <a href="#">2013 Corporate Responsibility Report</a> (page 16).</p> <p data-bbox="1167 989 1533 1556">Although, due to the nature and makeup of McGraw Hill Financial’s business the presence of labor and trade unions is slight, the Freedom of Association protocol is applied to all employees. The Company’s support of these rights is made evident by the active employees currently represented by an independent trade union or covered by collective bargaining agreements.</p> <p data-bbox="1167 1556 1533 1871">We outline expectations of our suppliers through our Supplier Code of Conduct and evaluate their performance annually in seven categories, including labor rights, through our CR scorecard.</p>

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<p data-bbox="99 128 399 170"><b>Labor Principles</b></p> <p data-bbox="99 170 399 464"><b>Principle 3:</b> Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining</p> <p data-bbox="99 464 399 632"><b>Principle 4:</b> The elimination of all forms of forced and compulsory labor</p> <p data-bbox="99 632 399 947"><b>Principle 5:</b> The effective abolition of child labor <b>Principle 6:</b> the elimination of discrimination in respect of employment and occupation.</p>		<p data-bbox="794 128 1167 695">Our Code of Business Ethics outlines our commitment to non-discrimination. At McGraw Hill Financial, employees will not be unfairly discriminated against because of race, color, religion, sex, age, sexual orientation, national or ethnic origin, citizenship status, veteran status or disability or for any other unlawful reason. We prohibit harassment of any kind toward other employees.</p> <p data-bbox="794 695 1167 842">McGraw Hill Financial has a system in place if an instance does arise.</p> <p data-bbox="794 842 1167 1157">We encourage our employees to promptly use our 24-Hour anonymous employee hotline and FAIR dispute program which is always available to employees worldwide to report any unfair treatment.</p> <p data-bbox="794 1157 1167 1974">The importance of our employee’s health and well-being is promoted throughout our policies and objectives. We have established a number of programs available to employees and their family members such as disease management, smoking cessation, adoption assistance and fertility benefits, transplant services, discounted fitness memberships, and maternity and oncology case management. Our employees are also automatically provided basic life insurance at no cost to them.</p>	

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<p data-bbox="99 132 399 172"><b>Labor Principles</b></p> <p data-bbox="99 212 399 457"><b>Principle 3:</b> Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining</p> <p data-bbox="99 497 399 636"><b>Principle 4:</b> The elimination of all forms of forced and compulsory labor</p> <p data-bbox="99 676 399 953"><b>Principle 5:</b> The effective abolition of child labor <b>Principle 6:</b> the elimination of discrimination in respect of employment and occupation.</p>		<p data-bbox="794 132 1167 457">Diversity and inclusion is of utmost importance to our Company. McGraw Hill Financial’s Employee Resource Groups (ERGs) provide a platform for all employees to mentor one another, network and develop their careers.</p> <p data-bbox="794 497 1167 808">Our Supplier Diversity Program and active membership on the National Minority Supplier Development Council (NMSDC) demonstrates our strong support for minority and women-owned businesses.</p>	

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<p data-bbox="110 142 310 212"><b>Environmental Principles</b></p> <p data-bbox="110 254 386 457"><b>Principle 7:</b> Businesses should support a precautionary approach to environmental challenges</p> <p data-bbox="110 499 386 636"><b>Principle 8:</b> Undertake initiatives to promote greater environmental responsibility</p> <p data-bbox="110 678 386 846"><b>Principle 9:</b> Encourage the development and diffusion of environmentally friendly technologies</p>	<p data-bbox="415 142 784 562">As a global information provider our environmental impacts are limited and include greenhouse gas emissions (from energy used in buildings and for transport), water use and waste. We have developed <a href="#">performance targets</a> (page 10) to reduce these impacts over time using a combination of reduction strategies.</p> <p data-bbox="415 604 784 1234">McGraw Hill Financial has policies and procedures in place that are overseen by our Environmental Action Committee (EAC) to ensure they are implemented and adhered to. Our Company is committed to constantly finding ways to operate more sustainably, responsibly and efficiently. We are dedicated to complying with environmental regulations, pursuing opportunities to surpass standards and continuously improving our environmental management systems.</p> <p data-bbox="415 1276 784 1770">MHFI actively participates in socially responsible investment (SRI) surveys to guarantee the highest possible level of transparency and accountability. We strive to promote open dialogue with our stakeholders and train our employees on the importance of environmental leadership. Our goal is to continually improve on our stakeholder awareness and environmental performance.</p>	<p data-bbox="808 142 1157 342">McGraw Hill Financial has undertaken several initiatives to promote greater environmental responsibility. Highlights include:</p> <ul data-bbox="808 384 1157 1843" style="list-style-type: none"> <li>• Our Environmental Action Committee (EAC) setting environmental performance targets to reduce McGraw Hill Financial’s impact</li> <li>• McGraw Hill’s Global Real Estate (GRE) team continues to evaluate new construction projects along international green construction standards. Many of our offices have received the U.S. Environmental Protection Agency’s (EPA) Energy Star status and Energy and Environmental Design (LEED) certification by the U.S. Green Building Council. For example, last year we relocated our offices in Hong Kong and Singapore to LEED Gold certified and Green Mark Gold Plus facilities and our Denver, CO office into a Platinum LEED certified building.</li> <li>• Our Canary Wharf office in the U.K. achieved ISO <a href="#">14001</a>, <a href="#">18001</a> and <a href="#">50001</a> Environmental Certifications. They also achieved <a href="#">Carbon Trust Certification</a>.</li> <li>• We have two landfill avoidance programs in our Hightstown, N.J. and Canary Wharf, U.K. facilities.</li> </ul>	<p data-bbox="1182 142 1524 594">McGraw Hill Financial conducts environmental assessments every year to compare against our baseline and targets for key performance initiatives. We submit responses to several sustainability surveys and publicly disclose our environmental progress on our website and in our annual Corporate Responsibility Report.</p> <p data-bbox="1182 636 1524 951">Our environmental metrics are <a href="#">externally audited</a> and McGraw Hill has repeatedly been named to the Dow Jones Sustainability Index (DJSI) and the Carbon Disclosure Project (CDP) for our continuous positive environmental progress.</p> <p data-bbox="1182 993 1524 1266">We outline expectations of our suppliers through our Supplier Code of Conduct and evaluate their performance annually in seven categories, including environmental issues, through our CR scorecard.</p>

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<p><b>Environmental Principles</b></p> <p><b>Principle 7:</b> Businesses should support a precautionary approach to environmental challenges</p> <p><b>Principle 8:</b> Undertake initiatives to promote greater environmental responsibility</p> <p><b>Principle 9:</b> Encourage the development and diffusion of environmentally friendly technologies</p>	<p>Policies &amp; Programs:</p> <ul style="list-style-type: none"> <li>• <a href="#">Corporate Environmental Policy</a></li> <li>• <a href="#">Real Estate Policy</a></li> <li>• <a href="#">Environmental Paper Procurement Policy</a></li> <li>• <a href="#">Environmental Management System</a></li> </ul>	<ul style="list-style-type: none"> <li>• We installed 1/3 electric vehicle charging station at our Westlake, CA office (1/4 for the Company overall) which is estimated to save 500 metric tons of CO2/year.</li> <li>• We developed a Supplier Code of Conduct that details our expectations for suppliers to conduct business responsibly. We also introduced a CR Scorecard to evaluate the performance of key non-manufacturing suppliers in seven categories including environmental impact.</li> <li>• Twelve formal Green Teams currently support our environmental targets and initiatives across the U.S., U.K., Mexico, India, Canada and Argentina. Green Teams help to co-ordinate recycling campaigns, educational events and volunteer projects. For example, as part of our Earth Day activities in 2013, Green Teams in NY and Hightstown conducted a week-long campaign for employees to recycle personal electronic equipment and learn tips to address climate change at home, at work and in the community. Additionally, the Canary Wharf office in London conducted an Energy Bike demonstration and Eco-Driving Simulator to help employees think about new ways they can “drive” down energy waste.</li> </ul>	

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<p data-bbox="99 132 399 210"><b>Environmental Principles</b></p> <p data-bbox="99 241 399 462"><b>Principle 7:</b> Businesses should support a precautionary approach to environmental challenges</p> <p data-bbox="99 493 399 640"><b>Principle 8:</b> Undertake initiatives to promote greater environmental responsibility</p> <p data-bbox="99 672 399 850"><b>Principle 9:</b> Encourage the development and diffusion of environmentally friendly technologies</p>		<p data-bbox="794 132 1167 304">Additionally our products and services provide information and tools needed to build a greener future. Examples include:</p> <ul data-bbox="794 336 1167 1774" style="list-style-type: none"> <li data-bbox="794 336 1167 661">• Through publications and conferences on sustainable energy, Platts plays an increasingly important role in promoting understanding and discussion of the clean energy industry.</li> <li data-bbox="794 672 1167 997">• J.D. Power is examining the demand for alternative-energy vehicles and developing tools to help companies and consumers better understand the carbon dioxide impact of products.</li> <li data-bbox="794 1008 1167 1459">• Standard &amp; Poor's Ratings Services helps investors make decisions based not only on a company's financial fitness but also its environmental, social and governance (ESG) performance. They publish a variety of special reports exploring how ESG issues affect credit worthiness.</li> <li data-bbox="794 1470 1167 1774">• S&amp;P Dow Jones Indices delivers objective research and analysis for investors. Products include S&amp;P Global Clean Energy Index, S&amp;P U.S. Carbon Efficient Index and the S&amp;P Green Bond Index.</li> </ul>	

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<p data-bbox="99 136 397 210"><b>Anti-Corruption Principle</b></p> <p data-bbox="99 241 397 462"><b>Principle 10:</b> Businesses should work against all forms of corruption, including extortion and bribery.</p>	<p data-bbox="397 136 792 556">McGraw Hill Financial supports the UNGC principles on anti-corruption and has a zero-tolerance policy for corruption, bribery and extortion. It is the policy of MHFI to conduct all business in an ethical manner; our employees are trained on these policies and they are readily available in the employee handbook.</p> <p data-bbox="397 598 792 1092">The Code of Business Ethics, Supplier Code of Conduct and Anti-Corruption Policy are the published guidelines that help institute McGraw Hill’s commitment to ethical business practices. Our statement of support for the Foreign Corrupt Policies Act (FCPA) and the U.K. Bribery Act further implement our commitment to international and regional legal frameworks.</p> <p data-bbox="397 1134 792 1344">McGraw Hill Financial is committed to providing our employees, suppliers and partners with the tools and education to conduct business ethically.</p> <p data-bbox="397 1386 792 1491">Policies:</p> <ul data-bbox="397 1417 792 1491" style="list-style-type: none"> <li data-bbox="397 1417 792 1449">• <a href="#">Code of Business Ethics</a></li> <li data-bbox="397 1459 792 1491">• <a href="#">Supplier Code of Conduct</a></li> </ul>	<p data-bbox="792 136 1166 241">Our Code of Business Ethics (COBE) is the foundation of our business culture.</p> <p data-bbox="792 283 1166 987">Updated annually, the COBE sets specific guidelines on issues including workplace rights, conflicts of interest, improper payments, handling of confidential information and objective reporting and evaluation. Employees must certify that they have read and will abide by the Code of Business Ethics as a condition of employment, and receive annual online training that reinforces its provisions. Several of our business units have developed additional codes of conduct for situations unique to their businesses.</p> <p data-bbox="792 1029 1166 1312">We view these standards as a statement of our beliefs, values and goals as an institution. Failure to comply with the Code may result in disciplinary action, up to and including termination of employment.</p> <p data-bbox="792 1354 1166 1596">Additionally, the Code is endorsed by a letter from the President and CEO and continues to be a condition of employment and a prerequisite for merit salary increases.</p> <p data-bbox="792 1638 1166 1774">To prevent corruption at MHFI the Company has taken the following measures:</p>	<p data-bbox="1166 136 1534 850">McGraw Hill Financial has a system in place if an instance of ethical concern does arise. We encourage our employees to promptly use our 24-Hour anonymous employee hotline and FAIR dispute program which is always available to employees worldwide. In the event an incident is reported, McGraw Hill Financial reviews and holds those accountable for any violations to our policies. These investigations are made internally, with legal counsel as required and senior management is updated on regular basis.</p> <p data-bbox="1166 892 1534 1837">We have strict and comprehensive rules in place to guard against bribery and corruption. Our Code of Business Ethics (COBE) lays out policies on conflicts of interest and accepting or giving gifts or other benefits. More detailed guidance is provided in our corporate Anti-Corruption Policy. Employees unsure about proposed payments or gifts are expected to contact the corporation’s Legal Department, Compliance Department or Employee Hotline. We also have a strict corporate policy on insider trading which relevant employees must follow. COBE and anti-corruption and insider trading policies apply to all employees and suppliers worldwide.</p>

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<p data-bbox="110 138 326 212"><b>Anti-Corruption Principle</b></p> <p data-bbox="110 254 378 457"><b>Principle 10:</b> Businesses should work against all forms of corruption, including extortion and bribery.</p>		<ul data-bbox="813 138 1149 884" style="list-style-type: none"> <li>• Operate FAIR (Fast and Impartial Resolution), a voluntary dispute resolution program administered by an independent firm that offers a neutral mediator and, if necessary, arbitration</li> <li>• 24-Hour anonymous employee hotline available to employees worldwide</li> <li>• Mandatory Code of Business Ethics and policy training for every new hire and existing employees with a process that requires certification that they have done so</li> </ul> <p data-bbox="805 926 1146 1451">As part of our ongoing efforts to maintain our high ethical standards we introduced our global McGraw Hill Financial Anti-Corruption Policy. While our COBE and other policies already address many aspects of the Anti-Corruption Policy, we are now comprehensively stating the Company's position on this important issue in one place for maximum impact.</p> <p data-bbox="805 1493 1146 1772">Additionally, our Supplier Code of Conduct sets out the principles and expectations we have of our suppliers in conducting business responsibly. Regarding ethical dealings we expect suppliers to:</p>	<p data-bbox="1179 138 1511 310">We annually report on our anti-corruption and bribery practices in our <a href="#">Corporate Responsibility Report</a> (page 20).</p>

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<p data-bbox="110 138 326 212"><b>Anti-Corruption Principle</b></p> <p data-bbox="110 254 378 457"><b>Principle 10:</b> Businesses should work against all forms of corruption, including extortion and bribery.</p>		<ul data-bbox="808 138 1153 632" style="list-style-type: none"> <li data-bbox="808 138 1153 527">• Operate with integrity, in an ethical manner and in compliance with all applicable laws. Suppliers will not engage in bribery, corruption, embezzlement, extortion, kickbacks, excessive commission or fees and other prohibited business practices.</li> <li data-bbox="808 533 1153 632">• Comply with McGraw Hill Financial's Code of Business Ethics.</li> </ul>	