

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

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**FORM 10-Q**

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(Mark One)

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

For the quarterly period ended August 31, 2019

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 001-36495

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**IHS MARKIT LTD.**

(Exact name of registrant as specified in its charter)

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**Bermuda**

(State or Other Jurisdiction of Incorporation or Organization)

**001-36495**

(Commission File Number)

**98-1166311**

(IRS Employer Identification Number)

**4th Floor, Ropemaker Place  
25 Ropemaker Street  
London, England  
EC2Y 9LY**

(Address of Principal Executive Offices)

**+44 20 7260 2000**

(Registrant's telephone number, including area code)

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

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Common Shares, \$0.01 par value per share	INFO	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 and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).  Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, 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.

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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 financial 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 August 31, 2019, there were 400,988,046 Common Shares outstanding (excluding 25,219,470 outstanding common shares held by the Markit Group Holdings Limited Employee Benefit Trust).

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**Cautionary Note Regarding Forward-Looking Statements**

This Quarterly Report on Form 10-Q contains “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. These statements, which express management’s current views concerning future business, events, trends, contingencies, financial performance, or financial condition, appear at various places in this report and use words like “aim,” “anticipate,” “assume,” “believe,” “continue,” “could,” “estimate,” “expect,” “forecast,” “future,” “goal,” “intend,” “likely,” “may,” “might,” “plan,” “potential,” “predict,” “project,” “see,” “seek,” “should,” “strategy,” “strive,” “target,” “will,” and “would” and similar expressions, and variations or negatives of these words. Examples of forward-looking statements include, among others, statements we make regarding: guidance and predictions relating to expected operating results, such as revenue growth and earnings; strategic actions such as acquisitions, joint ventures, and dispositions, the anticipated benefits therefrom, and our success in integrating acquired businesses; anticipated levels of capital expenditures in future periods; anticipated levels of indebtedness, capital allocation, dividends, and share repurchases in future periods; our belief that we have sufficient liquidity to fund our ongoing business operations; expectations of the effect on our financial condition of claims, litigation, environmental costs, contingent liabilities, and governmental and regulatory investigations and proceedings; and our strategy for customer retention, growth, product development, market position, financial results, and reserves. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on management’s current beliefs, expectations, and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy, and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks, and changes in circumstances that are difficult to predict and many of which are outside of our control. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: economic and financial conditions, including volatility in interest and exchange rates; our ability to develop new products and services; our ability to manage system failures or capacity constraints; our ability to manage fraudulent or unpermitted data access or other cyber-security or privacy breaches; our ability to successfully manage risks associated with changes in demand for our products and services; our ability to manage our relationships with third-party service providers; legislative, regulatory, and economic developments, including any new or proposed U.S. Treasury rule changes; the extent to which we are successful in gaining new long-term relationships with customers or retaining existing ones and the level of service failures that could lead customers to use competitors’ services; the anticipated tax treatment, unforeseen liabilities, future capital expenditures, revenues, expenses, earnings, synergies, economic performance, indebtedness, financial condition, losses, future prospects, business and management strategies for the management, expansion, and growth of our operations; our ability to retain and hire key personnel; our ability to satisfy our debt obligations and our other ongoing business obligations; and the occurrence of any catastrophic events, including acts of terrorism or outbreak of war or hostilities. These risks, as well as other risks which would cause actual results to be significantly different from those expressed or implied by these forward-looking statements, are more fully discussed under the caption “Risk Factors” in our Annual Report on Form 10-K, along with our other filings with the U.S. Securities and Exchange Commission (“SEC”). While the list of factors presented here is considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties. Unlisted factors may present significant

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additional obstacles to the realization of forward-looking statements. Consequences of material differences in results as compared with those anticipated in the forward-looking statements could include, among other things, business disruption, operational problems, financial loss, legal liability to third parties and similar risks, any of which could have a material adverse effect on our consolidated financial condition, results of operations, credit rating, or liquidity. Therefore, you should not rely on any of these forward-looking statements. Any forward-looking statement made by us in this Quarterly Report on Form 10-Q is based only on information currently available to our management and speaks only as of the date of this report. We do not assume any obligation to publicly provide revisions or updates to any forward-looking statements, whether as a result of new information, future developments or otherwise, should circumstances change, except as otherwise required by securities and other applicable laws.

**Website and Social Media Disclosure**

We use our website ([www.ihsmarket.com](http://www.ihsmarket.com)) and corporate Twitter account (@IHSMakit) as routine channels of distribution of company information, including news releases, analyst presentations, and supplemental financial information, as a means of disclosing material non-public information and for complying with our disclosure obligations under Regulation FD. Accordingly, investors should monitor our website and our corporate Twitter account in addition to following press releases, SEC filings and public conference calls and webcasts. Additionally, we provide notifications of news or announcements as part of our investor relations website. Investors and others can receive notifications of new information posted on our investor relations website in real time by signing up for email alerts.

None of the information provided on our website, in our press releases, public conference calls, and webcasts, or through social media channels is incorporated into, or deemed to be a part of, this quarterly report on Form 10-Q or in any other report or document we file with the SEC, and any references to our website or our social media channels are intended to be inactive textual references only.

**PART I. FINANCIAL INFORMATION**  
**Item 1. Financial Statements****IHS MARKIT LTD.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
**(In millions, except par value)**

	As of August 31, 2019 (Unaudited)	As of November 30, 2018 (Audited)
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 124.1	\$ 120.0
Accounts receivable, net	862.7	792.9
Income tax receivable	17.8	20.8
Deferred subscription costs	72.3	77.3
Other current assets	112.1	88.4
<b>Total current assets</b>	<b>1,189.0</b>	<b>1,099.4</b>
<b>Non-current assets:</b>		
Property and equipment, net	623.9	579.6
Intangible assets, net	4,181.6	4,484.8
Goodwill	9,805.2	9,836.0
Deferred income taxes	14.6	14.6
Other	89.3	47.9
<b>Total non-current assets</b>	<b>14,714.6</b>	<b>14,962.9</b>
<b>Total assets</b>	<b>\$ 15,903.6</b>	<b>\$ 16,062.3</b>
<b>Liabilities and equity</b>		
<b>Current liabilities:</b>		
Short-term debt	\$ 1.2	\$ 789.9
Accounts payable	27.2	63.8
Accrued compensation	167.0	214.1
Other accrued expenses	437.9	357.7
Income tax payable	133.5	8.0
Deferred revenue	896.5	886.8
<b>Total current liabilities</b>	<b>1,663.3</b>	<b>2,320.3</b>
Long-term debt, net	5,051.2	4,889.2
Accrued pension and postretirement liability	17.0	17.4
Deferred income taxes	770.5	699.9
Other liabilities	150.7	109.1
<b>Commitments and contingencies</b>		
Redeemable noncontrolling interests	15.9	5.9
<b>Shareholders' equity:</b>		
Common shares, \$0.01 par value, 3,000.0 authorized, 475.9 and 472.9 issued, and 401.0 and 397.1 outstanding at August 31, 2019 and November 30, 2018, respectively	4.8	4.7
Additional paid-in capital	7,745.6	7,680.4
Treasury shares, at cost: 74.9 and 75.8 at August 31, 2019 and November 30, 2018, respectively	(2,151.5)	(2,108.8)
Retained earnings	3,094.7	2,743.1
Accumulated other comprehensive loss	(458.6)	(298.9)
<b>Total shareholders' equity</b>	<b>8,235.0</b>	<b>8,020.5</b>
<b>Total liabilities and equity</b>	<b>\$ 15,903.6</b>	<b>\$ 16,062.3</b>

See accompanying notes.

**IHS MARKIT LTD.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
**(Unaudited)**  
**(In millions, except for per-share amounts)**

	Three months ended August 31,		Nine months ended August 31,	
	2019	2018	2019	2018
<b>Revenue</b>	\$ 1,112.3	\$ 1,001.0	\$ 3,294.2	\$ 2,941.4
<b>Operating expenses:</b>				
Cost of revenue	419.7	375.3	1,247.5	1,086.6
Selling, general and administrative	295.4	287.7	889.0	877.2
Depreciation and amortization	144.7	134.1	431.0	395.7
Restructuring charges	1.1	0.4	11.0	0.4
Acquisition-related costs	23.4	41.7	67.6	94.5
Other (income) expense, net	(114.8)	1.5	(108.4)	5.9
Total operating expenses	769.5	840.7	2,537.7	2,460.3
<b>Operating income</b>	342.8	160.3	756.5	481.1
Interest income	0.6	0.9	1.6	2.5
Interest expense	(63.2)	(56.7)	(195.9)	(158.3)
Net periodic pension and postretirement (expense) income	(0.2)	7.1	(0.7)	6.6
Non-operating expense, net	(62.8)	(48.7)	(195.0)	(149.2)
Income from continuing operations before income taxes and equity in loss of equity method investee	280.0	111.6	561.5	331.9
(Provision) benefit for income taxes	(240.6)	(7.9)	(263.9)	126.7
Equity in loss of equity method investee	(0.2)	(0.2)	(0.5)	(0.2)
<b>Net income</b>	39.2	103.5	297.1	458.4
Net loss attributable to noncontrolling interest	0.9	1.0	2.5	2.1
Net income attributable to IHS Markit Ltd.	\$ 40.1	\$ 104.5	\$ 299.6	\$ 460.5
Basic earnings per share attributable to IHS Markit Ltd.	\$ 0.10	\$ 0.26	\$ 0.75	\$ 1.17
Weighted average shares used in computing basic earnings per share	401.2	393.0	399.9	394.2
Diluted earnings per share attributable to IHS Markit Ltd.	\$ 0.10	\$ 0.26	\$ 0.73	\$ 1.13
Weighted average shares used in computing diluted earnings per share	410.9	405.1	409.4	406.8

See accompanying notes.

**IHS MARKIT LTD.**  
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**(Unaudited, in millions)**

	Three months ended August 31,		Nine months ended August 31,	
	2019	2018	2019	2018
Net income	\$ 39.2	\$ 103.5	\$ 297.1	\$ 458.4
Other comprehensive income (loss), net of tax:				
Net hedging activities <sup>(1)</sup>	(0.7)	0.9	(4.1)	6.7
Net pension liability adjustment <sup>(2)</sup>	—	0.6	—	0.6
Foreign currency translation adjustment	(115.6)	(78.5)	(155.6)	(137.0)
Total other comprehensive loss	(116.3)	(77.0)	(159.7)	(129.7)
Comprehensive (loss) income	\$ (77.1)	\$ 26.5	\$ 137.4	\$ 328.7
Comprehensive loss attributable to noncontrolling interest	0.9	1.0	2.5	2.1
Comprehensive (loss) income attributable to IHS Markit Ltd.	\$ (76.2)	\$ 27.5	\$ 139.9	\$ 330.8

<sup>(1)</sup> Net of tax benefit (expense) of \$0.1 million; \$(0.2) million; \$0.9 million, and \$(1.6) million for the three and nine months ended August 31, 2019 and 2018, respectively.

<sup>(2)</sup> Net of tax expense of \$0.2 million for the three and nine months ended August 31, 2018.

See accompanying notes.

**IHS MARKIT LTD.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited, in millions)

	Nine months ended August 31,	
	2019	2018
<b>Operating activities:</b>		
Net income	\$ 297.1	\$ 458.4
Reconciliation of net income to net cash provided by operating activities:		
Depreciation and amortization	431.0	395.7
Stock-based compensation expense	167.3	172.1
Gain on sale of assets	(113.0)	—
Net periodic pension and postretirement expense	0.7	(6.6)
Undistributed earnings of affiliates, net	0.2	—
Pension and postretirement contributions	(1.1)	(2.2)
Deferred income taxes	109.9	(203.2)
Change in assets and liabilities:		
Accounts receivable, net	(17.5)	27.9
Other current assets	(52.7)	(14.1)
Accounts payable	(14.5)	(13.3)
Accrued expenses	10.2	(10.4)
Income tax	106.6	34.0
Deferred revenue	39.0	33.4
Other liabilities	62.4	60.3
<b>Net cash provided by operating activities</b>	<b>1,025.6</b>	<b>932.0</b>
<b>Investing activities:</b>		
Capital expenditures on property and equipment	(199.9)	(168.5)
Acquisitions of businesses, net of cash acquired	(128.4)	(1,881.4)
Proceeds from sale of assets	159.2	—
Change in other assets	(9.3)	(7.4)
Settlements of forward contracts	(28.1)	(6.9)
<b>Net cash used in investing activities</b>	<b>(206.5)</b>	<b>(2,064.2)</b>
<b>Financing activities:</b>		
Proceeds from borrowings	1,984.9	4,599.9
Repayment of borrowings	(2,613.0)	(2,721.6)
Payment of debt issuance costs	(12.3)	(30.9)
Payments for purchase of noncontrolling interests	—	(7.7)
Proceeds from noncontrolling interests	12.5	—
Contingent consideration payments	(2.2)	(43.0)
Proceeds from the exercise of employee stock options	134.1	162.4
Payments related to tax withholding for stock-based compensation	(65.9)	(85.6)
Repurchases of common shares	(200.0)	(672.5)
<b>Net cash (used in) provided by financing activities</b>	<b>(761.9)</b>	<b>1,201.0</b>
Foreign exchange impact on cash balance	(53.1)	(48.2)
Net increase in cash and cash equivalents	4.1	20.6
Cash and cash equivalents at the beginning of the period	120.0	133.8
Cash and cash equivalents at the end of the period	<b>\$ 124.1</b>	<b>\$ 154.4</b>

See accompanying notes.

**IHS MARKIT LTD.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
(Unaudited, in millions)

	Common Shares		Additional Paid-In Capital	Treasury Shares	Retained Earnings	Accumulated Other Comprehensive Loss	Total Shareholders' Equity	Redeemable Noncontrolling Interests
	Shares Outstanding	Amount						
<b>Balance at November 30, 2017 (Audited)</b>	399.2	\$ 4.7	\$ 7,612.1	\$ (1,745.0)	\$ 2,217.6	\$ (85.0)	\$ 8,004.4	\$ 19.1
Repurchases of common shares	(3.9)			(172.5)			(172.5)	
Share-based award activity	2.1		(56.8)	28.2			(28.6)	
Option exercises	2.4		56.5				56.5	
Net income (loss)					241.3		241.3	(0.6)
Impact of the Tax Cuts and Jobs Act of 2017					5.9	(5.9)	—	
Purchase of noncontrolling interests							—	(10.1)
Other comprehensive income						61.2	61.2	
<b>Balance at February 28, 2018</b>	399.8	4.7	7,611.8	(1,889.3)	2,464.8	(29.7)	8,162.3	8.4
Repurchases of common shares	(10.3)			(500.0)			(500.0)	
Share-based award activity			(49.1)	100.1			51.0	
Option exercises	2.5		54.6				54.6	
Net income (loss)					114.7		114.7	(0.5)
Other comprehensive loss						(113.9)	(113.9)	
<b>Balance at May 31, 2018</b>	392.0	\$ 4.7	\$ 7,617.3	\$ (2,289.2)	\$ 2,579.5	\$ (143.6)	\$ 7,768.7	\$ 7.9
Repurchases of common shares								
Share-based award activity	0.2		(35.6)	78.5			42.9	
Option exercises	2.0		52.5				52.5	
Net income (loss)					104.5		104.5	(1.0)
Other comprehensive loss						(77.0)	(77.0)	
<b>Balance at August 31, 2018</b>	394.2	\$ 4.7	\$ 7,634.2	\$ (2,210.7)	\$ 2,684.0	\$ (220.6)	\$ 7,891.6	\$ 6.9

  

	Common Shares		Additional Paid-In Capital	Treasury Shares	Retained Earnings	Accumulated Other Comprehensive Loss	Total Shareholders' Equity	Redeemable Noncontrolling Interests
	Shares Outstanding	Amount						
<b>Balance at November 30, 2018 (Audited)</b>	397.1	\$ 4.7	\$ 7,680.4	\$ (2,108.8)	\$ 2,743.1	\$ (298.9)	\$ 8,020.5	\$ 5.9
Adjustment to opening retained earnings related to adoption of ASC Topic 606					56.0		56.0	
Share-based award activity	1.7	0.1	8.5	(18.0)	(2.4)		(11.8)	
Option exercises	0.9		23.7				23.7	
Net income (loss)					109.7		109.7	(0.7)
Issuance of noncontrolling interests							—	12.5
Other comprehensive income						134.2	134.2	
<b>Balance at February 28, 2019</b>	399.7	4.8	7,712.6	(2,126.8)	2,906.4	(164.7)	8,332.3	17.7
Share-based award activity	0.2		0.5	50.5	(1.4)		49.6	
Option exercises	1.2		32.3				32.3	
Net income (loss)					149.8		149.8	(0.9)
Other comprehensive loss						(177.6)	(177.6)	
<b>Balance at May 31, 2019</b>	401.1	\$ 4.8	\$ 7,745.4	\$ (2,076.3)	\$ 3,054.8	\$ (342.3)	\$ 8,386.4	\$ 16.8
Repurchases of common shares	(3.1)			(200.0)			(200.0)	
Share-based award activity			(79.3)	124.8	(0.2)		45.3	
Option exercises	3.0		79.5				79.5	
Net income (loss)					40.1		40.1	(0.9)
Other comprehensive loss						(116.3)	(116.3)	
<b>Balance at August 31, 2019</b>	401.0	\$ 4.8	\$ 7,745.6	\$ (2,151.5)	\$ 3,094.7	\$ (458.6)	\$ 8,235.0	\$ 15.9

See accompanying notes.

**IHS MARKIT LTD.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

**1. Basis of Presentation and Significant Accounting Policies**

The accompanying unaudited condensed consolidated financial statements of IHS Markit have been prepared on substantially the same basis as our annual consolidated financial statements and should be read in conjunction with our Annual Report on Form 10-K for the year ended November 30, 2018. In our opinion, these condensed consolidated financial statements reflect all adjustments necessary for a fair presentation of the financial position, results of operations, and cash flows for the periods presented, and such adjustments are of a normal, recurring nature.

Our business has seasonal aspects. Our first quarter generally has our lowest quarterly levels of revenue and profit. We also experience event-driven seasonality in our business; for instance, CERAWEEK, an annual energy conference, is typically held in the second quarter of each year. Another example is the biennial release of the Boiler Pressure Vessel Code ("BPVC") engineering standard, which generates revenue for us predominantly in the third quarter of every other year. The most recent BPVC release was in the third quarter of 2019.

**Revenue Recognition**

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-09, which establishes a comprehensive new revenue recognition model designed to depict the transfer of goods or services to a customer in an amount that reflects the consideration the entity expects to receive in exchange for those goods or services. In March, April, and May 2016, the FASB issued ASU 2016-08, ASU 2016-10, and ASU 2016-12, respectively, which provide further revenue recognition guidance related to principal versus agent considerations, performance obligations and licensing, and narrow-scope improvements and practical expedients. These standards have all been codified in the FASB's Accounting Standards Codification ("ASC") Topic 606, "Revenue from Contracts with Customers."

On December 1, 2018, we adopted ASC Topic 606 using the modified retrospective transition method applied to our customer revenue contracts as of the adoption date. Revenue results for periods beginning after December 1, 2018 are presented in accordance with ASC Topic 606, while prior year amounts continue to be reported in accordance with ASC Topic 605, "Revenue Recognition."

The following table shows the cumulative effect of the changes made to the December 1, 2018 consolidated balance sheet for the adoption of ASC Topic 606 related to contracts that were in effect at the time of adoption (in millions):

	November 30, 2018	Adjustments due to adoption of ASC Topic 606	December 1, 2018
Accounts receivable, net	\$ 792.9	\$ 29.8	\$ 822.7
Other current assets	88.4	4.2	92.6
Other non-current assets	47.9	9.5	57.4
Deferred revenue	886.8	(28.8)	858.0
Deferred income taxes	699.9	16.3	716.2
Retained earnings	2,743.1	56.0	2,799.1

The net cumulative effect adjustment to retained earnings was primarily related to (1) the change in accounting for the license rights associated with certain term-based software license arrangements, which were historically recognized over the term of the contract, but are now recognized at contract inception based on estimated stand-alone selling price, and (2) the change in accounting for commission costs incurred to obtain a portion of our contracts, which costs were historically expensed as incurred, but are now deferred at contract inception and recognized over the expected customer life.

For the three and nine months ended August 31, 2019, the adoption of ASC Topic 606 did not result in a material difference between what we reported under ASC Topic 606 and what we would have reported under ASC Topic 605.

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We disaggregate our revenue by segment (as described in Note 12) and by transaction type according to the following categories:

- *Recurring fixed revenue* represents revenue generated from contracts specifying a relatively fixed fee for services delivered over the life of the contract. The fixed fee is typically paid annually or more periodically in advance. These contracts typically consist of subscriptions to our various information offerings and software maintenance, which provide continuous access to our platforms and associated data over the contract term. The revenue is usually recognized ratably over the contract term or for term-based software license arrangements, annually on renewal. The initial term of these contracts is typically annual (with some longer-term arrangements) and non-cancellable for the term of the subscription and may contain provisions for minimum monthly payments.
- *Recurring variable revenue* represents revenue from contracts that specify a fee for services, which is typically not fixed. The variable fee is usually paid monthly in arrears. Recurring variable revenue is based on, among other factors, the number of trades processed, assets under management, or the number of positions we value, and revenue is recognized based on the specific factor used (e.g., for usage-based contracts, we recognize revenue in line with usage in the period). Many of these contracts do not have a maturity date, while the remainder have an initial term ranging from one to five years. Recurring variable revenue was derived entirely from the Financial Services segment for all periods presented.
- *Non-recurring revenue* represents consulting (e.g., research and analysis, modeling, and forecasting), services, single-document product sales, perpetual license sales and associated services, conferences and events, and advertising. Revenue for services and other non-recurring revenue is recognized upon completion of the associated performance obligation.

The following table presents our revenue by transaction type (in millions):

	Three months ended August 31,		Nine months ended August 31,	
	2019	2018	2019	2018
Recurring fixed revenue	\$ 799.9	\$ 717.7	\$ 2,352.3	\$ 2,099.1
Recurring variable revenue	144.4	124.8	425.4	367.8
Non-recurring revenue	168.0	158.5	516.5	474.5
Total revenue	\$ 1,112.3	\$ 1,001.0	\$ 3,294.2	\$ 2,941.4

Our customer contracts may include multiple performance obligations; for example, we typically sell software licenses with maintenance and other associated services. For these transactions, we recognize revenue based on the relative fair value to the customer of each performance obligation as each performance obligation is completed.

We record a receivable when a customer is billed or when revenue is recognized prior to billing a customer. Contract assets include unbilled amounts for multi-year customer contracts where payment is not yet due and where services have been provided up-front but have not yet been billed. Contract assets were approximately \$40.7 million as of August 31, 2019 and \$29.8 million as of December 1, 2018, and are recorded in accounts receivable, net, in the consolidated balance sheets.

Contract liabilities primarily include our obligations to transfer goods or services for which we have received consideration (or an amount of consideration is due) from the customer. As of August 31, 2019 and December 1, 2018, we had contract liabilities of \$896.5 million and \$858.0 million, respectively, which are recorded as deferred revenue in the consolidated balance sheets. The increase in contract liabilities from December 1, 2018 to August 31, 2019 was primarily due to billings of \$2,605.3 million that were paid in advance or due from customers, partially offset by \$2,557.6 million of revenue recognized for the nine months ended August 31, 2019 and a \$9.2 million net reduction in contract liabilities associated with the Agribusiness acquisition and the Technology, Media, & Telecom ("TMT") market intelligence assets divestiture, as described in Note 2.

We recognize an asset for the incremental costs of obtaining a contract with a customer if we expect the benefit of those costs to exceed one year. Certain sales commission programs are designed to promote the sale of products and services to new customers, and we therefore defer the incremental costs related to these programs over the expected customer life related to those products underlying the contracts. We record these expenses as selling, general and administrative expense within the consolidated statements of operations.

## **Recent Accounting Pronouncements**

In February 2016, the FASB issued ASU 2016-02, which requires that lease assets and lease liabilities be recognized on the balance sheet, and that key information about leasing arrangements be disclosed. In July 2018, the FASB issued ASU 2018-11, which provides targeted improvements to ASU 2016-02 by providing an additional optional transition method and a lessor practical expedient for lease and nonlease components. The standard will be effective for us in the first quarter of our fiscal year 2020, although early adoption is permitted. We have determined that we will adopt this standard using the modified retrospective approach and will use the transition relief package of practical expedients. We will not adopt the hindsight practical expedient in determining a lease term and impairment of the right-of-use assets at the adoption date. We are currently developing an inventory of leasing arrangements that will be subject to the new standard and are developing assumptions and processes to use at the transition date and on an ongoing basis. We are still evaluating the impact of this standard on our consolidated financial statements, but believe that the most significant impact of adoption will be the recognition of right-of-use assets and lease liabilities associated with our operating leases.

In June 2016, the FASB issued ASU No. 2016-13, which replaces the existing incurred loss impairment model with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. The standard will be effective for us in the first quarter of our fiscal year 2021. We do not expect that the adoption of this ASU will have a significant impact on our consolidated financial statements.

In January 2017, the FASB issued ASU 2017-04, which removes Step 2 from the goodwill impairment test. The standard will be effective for us in the first quarter of our fiscal 2021, although early adoption is permitted. We do not expect that the adoption of this ASU will have a significant impact on our consolidated financial statements.

In August 2018, the FASB issued ASU 2018-15, which addresses the accounting for implementation costs associated with a hosted service. The standard provides that implementation costs be evaluated for capitalization using the same criteria as that used for internal-use software development costs, with amortization expense being recorded in the same income statement expense line as the hosted service costs and over the expected term of the hosting arrangement. The standard will be effective for us in the first quarter of our fiscal 2021, although early adoption is permitted. The amendments will be applied either retrospectively or prospectively to all implementation costs incurred after the date of adoption. We do not expect that the adoption of this ASU will have a significant impact on our consolidated financial statements.

## **2. Business Combinations and Divestitures**

On June 30, 2019, we acquired the Agribusiness Intelligence group from Informa plc for approximately \$128 million. The acquisition of the Agribusiness Intelligence group helps strengthen our Resources core end-market by building on our existing data, pricing, insights, forecasting, and news services within our chemical and downstream product offerings, and expands our capability into fertilizers and chemical crop protection while expanding our capabilities in biofuels.

The purchase price allocation for this acquisition is preliminary and may change upon completion of the determination of fair value of assets acquired and liabilities assumed. The following table summarizes the preliminary purchase price allocation, net of acquired cash, for this acquisition (in millions):

	<b>Total</b>
<b>Assets:</b>	
Current assets	\$ 10.2
Property and equipment	0.6
Intangible assets	55.4
Goodwill	86.0
<b>Total assets</b>	<b>152.2</b>
<b>Liabilities:</b>	
Current liabilities	2.2
Deferred revenue	12.2
Deferred taxes	9.4
<b>Total liabilities</b>	<b>23.8</b>
Purchase price	<u>\$ 128.4</u>

On August 1, 2019, we sold the majority of our TMT market intelligence assets to Informa plc for approximately \$150 million. The TMT assets were previously included in our CMS segment. We recognized a gain of approximately \$112 million on the sale, which is recorded in other (income) expense, net. The transaction resulted in the divestiture of the following assets and liabilities (in millions):

Current assets	\$ 10.3
Property and equipment	\$ 0.9
Intangible assets	\$ 14.1
Goodwill	\$ 33.4
Current liabilities	\$ (0.8)
Deferred revenue	\$ (21.5)

In September 2019, we entered into a definitive agreement to sell our Aerospace & Defense business line to Montagu Private Equity for approximately \$470 million. Completion of the transaction is subject to customary closing conditions and regulatory filings and approvals.

### 3. Intangible Assets

The following table presents details of our intangible assets, other than goodwill, as of August 31, 2019 and November 30, 2018 (in millions):

	<b>As of August 31, 2019</b>			<b>As of November 30, 2018</b>		
	<b>Gross</b>	<b>Accumulated Amortization</b>	<b>Net</b>	<b>Gross</b>	<b>Accumulated Amortization</b>	<b>Net</b>
<b>Intangible assets subject to amortization:</b>						
Information databases	\$ 623.8	\$ (330.8)	\$ 293.0	\$ 671.0	\$ (329.6)	\$ 341.4
Customer relationships	3,427.9	(592.9)	2,835.0	3,458.8	(473.3)	2,985.5
Developed technology	923.4	(185.6)	737.8	928.8	(133.1)	795.7
Developed computer software	85.0	(69.7)	15.3	85.0	(63.0)	22.0
Trademarks	494.5	(194.0)	300.5	493.8	(153.6)	340.2
Other	1.1	(1.1)	—	1.1	(1.1)	—
<b>Total intangible assets</b>	<u>\$ 5,555.7</u>	<u>\$ (1,374.1)</u>	<u>\$ 4,181.6</u>	<u>\$ 5,638.5</u>	<u>\$ (1,153.7)</u>	<u>\$ 4,484.8</u>

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Intangible assets amortization expense was \$93.2 million and \$283.5 million for the three and nine months ended August 31, 2019, respectively, compared to \$89.1 million and \$266.7 million for the three and nine months ended August 31, 2018, respectively. The following table presents the estimated future amortization expense related to intangible assets held as of August 31, 2019 (in millions):

Year	Amount
Remainder of 2019	\$ 92.8
2020	\$ 368.6
2021	\$ 363.8
2022	\$ 345.3
2023	\$ 334.2
Thereafter	\$ 2,676.9

Goodwill, gross intangible assets, and net intangible assets are all subject to foreign currency translation effects. The change in net intangible assets from November 30, 2018 to August 31, 2019 was due to current year amortization, the addition of the Agribusiness intangible assets, and the sale of the TMT market intelligence intangible assets.

**4. Debt**

The following table summarizes total indebtedness, including unamortized premiums, as of August 31, 2019 and November 30, 2018 (in millions):

	August 31, 2019	November 30, 2018
2018 revolving facility	\$ 413.0	\$ 1,108.0
2018 term loan:		
Tranche A-1	—	574.0
Tranche A-2	—	481.3
364-day credit agreement	—	250.0
5.00% senior notes due 2022	750.0	750.0
4.125% senior notes due 2023	498.9	498.6
3.625% senior notes due 2024	398.9	—
4.75% senior notes due 2025	812.3	813.8
4.00% senior notes due 2026	500.0	500.0
4.75% senior notes due 2028	747.5	747.3
4.25% senior notes due 2029	974.8	—
Debt issuance costs	(50.0)	(51.2)
Capital leases	7.0	7.3
Total debt	\$ 5,052.4	\$ 5,679.1
Current portion	(1.2)	(789.9)
Total long-term debt	\$ 5,051.2	\$ 4,889.2

*2018 revolving facility.* On June 25, 2018, we entered into a \$2.0 billion senior unsecured revolving credit agreement (“2018 revolving facility”). Borrowings under the 2018 revolving facility mature in June 2023. The interest rates for borrowings under the 2018 revolving facility are the applicable LIBOR plus a spread of 1.00 percent to 1.75 percent, depending upon our credit rating. A commitment fee on any unused balance is payable periodically and ranges from 0.125 percent to 0.30 percent based upon our credit rating. The obligations under the 2018 revolving facility are not guaranteed by any of our subsidiaries. We had approximately \$1.2 million of outstanding letters of credit under the 2018 revolving facility as of August 31, 2019, which reduced the available borrowing under the facility by an equivalent amount.

Subject to certain conditions, the 2018 revolving facility may be expanded by up to an aggregate of \$1.0 billion in additional commitments. The 2018 revolving facility has certain financial and other covenants, including a maximum Leverage Ratio and a minimum Interest Coverage Ratio, which is defined as the ratio of Consolidated EBITDA to Consolidated Interest Expense, as such terms are defined in the agreement.

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*2018 term loan.* Coincident with entering into the 2018 revolving facility, we entered into a senior unsecured amortizing term loan agreement (“2018 term loan”). The 2018 term loan had a final maturity date of July 2021, but we repaid both tranches of the 2018 term loan in April 2019 using proceeds from our April 2019 debt offering and borrowings under the 2018 revolving facility. The obligations under the 2018 term loan were not guaranteed by any of our subsidiaries. The interest rates for borrowings under the 2018 term loan were the same as those under the 2018 revolving facility.

*364-Day Credit Agreement.* In June 2018, we entered into a 364-day credit agreement (the “364-Day Credit Agreement”) for a term loan credit facility in an aggregate principal amount of \$1.855 billion, which became available to be borrowed upon the satisfaction of certain conditions precedent, including the concurrent completion of our acquisition of Ipreo. On August 2, 2018, concurrent with the completion of our acquisition of Ipreo, we borrowed \$250.0 million under the 364-Day Credit Agreement. The unutilized balance of the commitment terminated upon completion of the acquisition. The interest rates for borrowings under the 364-Day Credit Agreement were the applicable LIBOR plus a spread of 1.00 percent to 1.75 percent, depending upon our credit rating. The spread over LIBOR was subject to a 0.25 percent step-up on the 180th day following the closing date of the agreement and a 0.50 percent step-up on the 270th day following the closing date. The obligations under the 364-Day Credit Agreement were not guaranteed by any of our subsidiaries. The 364-Day Credit Agreement had certain financial and other covenants that were consistent with the covenants contained in the 2018 revolving facility and the 2018 term loan, including a maximum Leverage Ratio and a minimum Interest Coverage Ratio, which was defined as the ratio of Consolidated EBITDA to Consolidated Interest Expense, as such terms were defined in the 364-Day Credit Agreement. On January 7, 2019, we repaid the 364-Day Credit Agreement using cash on hand and borrowings under the revolving credit facility.

As of August 31, 2019, we had approximately \$413 million of outstanding borrowings under the 2018 revolving facility at a current weighted average annual interest rate of 4.28 percent, including the effect of the interest rate swaps described in Note 5.

*2019 364-Day Credit Agreement.* In September 2019, we entered into a 364-day credit agreement (the “2019 364-Day Credit Agreement”) for a term loan credit facility in an aggregate principal amount of \$250.0 million. The interest rate for borrowing under the 2019 364-Day Credit Agreement is the applicable LIBOR plus a spread of 0.75 percent. The obligations under the 2019 364-Day Credit Agreement are not guaranteed by any of our subsidiaries. The 2019 364-Day Credit Agreement has certain financial and other covenants that are consistent with the covenants contained in the 2018 revolving facility, including a maximum Leverage Ratio and a minimum Interest Coverage Ratio, which is defined as the ratio of Consolidated EBITDA to Consolidated Interest Expense, as such terms were defined in the 2019 364-Day Credit Agreement.

*5.00% senior notes due 2022 (“5% Notes due 2022”).* In October 2014, IHS Inc. issued \$750 million aggregate principal amount of senior unsecured notes due 2022 in an offering not subject to the registration requirements of the Securities Act of 1933, as amended (the Securities Act). In August 2015, we completed a registered exchange offer for the 5% Notes due 2022. In July 2016, in connection with the merger between IHS and Markit, we completed an exchange offer for \$742.8 million of the outstanding 5% Notes due 2022 for an equal principal amount of new 5% senior unsecured notes issued by IHS Markit with the same maturity. Approximately \$7.2 million of the 5% Notes due 2022 did not participate in the exchange offer. The new 5% Notes due 2022 are not, and will not be, registered under the Securities Act or the securities laws of any other jurisdiction. The new 5% Notes due 2022 have been admitted to the official list of The International Stock Exchange in the Channel Islands.

The 5% Notes due 2022 bear interest at a fixed rate of 5.00 percent and mature on November 1, 2022. Interest on the 5% Notes due 2022 is due semiannually on May 1 and November 1 of each year. We may redeem the 5% Notes due 2022 in whole or in part at a redemption price equal to 100 percent of the principal amount of the notes plus the Applicable Premium, as defined in the indenture governing the 5% Notes due 2022. Additionally, at the option of the holders of the notes, we may be required to purchase all or a portion of the notes upon occurrence of a Change of Control Triggering Event as defined in the indenture, at a price equal to 101 percent of the principal amount thereof, plus accrued and unpaid interest to the date of purchase. The indenture contains covenants that limit our ability to, among other things, incur or create liens and enter into sale and leaseback transactions. In addition, the indenture contains a covenant that limits our ability to consolidate or merge with another entity or to sell all or substantially all of our assets to another entity. The indenture contains customary default provisions. In connection with the entry into the 2018 revolving facility and 2018 term loan, each guarantor of the 5% Notes due 2022 was released from its guarantees pursuant to the terms of the indenture under which such notes were issued. The fair value of the 5% Notes due 2022 as of August 31, 2019 was approximately \$800.4 million.

*4.125% senior notes due 2023 (“4.125% Notes due 2023”).* In July 2018, we issued \$500 million aggregate principal amount of senior unsecured notes due 2023 in a registered offering under the Securities Act. The 4.125% Notes due 2023 have been admitted for trading to the official list of The International Stock Exchange in the Channel Islands. The 4.125% Notes due

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2023 bear interest at a fixed rate of 4.125 percent and mature on August 1, 2023. Interest on the 4.125% Notes due 2023 is due semiannually on February 1 and August 1 of each year. The notes were issued at a discount which represented a price to the public of 99.707 percent of the principal amount. We may redeem the 4.125% Notes due 2023 in whole or in part at a redemption price equal to 100 percent of the principal amount of the notes plus the applicable premium, as defined in the indenture governing the 4.125% Notes due 2023. Additionally, at the option of the holders of the notes, we may be required to purchase all or a portion of the notes upon occurrence of a change of control triggering event as defined in the indenture, at a price equal to 101 percent of the principal amount thereof, plus accrued and unpaid interest to the date of purchase. The indenture contains covenants that limit our ability to, among other things, incur or create liens and enter into sale and leaseback transactions. In addition, the indenture contains a covenant that limits our ability to consolidate or merge with another entity or to sell all or substantially all of our assets to another entity. The indenture contains customary default provisions. The fair value of the 4.125% Notes due 2023 as of August 31, 2019 was approximately \$528.3 million.

*3.625% senior notes due 2024 ("3.625% Notes due 2024")*. In April 2019, we issued \$400 million aggregate principal amount of senior unsecured notes due 2024 in a registered offering under the Securities Act. The 3.625% Notes due 2024 have been admitted for trading to the official list of The International Stock Exchange in the Channel Islands. The 3.625% Notes due 2024 bear interest at a fixed rate of 3.625 percent and mature on May 1, 2024. Interest on the 3.625% Notes due 2024 is due semiannually on May 1 and November 1 of each year. The notes were issued at a discount which represented a price to the public of 99.686 percent of the principal amount. We may redeem the 3.625% Notes due 2024 in whole or in part at a redemption price equal to 100 percent of the principal amount of the notes plus the applicable premium, as defined in the indenture governing the 3.625% Notes due 2024. Additionally, at the option of the holders of the notes, we may be required to purchase all or a portion of the notes upon occurrence of a change of control triggering event as defined in the indenture, at a price equal to 101 percent of the principal amount thereof, plus accrued and unpaid interest to the date of purchase. The indenture contains covenants that limit our ability to, among other things, incur or create liens and enter into sale and leaseback transactions. In addition, the indenture contains a covenant that limits our ability to consolidate or merge with another entity or to sell all or substantially all of our assets to another entity. The indenture contains customary default provisions. The fair value of the 3.625% Notes due 2024 as of August 31, 2019 was approximately \$417.4 million.

*4.75% senior notes due 2025 ("4.75% Notes due 2025")*. In February 2017, we issued \$500 million aggregate principal amount of senior unsecured notes due 2025 in an offering not subject to the registration requirements of the Securities Act. In July 2017, we issued an additional \$300 million aggregate principal amount of the 4.75% Notes due 2025 at a \$16.5 million premium, resulting in an effective interest rate of 3.88 percent. The 4.75% Notes due 2025 have been admitted for trading to the official list of The International Stock Exchange in the Channel Islands. The 4.75% Notes due 2025 bear interest at a fixed rate of 4.75 percent and mature on February 15, 2025. Interest on the 4.75% Notes due 2025 is due semiannually on February 15 and August 15 of each year. We may redeem the 4.75% Notes due 2025 in whole or in part at a redemption price equal to 100 percent of the principal amount of the notes plus the Applicable Premium, as defined in the indenture governing the 4.75% Notes due 2025. Additionally, at the option of the holders of the notes, we may be required to purchase all or a portion of the notes upon occurrence of a Change of Control Triggering Event as defined in the indenture, at a price equal to 101 percent of the principal amount thereof, plus accrued and unpaid interest to the date of purchase. The indenture contains covenants that limit our ability to, among other things, incur or create liens and enter into sale and leaseback transactions. In addition, the indenture contains a covenant that limits our ability to consolidate or merge with another entity or to sell all or substantially all of our assets to another entity. The indenture contains customary default provisions. In connection with the entry into the 2018 revolving facility and 2018 term loan, each guarantor of the 4.75% Notes due 2025 was released from its guarantees pursuant to the terms of the indenture under which such notes were issued. The fair value of the 4.75% Notes due 2025 as of August 31, 2019 was approximately \$873.6 million.

*4.00% senior notes due 2026 ("4% Notes due 2026")*. In December 2017, we issued \$500 million aggregate principal amount of senior unsecured notes due 2026 in an offering not subject to the registration requirements of the Securities Act. The 4% Notes due 2026 have been admitted for trading to the official list of The International Stock Exchange in the Channel Islands. The 4% Notes due 2026 bear interest at a fixed rate of 4.00 percent and mature on March 1, 2026. Interest on the 4% Notes due 2026 is due semiannually on March 1 and September 1 of each year. We may redeem the 4% Notes due 2026 in whole or in part at a redemption price equal to 100 percent of the principal amount of the notes plus the applicable premium, as defined in the indenture governing the 4% Notes due 2026. Additionally, at the option of the holders of the notes, we may be required to purchase all or a portion of the notes upon occurrence of a change of control triggering event as defined in the indenture, at a price equal to 101 percent of the principal amount thereof, plus accrued and unpaid interest to the date of purchase. The indenture contains covenants that limit our ability to, among other things, incur or create liens and enter into sale and leaseback transactions. In addition, the indenture contains a covenant that limits our ability to consolidate or merge with another entity or to sell all or substantially all of our assets to another entity. The indenture contains customary default provisions. In connection with the entry into the 2018 revolving facility and 2018 term loan, each guarantor of the 4% Notes

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due 2026 was released from its guarantees pursuant to the terms of the indenture under which such notes were issued. The fair value of the 4% Notes due 2026 as of August 31, 2019 was approximately \$534.1 million.

*4.75% senior notes due 2028 ("4.75% Notes due 2028").* In July 2018, we issued \$750 million aggregate principal amount of senior unsecured notes due 2028 in a registered offering under the Securities Act. The 4.75% Notes due 2028 have been admitted for trading to the official list of The International Stock Exchange in the Channel Islands. The 4.75% Notes due 2028 bear interest at a fixed rate of 4.75 percent and mature on August 1, 2028. Interest on the 4.75% Notes due 2028 is due semiannually on February 1 and August 1 of each year. The 4.75% Notes due 2028 were issued at a discount, which represented a price to the public of 99.628% of the principal amount. We may redeem the 4.75% Notes due 2028 in whole or in part at a redemption price equal to 100 percent of the principal amount of the notes plus the applicable premium, as defined in the indenture governing the 4.75% Notes due 2028. Additionally, at the option of the holders of the notes, we may be required to purchase all or a portion of the notes upon occurrence of a change of control triggering event as defined in the indenture, at a price equal to 101 percent of the principal amount thereof, plus accrued and unpaid interest to the date of purchase. The indenture contains covenants that limit our ability to, among other things, incur or create liens and enter into sale and leaseback transactions. In addition, the indenture contains a covenant that limits our ability to consolidate or merge with another entity or to sell all or substantially all of our assets to another entity. The indenture contains customary default provisions. The fair value of the 4.75% Notes due 2028 as of August 31, 2019 was approximately \$850.2 million.

*4.25% senior notes due 2029 ("4.25% Notes due 2029").* In April 2019, we issued \$600 million aggregate principal amount of senior unsecured notes due 2029 in a registered offering under the Securities Act. The notes were issued at a discount, which represented a price to the public of 99.422 percent of the principal amount. In August 2019, we issued an additional \$350 million aggregate principal amount of the 4.25% Notes due 2029 at a \$28.1 million premium, resulting in an effective interest rate of 3.25 percent. The 4.25% Notes due 2029 have been admitted for trading to the official list of The International Stock Exchange in the Channel Islands. The 4.25% Notes due 2029 bear interest at a fixed rate of 4.25 percent and mature on May 1, 2029. Interest on the 4.25% Notes due 2029 is due semiannually on May 1 and November 1 of each year. We may redeem the 4.25% Notes due 2029 in whole or in part at a redemption price equal to 100 percent of the principal amount of the notes plus the applicable premium, as defined in the indenture governing the 4.25% Notes due 2029. Additionally, at the option of the holders of the notes, we may be required to purchase all or a portion of the notes upon occurrence of a change of control triggering event as defined in the indenture, at a price equal to 101 percent of the principal amount thereof, plus accrued and unpaid interest to the date of purchase. The indenture contains covenants that limit our ability to, among other things, incur or create liens and enter into sale and leaseback transactions. In addition, the indenture contains a covenant that limits our ability to consolidate or merge with another entity or to sell all or substantially all of our assets to another entity. The indenture contains customary default provisions. The fair value of the 4.25% Notes due 2029 as of August 31, 2019 was approximately \$1,034.5 million.

As of August 31, 2019, we were in compliance with all of our debt covenants. We have classified short-term debt based on scheduled loan payments and intended repayments on our revolving facility based on expected cash availability over the next 12 months.

The carrying values of our variable rate debt instruments approximate their fair value because of the variable interest rates associated with those instruments. The fair values of the senior notes were measured using observable inputs in markets that are not active; consequently, we have classified those notes within Level 2 of the fair value hierarchy.

## **5. Derivatives**

Our business is exposed to various market risks, including interest rate and foreign currency risks. We utilize derivative instruments to help us manage these risks. We do not hold or issue derivatives for speculative purposes.

### **Interest Rate Swaps**

To mitigate interest rate exposure on our outstanding revolving facility debt, we utilize interest rate derivative contracts that effectively swap \$400 million of floating rate debt at a 2.86 percent weighted-average fixed interest rate, plus the applicable spread on our floating rate debt. We entered into these swap contracts in November 2013 and January 2014, and the contracts expire between May and November 2020.

Because the terms of these swaps and the variable rate debt (as amended or extended over time) effectively coincide, we do not expect any ineffectiveness. We have designated and accounted for these instruments as cash flow hedges, with changes in fair value being deferred in AOCI in our consolidated balance sheets.

## Foreign Currency Forwards

To mitigate foreign currency exposure, we utilize short-term foreign currency forward contracts that manage market risks associated with fluctuations in balances that are denominated in currencies other than the local functional currency. We account for these forward contracts at fair value and recognize the associated realized and unrealized gains and losses in other (income) expense, net, since we have not designated these contracts as hedges for accounting purposes. The notional amount of these outstanding foreign currency forward contracts was \$623.0 million and \$500.1 million as of August 31, 2019 and November 30, 2018, respectively.

## Fair Value of Derivatives

Since our derivative instruments are not listed on an exchange, we have evaluated fair value by reference to similar transactions in active markets; consequently, we have classified all of our derivative instruments within Level 2 of the fair value measurement hierarchy. As of August 31, 2019 and November 30, 2018, we had assets of zero and \$0.2 million, respectively, which were classified within other current assets, and we had liabilities of \$6.8 million and \$1.6 million, respectively, which were classified within other accrued expenses and other liabilities.

## 6. Acquisition-related Costs

During the nine months ended August 31, 2019, we incurred approximately \$67.6 million in costs associated with acquisitions and divestitures, of which \$46.0 million was performance compensation expense related to the automotiveMastermind (“aM”) acquisition described below, and the remainder was associated with employee severance charges and retention costs, contract termination costs for facility consolidations, and legal and professional fees. Approximately \$3.5 million of the total charge was allocated to shared services, with \$47.0 million of the charge recorded in the Transportation segment, \$12.8 million in the Financial Services segment, and the remainder in the Resources and CMS segments.

In September 2017, we acquired aM, a leading provider of predictive analytics and marketing automation software for the automotive industry. We purchased approximately 78 percent of aM at that time. In exchange for the remaining 22 percent of aM, we issued equity interests in aM’s immediate parent holding company to aM’s founders and certain employees. We will pay cash to acquire these interests over the next five years based on put/call provisions that tie the valuation to underlying adjusted EBITDA performance of aM. Since the purchase of the remaining 22 percent of the business requires continued service of the founders and employees, we are accounting for the arrangement as compensation expense that will be remeasured based on changes in the fair value of the equity interests; we have classified this expense as acquisition-related costs within the consolidated statements of operations and we have classified the associated accrued liability as other accrued expenses and other liabilities within the consolidated balance sheets. We currently estimate a compensation expense range of approximately \$150 million to \$175 million, which is being recognized over a weighted-average recognition period of approximately 3.5 years.

The following table provides a reconciliation of the acquisition-related costs accrued liability, recorded in other accrued expenses and other liabilities, as of August 31, 2019 (in millions):

	Employee Severance and Other Termination Benefits	Contract Termination Costs	Other	Total
Balance at November 30, 2018	\$ 2.5	\$ 16.8	\$ 68.7	\$ 88.0
Add: Costs incurred	3.8	—	66.0	69.8
Revision to prior estimates	—	(0.2)	(2.0)	(2.2)
Less: Amount paid	(6.3)	(8.9)	(13.8)	(29.0)
Balance at August 31, 2019	\$ —	\$ 7.7	\$ 118.9	\$ 126.6

As of August 31, 2019, the \$126.6 million remaining liability was primarily in the Transportation segment, with the remainder primarily in the Financial Services and Resources segments. Approximately \$110.1 million of the remaining liability is associated with the aM acquisition-related performance compensation liability. We expect that the significant majority of the remaining liability will be paid within the next 12 months.

## 7. Stock-based Compensation

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Stock-based compensation expense for the three and nine months ended August 31, 2019 and August 31, 2018 was as follows (in millions):

	Three months ended August 31,		Nine months ended August 31,	
	2019	2018	2019	2018
Cost of revenue	\$ 15.6	\$ 15.2	\$ 48.5	\$ 49.9
Selling, general and administrative	38.4	37.3	118.8	122.2
Total stock-based compensation expense	\$ 54.0	\$ 52.5	\$ 167.3	\$ 172.1

No stock-based compensation cost was capitalized during the three and nine months ended August 31, 2019 and August 31, 2018.

As of August 31, 2019, there was \$233.9 million of unrecognized stock-based compensation cost, adjusted for estimated forfeitures, related to unvested stock-based awards that will be recognized over a weighted-average period of approximately 1.7 years. Total unrecognized stock-based compensation cost will be adjusted for future changes in estimated forfeitures and expected performance achievement.

*Restricted Stock Units (RSUs) and Restricted Stock Awards (RSAs).* The following table summarizes RSU/RSA activity, including awards with performance and market conditions, during the nine months ended August 31, 2019:

	Shares	Weighted-Average Grant Date Fair Value
	(in millions)	
Balance at November 30, 2018	8.8	\$ 41.77
Granted	3.1	\$ 52.98
Vested	(3.5)	\$ 38.44
Forfeited	(0.4)	\$ 47.50
Balance at August 31, 2019	8.0	\$ 47.36

The total fair value of RSUs and RSAs that vested during the nine months ended August 31, 2019 was \$183.0 million.

*Stock Options.* The following table summarizes stock option award activity during the nine months ended August 31, 2019, as well as stock options that are vested and expected to vest and stock options exercisable as of August 31, 2019:

	Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value
	(in millions)		(in years)	(in millions)
Balance at November 30, 2018	15.7	\$ 26.61		
Exercised	(5.2)	\$ 26.31		
Forfeited	—	\$ —		
Balance at August 31, 2019	10.5	\$ 26.76	1.1	408.6
Vested and expected to vest at August 31, 2019	10.5	\$ 26.76	1.1	408.4
Exercisable at August 31, 2019	10.0	\$ 26.67	1.0	390.3

The aggregate intrinsic value amounts in the table above represent the difference between the closing price of our common shares on August 31, 2019 and the exercise price, multiplied by the number of in-the-money stock options as of that date. This represents the value that would have been received by stock option holders if they had all exercised their stock options on August 31, 2019. In future periods, this amount will change depending on fluctuations in our share price. The total intrinsic value of stock options exercised during the nine months ended August 31, 2019 was approximately \$173.1 million.

## 8. Income Taxes

Our effective tax rate is estimated based upon the effective tax rate expected to be applicable for the full year.

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On June 14, 2019, the U.S. Treasury Department and the U.S. Internal Revenue Service released final temporary regulations related to the Tax Cuts and Jobs Act (“temporary tax regulations”) related to the foreign dividends received deduction and global intangible low-taxed income. The temporary tax regulations contained language that modified certain provisions of the Tax Cuts and Jobs Act and previously issued guidance. The temporary tax regulations are effective retroactively to our 2018 tax year and purport to cause certain intercompany transactions we engaged in during 2018 to produce taxable income as “subpart F income” for our U.S. subsidiary. We have recorded the impacts of the temporary tax regulations in our results for the three and nine months ended August 31, 2019. This resulted in an additional one-time net tax expense of approximately \$200 million. In the fourth quarter of 2019, we made filings which we expect will reduce a portion of this expense.

Our effective tax rate for the three and nine months ended August 31, 2019 was 86 percent and 47 percent, respectively, compared to 7 percent and negative 38 percent, respectively, for the three and nine months ended August 31, 2018. The high 2019 tax rates are primarily due to the additional one-time tax expense associated with U.S. tax reform described above, partially offset by excess tax benefits on stock-based compensation of approximately \$20 million and \$38 million, respectively. The low or negative 2018 tax rates were primarily due to tax benefits associated with U.S. tax reform of approximately \$136 million in the first quarter of 2018, and excess tax benefits on stock-based compensation of approximately \$9 million and \$40 million, respectively, for the three and nine months ended August 31, 2018.

## 9. Commitments and Contingencies

From time to time, in the ordinary course of our business, we are involved in various legal, regulatory or administrative proceedings, lawsuits, government investigations, and other claims, including employment, commercial, intellectual property, and environmental, safety, and health matters. In addition, we may receive routine requests for information from governmental agencies in connection with their regulatory or investigatory authority or from private third parties pursuant to valid court orders or subpoenas. We review such proceedings, lawsuits, investigations, claims, and requests for information and take appropriate action as necessary. At the present time, we can give no assurance as to the outcome of any such pending proceedings, lawsuits, investigations, claims, or requests for information and we are unable to determine the ultimate resolution of or provide a reasonable estimate of the range of possible loss attributable to these matters or the effect they may have on us. However, we do not expect the outcome of such proceedings, lawsuits, claims, or requests for information to have a material adverse effect on our results of operations or financial condition. We have defended and will continue to vigorously defend ourselves in all matters.

## 10. Common Shares and Earnings per Share

Weighted-average shares outstanding for the three and nine months ended August 31, 2019 and August 31, 2018 were calculated as follows (in millions):

	Three months ended August 31,		Nine months ended August 31,	
	2019	2018	2019	2018
Weighted-average shares outstanding:				
Shares used in basic EPS calculation	401.2	393.0	399.9	394.2
Effect of dilutive securities:				
RSUs/RSAs	2.9	3.1	2.5	3.3
Stock options	6.8	9.0	7.0	9.3
Shares used in diluted EPS calculation	410.9	405.1	409.4	406.8

### Share Repurchase Programs

Our Board of Directors has authorized a share repurchase program of up to \$3.25 billion of IHS Markit common shares through November 30, 2019, to be funded using our existing cash, cash equivalents, marketable securities and future cash flows, or through the incurrence of short- or long-term indebtedness, at management’s discretion. This repurchase program does not obligate us to repurchase any set dollar amount or number of shares and may be modified, suspended, or terminated at any time without prior notice. Under this program, we are authorized to repurchase our common shares on the open market from time to time, in privately negotiated transactions, or through accelerated share repurchase (“ASR”) agreements, subject to availability of common shares, price, market conditions, alternative uses of capital, and applicable regulatory requirements, at management’s discretion. As of August 31, 2019, we had \$806.9 million remaining available to repurchase under the program.

In August 2016, our Board of Directors separately and additionally authorized, subject to applicable regulatory requirements, the repurchase of our common shares surrendered by employees in an amount equal to the exercise price, if applicable, and statutory tax liability associated with the vesting of their equity awards, for which we pay the statutory tax on behalf of the employee and forgo receipt of the exercise price of the award from the employee, if applicable.

In July 2019, we entered into and funded a \$200 million ASR agreement with a scheduled termination date in August 2019. Upon funding of the ASR, we received an initial delivery of 2.478 million shares. At the completion of the ASR in August 2019, we received an additional 0.637 million shares.

In September 2019, we funded a \$300 million ASR agreement with a scheduled termination date in the fourth quarter of 2019. Upon funding of the ASR, we received an initial delivery of 3.658 million shares. The total number of shares ultimately to be repurchased under this ASR will generally be based on the daily volume-weighted average price of the shares during the calculation period for the ASR, less an agreed discount. At final settlement, we may be entitled to receive additional shares, or, under certain limited circumstances, be required to deliver shares to the relevant ASR counterparty.

*Employee Benefit Trust (EBT) Shares*

We have approximately 25.2 million outstanding common shares that are held by the Markit Group Holdings Limited Employee Benefit Trust. The trust is under our control using the variable interest entity model criteria; consequently, we have consolidated and classified the trust shares as treasury shares within our consolidated balance sheets.

## 11. Accumulated Other Comprehensive Income (Loss)

The following table summarizes the changes in AOCI by component (net of tax) for the three and nine months ended August 31, 2018 (in millions):

	Foreign currency translation	Net pension and OPEB liability	Unrealized losses on hedging activities	Total
<b>Balance at November 30, 2017</b>	\$ (68.1)	\$ (13.0)	\$ (3.9)	\$ (85.0)
Other comprehensive income before reclassifications	56.4	—	3.6	60.0
Reclassifications from AOCI to income	—	—	1.2	1.2
Reclassifications from AOCI to retained earnings	—	(1.7)	(4.2)	(5.9)
<b>Balance at February 28, 2018</b>	\$ (11.7)	\$ (14.7)	\$ (3.3)	\$ (29.7)
Other comprehensive (loss) income before reclassifications	(114.9)	—	0.2	(114.7)
Reclassifications from AOCI to income	—	—	0.8	0.8
<b>Balance at May 31, 2018</b>	\$ (126.6)	\$ (14.7)	\$ (2.3)	\$ (143.6)
Other comprehensive (loss) income before reclassifications	(78.5)	0.6	0.5	(77.4)
Reclassifications from AOCI to income	—	—	0.4	0.4
<b>Balance at August 31, 2018</b>	\$ (205.1)	\$ (14.1)	\$ (1.4)	\$ (220.6)

The following table summarizes the changes in AOCI by component (net of tax) for the three and nine months ended August 31, 2019 (in millions):

	Foreign currency translation	Net pension and OPEB liability	Unrealized losses on hedging activities	Total
<b>Balance at November 30, 2018</b>	\$ (288.5)	\$ (9.9)	\$ (0.5)	\$ (298.9)
Other comprehensive income (loss) before reclassifications	135.7	—	(1.7)	134.0
Reclassifications from AOCI to income	—	—	0.2	0.2
<b>Balance at February 28, 2019</b>	\$ (152.8)	\$ (9.9)	\$ (2.0)	\$ (164.7)
Other comprehensive loss	(175.7)	—	(1.9)	(177.6)
<b>Balance at May 31, 2019</b>	\$ (328.5)	\$ (9.9)	\$ (3.9)	\$ (342.3)
Other comprehensive loss	(115.6)	—	(1.0)	(116.6)
Reclassifications from AOCI to income	—	—	0.3	0.3
<b>Balance at August 31, 2019</b>	\$ (444.1)	\$ (9.9)	\$ (4.6)	\$ (458.6)

## 12. Segment Information

We prepare our financial reports and analyze our business results within our four operating segments: Resources, Transportation, CMS, and Financial Services. We evaluate revenue performance at the segment level and by transaction type. No single customer accounted for 10 percent or more of our total revenue for the three and nine months ended August 31, 2019 and August 31, 2018. There are no material inter-segment revenues for any period presented. Our shared services function includes corporate transactions that are not allocated to the reportable segments, including net periodic pension and postretirement expense, as well as certain corporate functions such as investor relations, procurement, corporate development, and portions of finance, legal, and marketing.

We evaluate segment operating performance at the Adjusted EBITDA level for each of our four segments. We define Adjusted EBITDA as net income before net interest, provision for income taxes, depreciation and amortization, stock-based compensation expense, restructuring charges, acquisition-related costs and performance compensation, exceptional litigation, net other gains and losses, pension mark-to-market and settlement expense, the impact of joint ventures and noncontrolling interests, and discontinued operations. Information about the operations of our four segments is set forth below (in millions).

	Three months ended August 31,		Nine months ended August 31,	
	2019	2018	2019	2018
<b>Revenue</b>				
Resources	\$ 230.0	\$ 211.5	\$ 696.2	\$ 653.8
Transportation	314.9	297.0	921.6	862.9
CMS	138.6	137.3	405.5	413.8
Financial Services	428.8	355.2	1,270.9	1,010.9
<b>Total revenue</b>	<b>\$ 1,112.3</b>	<b>\$ 1,001.0</b>	<b>\$ 3,294.2</b>	<b>\$ 2,941.4</b>
<b>Adjusted EBITDA</b>				
Resources	\$ 100.8	\$ 85.1	\$ 303.2	\$ 270.5
Transportation	134.2	128.1	385.1	362.5
CMS	31.1	30.3	89.8	92.0
Financial Services	199.1	156.3	587.9	457.5
Shared services	(12.3)	(9.3)	(40.0)	(34.6)
<b>Total Adjusted EBITDA</b>	<b>\$ 452.9</b>	<b>\$ 390.5</b>	<b>\$ 1,326.0</b>	<b>\$ 1,147.9</b>
<b>Reconciliation to the consolidated statements of operations:</b>				
Interest income	0.6	0.9	1.6	2.5
Interest expense	(63.2)	(56.7)	(195.9)	(158.3)
(Provision) benefit for income taxes	(240.6)	(7.9)	(263.9)	126.7
Depreciation	(51.5)	(45.0)	(147.5)	(129.0)
Amortization related to acquired intangible assets	(93.2)	(89.1)	(283.5)	(266.7)
Stock-based compensation expense	(54.0)	(52.5)	(167.3)	(172.1)
Restructuring charges	(1.1)	(0.4)	(11.0)	(0.4)
Acquisition-related costs	(8.1)	(30.2)	(21.6)	(57.4)
Acquisition-related performance compensation	(15.3)	(11.5)	(46.0)	(37.1)
Loss on debt extinguishment	—	(1.7)	(6.0)	(4.7)
Gain on sale of assets	113.0	—	113.0	—
Pension mark-to-market and settlement gain (expense)	—	7.3	—	7.3
Share of joint venture results not attributable to Adjusted EBITDA	(0.2)	(0.2)	(0.5)	(0.2)
Adjusted EBITDA attributable to noncontrolling interest	0.8	1.0	2.2	2.0
<b>Net income attributable to IHS Markit Ltd.</b>	<b>\$ 40.1</b>	<b>\$ 104.5</b>	<b>\$ 299.6</b>	<b>\$ 460.5</b>

**Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations**

The following Management’s Discussion and Analysis of Financial Condition and Results of Operations (“MD&A”) is intended to help the reader understand the financial condition and results of operations of IHS Markit Ltd. (“IHS Markit,” “we,” “us,” or “our”) as of and for the periods presented. The following discussion should be read in conjunction with our 2018 Annual Report on Form 10-K and the Condensed Consolidated Financial Statements and accompanying notes included in this Quarterly Report on Form 10-Q. References to 2019 are to our fiscal year 2019, which began on December 1, 2018 and ends on November 30, 2019.

**Executive Summary**

*Business Overview*

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We are a world leader in critical information, analytics, and solutions for the major industries and markets that drive economies worldwide. We deliver next-generation information, analytics, and solutions to customers in business, finance, and government, improving their operational efficiency and providing deep insights that lead to well-informed, confident decisions. We have more than 50,000 business and government customers, including 80 percent of the Fortune Global 500 and the world's leading financial institutions. Headquartered in London, we are committed to sustainable, profitable growth.

To best serve our customers, we are organized into the following four industry-focused segments:

- *Resources*, which includes our Energy and Chemicals product offerings;
- *Transportation*, which includes our Automotive; Maritime & Trade; and Aerospace, Defense & Security product offerings;
- *Consolidated Markets & Solutions*, which includes our Product Design; Economics & Country Risk ("ECR"), and our Technology, Media, & Telecom ("TMT") benchmarking product offerings; and
- *Financial Services*, which includes our financial Information, Processing, and Solutions product offerings, as well as our product offerings from Ipreo.

We believe that this sales and operating model helps our customers do business with us by providing a cohesive, consistent, and effective product, sales, and marketing approach by segment.

Our recurring fixed revenue and recurring variable revenue represented approximately 84 percent of our total revenue for the nine months ended August 31, 2019. Our recurring revenue is generally stable and predictable, and we have long-term relationships with many of our customers.

For 2019, we continue to focus our efforts on the following actions:

- *Increase in geographic, product, and customer penetration.* We believe that there are continued opportunities to add new customers and to increase the use of our products and services by existing customers. We plan to add new customers and build our relationships with existing customers by leveraging our existing sales channels, broad product portfolio, global footprint, and industry expertise to anticipate and respond to the changing demands of our end markets.
- *Introduce innovative offerings and enhancements.* In recent years, we have launched several new product offerings addressing a wide array of customer needs, and we expect to continue to innovate using our existing data sets and industry expertise, converting core information to higher value advanced analytics. Our investment priorities are primarily in energy, automotive, and financial services, and we intend to continue to invest across our business to increase our customer value proposition.
- *Balance capital allocation.* As part of our capital allocation focus for the majority of 2019, we have de-levered to our capital policy target leverage ratio of 2.0-3.0x. Over the long term, we expect to balance capital allocation between returning capital to shareholders (through share repurchases and dividends) and completing mergers and acquisitions, focused primarily on targeted transactions in our core end markets that will allow us to continue to build out our strategic position.

In June 2019, we acquired the Agribusiness Intelligence group from Informa plc for approximately \$128 million. We expect that the Agribusiness Intelligence group will strengthen our Resources core end-market by building on our existing data, pricing, insights, forecasting, and news services within our chemical and downstream product offerings, and will expand our capability into fertilizers and chemical crop protection while expanding our capabilities in biofuels.

In August 2019, we completed the sale to Informa of the majority of our TMT market intelligence assets for approximately \$150 million. In September 2019, we entered into a definitive agreement to sell our Aerospace & Defense business line to Montagu Private Equity for approximately \$470 million, subject to customary closing conditions and regulatory filings and approvals. We will continue to evaluate the long-term potential and strategic fit of our asset portfolio.

### ***Key Performance Indicators***

We believe that revenue growth, Adjusted EBITDA (both in dollars and margin), and free cash flow are key financial measures of our success. Adjusted EBITDA and free cash flow are financial measures that are not prepared in accordance with U.S. generally accepted accounting principles ("non-GAAP").

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*Revenue growth.* We review year-over-year revenue growth in our segments as a key measure of our success in addressing customer needs. We measure revenue growth in terms of organic, acquisitive, and foreign currency impacts. We define these components as follows:

- *Organic* – We define organic revenue growth as total revenue growth from continuing operations for all factors other than acquisitions and foreign currency movements. We drive this type of revenue growth through value realization (pricing), expanding wallet share of existing customers through up-selling and cross-selling efforts, securing new customer business, and through the sale of new or enhanced product offerings.
- *Acquisitive* – We define acquisitive revenue as the revenue generated from acquired products and services from the date of acquisition to the first anniversary date of that acquisition. This type of growth comes as a result of our strategy to purchase, integrate, and leverage the value of assets we acquire. We also include the impact of divestitures in this metric.
- *Foreign currency* – We define the foreign currency impact on revenue as the difference between current revenue at current exchange rates and current revenue at the corresponding prior period exchange rates. Due to the significance of revenue transacted in foreign currencies, we believe that it is important to measure the impact of foreign currency movements on revenue.

In addition to measuring and reporting revenue by segment, we also measure and report revenue by transaction type. Understanding revenue by transaction type helps us identify and address broad changes in product mix. We summarize our transaction type revenue into the following three categories:

- *Recurring fixed revenue* represents revenue generated from contracts specifying a relatively fixed fee for services delivered over the life of the contract. The fixed fee is typically paid annually or more periodically in advance. These contracts typically consist of subscriptions to our various information offerings and software maintenance, which provide continuous access to our platforms and associated data over the contract term. The revenue is usually recognized ratably over the contract term or for term-based software license arrangements, annually on renewal. The initial term of these contracts is typically annual and non-cancellable for the term of the subscription and may contain provisions for minimum monthly payments.
- *Recurring variable revenue* represents revenue from contracts that specify a fee for services, which is typically not fixed. The variable fee is usually paid monthly in arrears. Recurring variable revenue is based on, among other factors, the number of trades processed, assets under management, or the number of positions we value. Many of these contracts do not have a maturity date, while the remainder have an initial term ranging from one to five years. Recurring variable revenue was derived entirely from the Financial Services segment for all periods presented.
- *Non-recurring revenue* represents consulting (e.g., research and analysis, modeling, and forecasting), services, single-document product sales, perpetual license sales and associated services, conferences and events, and advertising. Our non-recurring products and services are an important part of our business because they complement our recurring business in creating strong and comprehensive customer relationships.

*Non-GAAP measures.* We use non-GAAP financial measures such as EBITDA, Adjusted EBITDA, and free cash flow in our operational and financial decision-making. We believe that such measures allow us to focus on what we deem to be more reliable indicators of ongoing operating performance (Adjusted EBITDA) and our ability to generate cash flow from operations (free cash flow). We also believe that investors may find these non-GAAP financial measures useful for the same reasons, although we caution readers that non-GAAP financial measures are not a substitute for U.S. GAAP financial measures or disclosures. None of these non-GAAP financial measures are recognized terms under U.S. GAAP and do not purport to be an alternative to net income or operating cash flow as an indicator of operating performance or any other U.S. GAAP measure. Throughout this MD&A, we provide reconciliations of these non-GAAP financial measures to the most directly comparable U.S. GAAP measures.

- *EBITDA and Adjusted EBITDA.* EBITDA and Adjusted EBITDA are used by many of our investors, research analysts, investment bankers, and lenders to assess our operating performance. For example, a measure similar to Adjusted EBITDA is required by the lenders under our revolving credit agreement. We define EBITDA as net income plus or minus net interest, plus provision for income taxes, depreciation, and amortization. Our definition of Adjusted EBITDA further excludes primarily non-cash items and other items that we do not consider to be useful in assessing our operating performance (e.g., stock-based compensation expense, restructuring charges, acquisition-related costs and performance compensation, exceptional litigation, net other gains and losses, pension

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mark-to-market and other adjustments, the impact of joint ventures and noncontrolling interests, and discontinued operations).

- *Free Cash Flow.* We define free cash flow as net cash provided by operating activities less capital expenditures.

Non-GAAP measures are frequently used by securities analysts, investors, and other interested parties in their evaluation of companies comparable to us, many of which present non-GAAP measures when reporting their results. These measures can be useful in evaluating our performance against our peer companies because we believe that the measures provide users with valuable insight into key components of U.S. GAAP financial disclosures. For example, a company with higher U.S. GAAP net income may not be as appealing to investors if its net income is more heavily comprised of gains on asset sales. Likewise, excluding the effects of interest income and expense moderates the impact of a company's capital structure on its performance. However, non-GAAP measures have limitations as an analytical tool. Because not all companies use identical calculations, our presentation of non-GAAP financial measures may not be comparable to other similarly titled measures of other companies. They are not presentations made in accordance with U.S. GAAP, are not measures of financial condition or liquidity, and should not be considered as an alternative to profit or loss for the period determined in accordance with U.S. GAAP or operating cash flows determined in accordance with U.S. GAAP. As a result, these performance measures should not be considered in isolation from, or as a substitute analysis for, results of operations as determined in accordance with U.S. GAAP.

### ***Global Operations***

Approximately 40 percent of our revenue is transacted outside of the United States; however, only about 20 percent of our revenue is transacted in currencies other than the U.S. dollar. As a result, a strengthening U.S. dollar relative to certain currencies has historically resulted in a negative impact on our revenue; conversely, a weakening U.S. dollar has historically resulted in a positive impact on our revenue. However, the impact on operating income is diminished due to certain operating expenses denominated in currencies other than the U.S. dollar. Our largest foreign currency exposures are the British Pound, Euro, Canadian Dollar, Singapore Dollar, and Indian Rupee.

### **Results of Operations**

#### ***Total Revenue***

Revenue for the three and nine months ended August 31, 2019, increased 11 percent and 12 percent, respectively, compared to the three and nine months ended August 31, 2018. The table below displays the percentage change in revenue due to organic, acquisitive, and foreign currency factors when comparing the three and nine months ended August 31, 2019 to the three and nine months ended August 31, 2018.

	Change in Total Revenue		
	Organic	Acquisitive	Foreign Currency
Third quarter 2019 vs. third quarter 2018	6%	6%	(1)%
Year-to-date 2019 vs. year-to-date 2018	6%	7%	(1)%

We saw solid organic revenue growth in our Transportation, Resources, and Financial Services segments for the three and nine months ended August 31, 2019, compared to the three and nine months ended August 31, 2018.

Acquisitive revenue growth for the three and nine months ended August 31, 2019, compared to the three and nine months ended August 31, 2018, was primarily due to the Ipreo acquisition in the third quarter of 2018, with lesser impacts from the Agribusiness Intelligence acquisition and the TMT divestiture.

Foreign currency had a negative effect on revenue growth for the three and nine months ended August 31, 2019, compared to the three and nine months ended August 31, 2018. Due to the extent of our global operations, foreign currency movements could continue to positively or negatively affect our results in the future.

**Revenue by Segment**

(In millions, except percentages)	Three months ended August 31,		Percentage Change	Nine months ended August 31,		Percentage Change
	2019	2018		2019	2018	
Revenue:						
Resources	\$ 230.0	\$ 211.5	9%	\$ 696.2	\$ 653.8	6 %
Transportation	314.9	297.0	6%	921.6	862.9	7 %
CMS	138.6	137.3	1%	405.5	413.8	(2)%
Financial Services	428.8	355.2	21%	1,270.9	1,010.9	26 %
Total revenue	\$ 1,112.3	\$ 1,001.0	11%	\$ 3,294.2	\$ 2,941.4	12 %

The percentage change in revenue for each segment was due to the factors described in the following table.

	Increase in revenue					
	Third quarter 2019 vs. third quarter 2018			Year-to-date 2019 vs. year-to-date 2018		
	Organic	Acquisitive	Foreign Currency	Organic	Acquisitive	Foreign Currency
Resources	6%	3 %	— %	6%	1 %	(1)%
Transportation	7%	— %	(1)%	8%	— %	(1)%
CMS	5%	(4)%	(1)%	—%	(1)%	(1)%
Financial Services	6%	16 %	(1)%	5%	22 %	(1)%

Resources revenue for the three and nine months ended August 31, 2019, compared to the three and nine months ended August 31, 2018, experienced positive organic revenue growth, with 5 percent recurring revenue growth for both the three and nine months ended August 31, 2019, and 15 percent and 13 percent non-recurring revenue growth, respectively, for the three and nine months ended August 31, 2019. Our Resources annual contract value (“ACV”), which represents the annualized value of recurring revenue contracts, grew at a 4 percent rate on a trailing annual basis, reflecting a stabilization of energy industry trends. Our nonrecurring revenue growth was led by continued strength in our software offerings and a successful CERAWEEK conference event in the second quarter of 2019.

Transportation revenue for the three and nine months ended August 31, 2019, compared to the three and nine months ended August 31, 2018, continued to experience strong organic growth, with 10 percent recurring revenue growth for both the three and nine months ended August 31, 2019, led by CARFAX’s used car listing and vehicle history report product offerings, automotive powertrain and compliance product offerings, and continued growth in automotiveMastermind revenue from additional automotive brands and ongoing product enhancements. Non-recurring organic revenue growth was flat and 3 percent, respectively, for the three and nine months ended August 31, 2019, reflecting lower recall and digital marketing revenues. Our automotive product offerings continue to provide the largest contribution to Transportation revenue growth, as our diversification in used and new car product offerings continues to provide balanced opportunities for growth.

CMS revenue for the three months ended August 31, 2019, compared to the three months ended August 31, 2018, increased 5 percent organically, which was primarily due to the current year BPVC release; after normalizing for BPVC, organic growth declined 1 percent for the comparative three-month periods. CMS organic revenue growth for the nine months ended August 31, 2019 was flat compared to the nine months ended August 31, 2018; after normalizing for BPVC, organic growth declined 1 percent for the comparative nine-month periods, primarily driven by the non-renewal of a contract in our TMT benchmarking product offerings.

Financial Services revenue for the three and nine months ended August 31, 2019, compared to the three and nine months ended August 31, 2018, increased organically primarily from strength in both our Information and Solutions product offerings. Within our Information product offerings, revenue growth was led by our core pricing, valuation, and index offerings, and within our Solutions product offerings, revenue growth was led by our enterprise data management and our corporate actions offerings. Within our Processing product offerings, organic revenue growth was flat due to reduced levels of primary loan issuance, offset by continued improvement in derivatives processing. The Ipreo acquisition in the third quarter of 2018 provided the acquisitive growth and one month of organic revenue growth, with a rebound in second- and third-quarter 2019 global capital markets activity providing sequentially stronger revenue in the second and third quarters of 2019, compared to the first quarter of 2019. Ipreo’s Private Capital Markets product offerings continued their strong double-digit growth performance, and Corporate Solutions product offerings have also performed well throughout 2019.

### Revenue by Transaction Type

(in millions, except percentages)	Three months ended August 31,		Percentage change		Nine months ended August 31,		Percentage change	
	2019	2018	Total	Organic	2019	2018	Total	Organic
<b>Revenue:</b>								
Recurring fixed	\$ 799.9	\$ 717.7	11%	7%	\$ 2,352.3	\$ 2,099.1	12%	6%
Recurring variable	144.4	124.8	16%	5%	425.4	367.8	16%	3%
Non-recurring	168.0	158.5	6%	4%	516.5	474.5	9%	7%
<b>Total revenue</b>	<b>\$ 1,112.3</b>	<b>\$ 1,001.0</b>	<b>11%</b>	<b>6%</b>	<b>\$ 3,294.2</b>	<b>\$ 2,941.4</b>	<b>12%</b>	<b>6%</b>

#### As a percent of total revenue:

Recurring fixed	72%	72%	71%	71%
Recurring variable	13%	12%	13%	13%
Non-recurring	15%	16%	16%	16%

Recurring fixed revenue organic growth increases of 7 percent and 6 percent for the three and nine months ended August 31, 2019, respectively, compared to the three and nine months ended August 31, 2018, were largely due to contributions from our Transportation, Financial Services, and Resources recurring offerings, and flat organic growth in CMS. Recurring variable revenue was composed entirely of Financial Services revenue.

The non-recurring organic revenue increases for the three and nine months ended August 31, 2019, compared to the three and nine months ended August 31, 2018, was primarily due to strength in Solutions product offerings within the Financial Services segment, with positive contributions also coming from the Resources segment for both periods and from the Transportation segment for the first and second quarters of 2019. Third quarter 2019 non-recurring organic revenue growth also benefited from \$8 million in sales of the most current BPVC engineering standard in the CMS segment, which was released in the third quarter of 2019.

### Operating Expenses

The following table shows our operating expenses and the associated percentages of revenue.

(In millions, except percentages)	Three months ended August 31,		Percentage Change	Nine months ended August 31,		Percentage Change
	2019	2018		2019	2018	
<b>Operating expenses:</b>						
Cost of revenue	\$ 419.7	\$ 375.3	12%	\$ 1,247.5	\$ 1,086.6	15%
SG&A expense	295.4	287.7	3%	889.0	877.2	1%
<b>Total cost of revenue and SG&amp;A expense</b>	<b>\$ 715.1</b>	<b>\$ 663.0</b>	<b>8%</b>	<b>\$ 2,136.5</b>	<b>\$ 1,963.8</b>	<b>9%</b>
Depreciation and amortization expense	\$ 144.7	\$ 134.1	8%	\$ 431.0	\$ 395.7	9%

#### As a percent of revenue:

Total cost of revenue and SG&A expense	64%	66%	65%	67%
Depreciation and amortization expense	13%	13%	13%	13%

### Cost of Revenue and SG&A Expense

In managing our business, we evaluate our costs by type (e.g., salaries and benefits, facilities, IT) rather than by income statement classification. The increases in absolute total cost of revenue and SG&A expense were primarily due to the Ipreo acquisition. As a percentage of revenue, total cost of revenue and SG&A expense declined primarily because of solid organic revenue growth in 2019, as well as ongoing cost management efforts.

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Within our cost of revenue and SG&A expense, stock-based compensation expense increased by approximately \$2 million and decreased \$5 million for the three and nine months ended August 31, 2019, respectively, compared to the three and nine months ended August 31, 2018.

#### ***Depreciation and Amortization Expense***

For the three and nine months ended August 31, 2019, compared to the three and nine months ended August 31, 2018, depreciation and amortization expense increased on an absolute basis primarily because of the Ipreo acquisition, but was flat on a percentage of revenue basis.

#### ***Acquisition-related Costs***

Please refer to Note 6 to the Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q for a discussion of costs associated with our integration and other acquisition-related activities. During the nine months ended August 31, 2019, we recorded approximately \$67.6 million of direct and incremental costs associated with acquisition and divestiture activities, primarily for performance compensation expense related to the aM acquisition (approximately \$46.0 million), but also including employee severance charges and retention costs, contract termination costs for facility consolidations, and legal and professional fees.

#### ***Segment Adjusted EBITDA***

(In millions, except percentages)	Three months ended August 31,		Percentage Change	Nine months ended August 31,		Percentage Change
	2019	2018		2019	2018	
<b>Adjusted EBITDA:</b>						
Resources	\$ 100.8	\$ 85.1	18%	\$ 303.2	\$ 270.5	12 %
Transportation	134.2	128.1	5%	385.1	362.5	6 %
CMS	31.1	30.3	3%	89.8	92.0	(2)%
Financial Services	199.1	156.3	27%	587.9	457.5	29 %
Shared services	(12.3)	(9.3)		(40.0)	(34.6)	
<b>Total Adjusted EBITDA</b>	<b>\$ 452.9</b>	<b>\$ 390.5</b>	<b>16%</b>	<b>\$ 1,326.0</b>	<b>\$ 1,147.9</b>	<b>16 %</b>

#### ***As a percent of segment revenue:***

Resources	44%	40%	44%	41%
Transportation	43%	43%	42%	42%
CMS	22%	22%	22%	22%
Financial Services	46%	44%	46%	45%

For the three and nine months ended August 31, 2019, compared to the three and nine months ended August 31, 2018, Adjusted EBITDA increased primarily due to the Ipreo acquisition and the leverage in our business model, as incremental revenue drives higher margins. We continue to focus our efforts on organic revenue growth, cost management, and the Ipreo integration to improve overall margins. The increases in Adjusted EBITDA for the Resources and Transportation segments were due to organic revenue growth within the respective segment, while the Financial Services segment Adjusted EBITDA continued to increase because of organic revenue growth and the contribution from the Ipreo acquisition.

As a percentage of revenue, total Adjusted EBITDA continued to improve due to margin expansion from revenue growth and continued integration and business leveraging efforts. Resources Adjusted EBITDA margins increased due to revenue growth, and Financial Services Adjusted EBITDA margin increased due to organic revenue growth, partially offset by the Ipreo acquisition.

#### ***Provision for Income Taxes***

Our effective tax rate is estimated based upon the effective tax rate expected to be applicable for the full year.

On June 14, 2019, the U.S. Treasury Department and the U.S. Internal Revenue Service released final temporary regulations related to the Tax Cuts and Jobs Act ("temporary tax regulations") related to the foreign dividends received

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deduction and global intangible low-taxed income. The temporary tax regulations contained language that modified certain provisions of the Tax Cuts and Jobs Act and previously issued guidance. The temporary tax regulations are effective retroactively to our 2018 tax year and purport to cause certain intercompany transactions we engaged in during 2018 to produce taxable income as “subpart F income” for our U.S. subsidiary. We have recorded the impacts of the temporary tax regulations in our results for the three and nine months ended August 31, 2019. This resulted in an additional one-time net tax expense of approximately \$200 million. In the fourth quarter of 2019, we made filings which we expect will reduce this expense by approximately \$50 million, to a one-time net tax expense of approximately \$150 million for 2019. We intend to follow the temporary tax regulations in filing our U.S. income tax returns for the 2018 tax year. However, we are continuing to monitor potential legal challenges to the validity of the temporary tax regulations and are not conceding that the temporary tax regulations were validly issued.

Our effective tax rate for the three and nine months ended August 31, 2019 was 86 percent and 47 percent, respectively, compared to 7 percent and negative 38 percent, respectively, for the three and nine months ended August 31, 2018. The high 2019 tax rates are primarily due to the additional one-time tax expense associated with U.S. tax reform described above, partially offset by excess tax benefits on stock-based compensation of approximately \$20 million and \$38 million, respectively. The low or negative 2018 tax rates were primarily due to tax benefits associated with U.S. tax reform of approximately \$136 million in the first quarter of 2018, and excess tax benefits on stock-based compensation of approximately \$9 million and \$40 million, respectively, for the three and nine months ended August 31, 2018.

**EBITDA and Adjusted EBITDA (non-GAAP measures)**

The following table provides reconciliations of our net income to EBITDA and Adjusted EBITDA for the three and nine months ended August 31, 2019 and August 31, 2018.

(In millions, except percentages)	Three months ended August 31,		Percentage Change	Nine months ended August 31,		Percentage Change
	2019	2018		2019	2018	
<b>Net income attributable to IHS Markit Ltd.</b>	\$ 40.1	\$ 104.5	(62)%	\$ 299.6	\$ 460.5	(35)%
Interest income	(0.6)	(0.9)		(1.6)	(2.5)	
Interest expense	63.2	56.7		195.9	158.3	
Provision (benefit) for income taxes	240.6	7.9		263.9	(126.7)	
Depreciation	51.5	45.0		147.5	129.0	
Amortization	93.2	89.1		283.5	266.7	
<b>EBITDA</b>	\$ 488.0	\$ 302.3	61 %	\$ 1,188.8	\$ 885.3	34 %
Stock-based compensation expense	54.0	52.5		167.3	172.1	
Restructuring charges	1.1	0.4		11.0	0.4	
Acquisition-related costs	8.1	30.2		21.6	57.4	
Acquisition-related performance compensation	15.3	11.5		46.0	37.1	
Loss on debt extinguishment	—	1.7		6.0	4.7	
Gain on sale of assets	(113.0)	—		(113.0)	—	
Pension mark-to-market and settlement (gain) expense	—	(7.3)		—	(7.3)	
Share of joint venture results not attributable to Adjusted EBITDA	0.2	0.2		0.5	0.2	
Adjusted EBITDA attributable to noncontrolling interest	(0.8)	(1.0)		(2.2)	(2.0)	
<b>Adjusted EBITDA</b>	\$ 452.9	\$ 390.5	16 %	\$ 1,326.0	\$ 1,147.9	16 %
<b>Adjusted EBITDA as a percentage of revenue</b>	40.7%	39.0%		40.3%	39.0%	

Our Adjusted EBITDA margin performance for the three and nine months ended August 31, 2019, compared to the three and nine months ended August 31, 2018, increased primarily because of margin flow-through on our organic revenue growth, as well as our continued cost management efforts. The increase was muted by lower Ipreo margins. We expect to continue to drive margin improvement through continued revenue growth, integration, and cost management activities.

**Financial Condition**

(In millions, except percentages)	As of August 31, 2019		As of November 30, 2018		Dollar change	Percentage change
Accounts receivable, net	\$	862.7	\$	792.9	\$ 69.8	9 %
Accrued compensation	\$	167.0	\$	214.1	\$ (47.1)	(22)%
Deferred revenue	\$	896.5	\$	886.8	\$ 9.7	1 %

The increase in accounts receivable was due to increased billing activity in 2019 and the impacts of the adoption of ASC Topic 606. Accrued compensation decreased primarily due to the 2018 bonus payout made in the first quarter of 2019, partially offset by the current year accrual. The increase in deferred revenue was due to increased billings in 2019, partially offset by the transition adjustment to ASC Topic 606 and the net decrease associated with the Agribusiness and TMT market intelligence transactions.

**Liquidity and Capital Resources**

As of August 31, 2019, we had cash and cash equivalents of \$124 million. Our principal sources of liquidity include cash generated by operating activities, cash and cash equivalents on the balance sheet, and amounts available under a revolving credit facility. We had approximately \$5.05 billion of debt as of August 31, 2019, consisting primarily of \$413 million of revolving facility debt and \$4.68 billion of senior notes. As of August 31, 2019, we had approximately \$1.59 billion available under our revolving credit facility.

In January 2019, we repaid the 364-Day Credit Agreement using cash on hand and borrowings under the revolving credit facility. In April 2019, we issued \$1.0 billion of senior notes and used the proceeds, along with minor additional borrowings under the 2018 revolving facility, to repay all of our term loan debt. In August 2019, we issued an additional \$350 million of senior notes and used the proceeds to repay borrowings under the 2018 revolving facility, in-line with our goal of terming out our capital structure. In September 2019, we entered into a 364-day credit agreement for a term loan credit facility in an aggregate principal amount of \$250 million and used the proceeds to repay borrowings under the 2018 revolving facility.

Our interest expense for the three and nine months ended August 31, 2019, compared to the three and nine months ended August 31, 2018, increased primarily because of a higher average debt balance due to the Ipreo acquisition, as well as a higher effective interest rate due to an increased amount of longer term fixed-rate debt.

Our Board of Directors has authorized a share repurchase program of up to \$3.25 billion of IHS Markit common shares through November 30, 2019, to be funded using our existing cash, cash equivalents, marketable securities and future cash flows, or through the incurrence of short- or long-term indebtedness, at management's discretion. This repurchase program does not obligate us to repurchase any set dollar amount or number of shares and may be modified, suspended, or terminated at any time without prior notice. Under this program, we are authorized to repurchase our common shares on the open market from time to time, in privately negotiated transactions, or through accelerated share repurchase ("ASR") agreements, subject to availability of common shares, price, market conditions, alternative uses of capital, and applicable regulatory requirements, at management's discretion. As of August 31, 2019, we had repurchased approximately \$2.44 billion under this authorization; in September 2019, we entered into an ASR to repurchase another \$300 million under this authorization.

Our Board of Directors has separately authorized, subject to applicable regulatory requirements, the repurchase of our common shares surrendered by employees in an amount equal to the exercise price, if applicable, and statutory tax liability associated with the vesting of their equity awards, for which we pay the statutory tax on behalf of the employee and forgo receipt of the exercise price of the award from the employee, if applicable. Such repurchases have been authorized in addition to the share repurchase program described above.

Based on our cash, debt, and cash flow positions, we believe that we will have sufficient liquidity to meet our ongoing working capital and capital expenditure needs. Our future capital requirements will depend on many factors, including the number and magnitude of future acquisitions, amount of share repurchases and dividends, the need for additional facilities or facility improvements, the timing and extent of spending to support product development efforts, information technology infrastructure investments, investments in our internal business applications, and the continued market acceptance of our offerings. We could be required, or could elect, to seek additional funding through public or private equity or debt financings; however, additional funds may not be available on terms acceptable to us.

[Table of Contents](#)**Cash Flows**

(In millions, except percentages)	Nine months ended August 31,			
	2019	2018	Dollar change	Percentage change
Net cash provided by operating activities	\$ 1,025.6	\$ 932.0	\$ 93.6	10 %
Net cash used in investing activities	\$ (206.5)	\$ (2,064.2)	\$ 1,857.7	(90)%
Net cash (used in) provided by financing activities	\$ (761.9)	\$ 1,201.0	\$ (1,962.9)	(163)%

The increase in net cash provided by operating activities was primarily due to improved operating performance and working capital activities, partially offset by higher bonus payments and higher interest payments in the nine months ended August 31, 2019.

The decrease in net cash used in investing activities was primarily due to net cash inflow from acquisition and divestiture activity in 2019 compared to cash outflow for the purchase of Ipreo in 2018.

The change in net cash related to financing activities is primarily due to our efforts to de-lever the company in 2019 following the acquisition of Ipreo in the third quarter of 2018 by reducing debt balances, compared to 2018, when our financing cash inflows were primarily used to fund the Ipreo acquisition.

**Free Cash Flow (non-GAAP measure)**

The following table reconciles our non-GAAP free cash flow measure to net cash provided by operating activities.

(In millions, except percentages)	Nine months ended August 31,			
	2019	2018	Dollar change	Percentage change
Net cash provided by operating activities	\$ 1,025.6	\$ 932.0		
Capital expenditures on property and equipment	(199.9)	(168.5)		
Free cash flow	\$ 825.7	\$ 763.5	\$ 62.2	8%

The increase in free cash flow was primarily due to higher net cash provided by operating activities through continuing operational improvements, partially offset by higher capital expenditure activity. Our free cash flow has historically been positive due to the robust cash generation attributes of our business model, and we expect that it will continue to be a significant source of funding for our business strategy of growth through organic and acquisitive means.

**Credit Facility and Other Debt**

Please refer to Note 4 to the Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q for a discussion of the current status of our debt arrangements.

**Share Repurchase Programs**

Please refer to Note 10 to the Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q and to Part II, Item 2 in this Quarterly Report on Form 10-Q for a discussion of our share repurchase programs.

**Off-Balance Sheet Transactions**

We have no off-balance sheet transactions.

**Critical Accounting Policies**

Our management makes a number of significant estimates, assumptions and judgments in the preparation of our financial statements. See “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Estimates” in our 2018 Annual Report on Form 10-K for a discussion of the estimates and judgments necessary in our accounting for revenue recognition, business combinations, goodwill and other intangible assets, income taxes, pensions, and stock-based compensation.

## Recent Accounting Pronouncements

Please refer to Note 1 to the Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q for a discussion of recent accounting pronouncements and their anticipated effect on our business.

## Item 3. Quantitative and Qualitative Disclosures About Market Risk

For information regarding our exposure to certain market risks, see “Item 7A. Quantitative and Qualitative Disclosures About Market Risk,” in our 2018 Annual Report on Form 10-K.

Borrowings under the 2018 revolving facility are subject to variable interest rates. We use interest rate swaps in order to fix a portion of our variable rate debt as part of our overall interest rate risk management strategy. As of August 31, 2019, we had approximately \$413 million of floating-rate debt at a 3.57 percent weighted-average interest rate, of which \$400 million was subject to effective floating-to-fixed interest rate swaps. A hypothetical increase in interest rates of 100 basis points applied to our floating rate indebtedness would increase our annual interest expense by approximately \$0.1 million (\$4.1 million without giving effect to any of our interest rate swaps).

## Item 4. Controls and Procedures

### *(a) Evaluation of disclosure controls and procedures.*

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we have evaluated the effectiveness of our disclosure controls and procedures pursuant to Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act, as of the end of the period covered by this report. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act are effective at a reasonable assurance level to ensure that information required to be disclosed in the reports required to be filed or submitted under the Securities Exchange Act is (i) recorded, processed, summarized, and reported within the time periods specified in the SEC’s rules and forms, and (ii) accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

### *(b) Changes in internal control over financial reporting.*

There were no changes in our internal control over financial reporting that occurred during the period covered by this Quarterly Report on Form 10-Q 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

Please refer to Note 9 to the Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q for information about legal proceedings.

### Item 1A. Risk Factors

There have been no material changes to the risk factors associated with our business previously disclosed in “Item 1A. Risk Factors,” in our 2018 Annual Report on Form 10-K and in our Quarterly Report on Form 10-Q for the period ended May 31, 2019, except as set forth below. The risk factor set forth below updates, and should be read together with, the risk factors disclosed in “Item 1A. Risk Factors,” in our 2018 Annual Report on Form 10-K and in our Quarterly Report on Form 10-Q for the period ended May 31, 2019.

### ***Legal, political, and economic uncertainty surrounding the planned exit of the United Kingdom from the European Union are a source of instability and uncertainty.***

The United Kingdom (“U.K.”) held a referendum on June 23, 2016 to determine whether the U.K. should leave the European Union (“E.U.”), or remain as a member state, the outcome of which was in favor of leaving the E.U., which is commonly referred to as “Brexit.” Under Article 50 of the 2009 Lisbon Treaty, the U.K. will cease to be a member state when a withdrawal agreement is entered into (such agreement will also require approval of the European Parliament) or, failing that,

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two years following the notification of an intention to leave under Article 50, unless the European Council (together with the U.K.) unanimously decides to extend this period. On March 29, 2017, the U.K. formally notified the European Council of its intention to leave the E.U. In March 2019, the European Council and the U.K. agreed to extend the deadline by which they must agree to a withdrawal agreement to May 22, 2019, and a further extension to October 31, 2019 was agreed in April 2019. There has been limited progress so far in the negotiations and continued uncertainty in the U.K. government which increases the possibility of the U.K. exiting the E.U. on October 31, 2019 without a formal withdrawal agreement in place and of significant market and economic disruption as a result. It is unclear whether they will successfully reach an agreement prior to that date. Regardless of the outcome of the process, Brexit will continue to involve a process of lengthy negotiations between the U.K. and E.U. member states to determine the future terms of the U.K.'s relationship with the E.U. We are headquartered and tax domiciled in the U.K. and conduct business throughout the E.U. primarily through our U.K. subsidiaries. The long-term effects of Brexit will depend on any agreements (or lack thereof) between the U.K. and the E.U. and, in particular, any arrangements for the U.K. to retain access to E.U. markets either during a transitional period or more permanently. Depending on the final terms of Brexit, we could face new regulatory costs and challenges. For instance, the U.K. could lose access to the E.U. single market and to E.U. trade deals negotiated with other jurisdictions. We may, therefore, be required to move certain operations to other E.U. member states to maintain such access. A decline in trade could affect the attractiveness of the U.K. as a global investment center and have a detrimental impact on U.K. growth. Although we have an international customer base, we could be adversely affected by reduced growth and greater currency and economic volatility in the U.K. Changes to U.K. immigration policy related to Brexit could also affect our business. Although the U.K. would likely retain its diverse pool of talent, London's role as a global financial center may decline, particularly if financial institutions shift their operations to the E.U. as the U.K. loses the E.U. financial services passport. Any adjustments we make to our business and operations as a result of Brexit could result in significant time and expense to complete. Any of the foregoing factors could have a material adverse effect on our business, results of operations, or financial condition.

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds**

The following table provides detail about our share repurchases during the three months ended August 31, 2019.

	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs (in millions)
<b>June 1 - June 30, 2019:</b>				
Employee transactions <sup>(2)</sup>	897	\$ 59.32	N/A	N/A
<b>July 1 - July 31, 2019:</b>				
Employee transactions <sup>(2)</sup>	42,672	\$ 64.62	N/A	N/A
Accelerated share repurchase program <sup>(1)(3)</sup>	2,477,547	64.21	2,477,547	806.9
<b>August 1 - August 31, 2019:</b>				
Employee transactions <sup>(2)</sup>	5,362	\$ 63.65	N/A	N/A
Accelerated share repurchase program <sup>(3)</sup>	637,208	\$ 64.21	637,208	806.9
<b>Total share repurchases</b>	<b>3,163,686</b>	<b>\$ 64.21</b>	<b>3,114,755</b>	

For the third quarter of 2019, we repurchased approximately \$203 million of common shares, including \$200 million in open market share repurchases (described in notes (1) and (3) below), and approximately \$3 million in employee transactions (described in note (2) below).

<sup>(1)</sup> In August 2016, our Board of Directors authorized a share repurchase program of up to \$1.5 billion of IHS Markit common shares from September 29, 2016 through November 30, 2017, to be funded using our existing cash, cash equivalents, marketable securities and future cash flows, or through the incurrence of short- or long-term indebtedness, at management's discretion. In January 2017, our Board of Directors increased the size of the program to up to \$2.25 billion of IHS Markit common shares and extended the program's termination date to May 31, 2018. In October 2017, our Board of Directors increased the size of the program to up to \$3.25 billion of IHS Markit common shares and extended the program's termination date to November 30, 2019. This current repurchase program does not obligate us to repurchase any set dollar amount or number of shares and may be modified, suspended, or terminated at any time without prior notice. Under this program, we are authorized to repurchase our common shares on the open market from time to time, in privately negotiated transactions, or through accelerated share repurchase agreements, subject to availability of common shares, price, market conditions, alternative uses of capital, and applicable regulatory requirements, at management's discretion.

<sup>(2)</sup> Amounts represent common shares repurchased from employees in an amount equal to the statutory tax liability associated with the vesting of their equity awards. We then pay the statutory tax on behalf of the employee. Our Board of Directors has approved this program in an effort to reduce the dilutive effects of employee equity grants. This program is separate and additional to the repurchase program described in note (1).

<sup>(3)</sup> In July 2019, we funded a \$200 million accelerated share repurchase (ASR) agreement with a scheduled termination date in the third quarter of 2019. Upon funding of the ASR, we received an initial delivery of 2.478 million shares. At the completion of the ASR in August 2019, we received an additional 0.637 million shares. The average price paid per share presented above reflects the average price for the 3.115 million total shares repurchased through the ASR.

**Item 5. Other Information*****Iran Threat Reduction and Syria Human Rights Act Disclosure***

Under the Iran Threat Reduction and Syrian Human Rights Act of 2012, which added Section 13(r) of the Securities Exchange Act, we are required to include certain disclosures in our periodic reports if we or any of our affiliates knowingly engaged in certain specified activities during the period covered by the report. Disclosure is generally required even if the transactions or dealings were conducted in compliance with applicable law and regulations. During the third quarter of 2014, we acquired Global Trade Information Services, a Virginia corporation (“GTIS”). GTIS publishes the Global Trade Atlas (the “GTA”), an online trade data system offering global merchandise trade statistics such as import and export data from official sources in more than 90 countries. Included in the GTA is certain trade data sourced from Iran for which GTIS pays an annual fee of approximately \$40,000. The procurement of this information is exempt from applicable economic sanctions laws and regulations as a funds transfer related to the exportation or importation of information and informational materials. Sales attributable to this Iranian trade data represented approximately \$50,000 in gross revenue for GTIS in the third quarter of 2019 and would have represented approximately 0.01 percent of our third quarter 2019 consolidated revenues and approximately 0.01 percent of our third quarter 2019 gross profits. Subject to any changes in the exempt status of such activities, we intend to continue these business activities as permissible under applicable export control and economic sanctions laws and regulations.

**Item 6. Exhibits**

## (a) Index of Exhibits

<b>Exhibit Number</b>	<b>Description</b>
4.1	<a href="#">Base Indenture, dated as of July 23, 2018, between the Company and Wells Fargo Bank, National Association, as trustee</a> (Incorporated by reference to Exhibit 4.1 of the IHS Markit Ltd. Current Report on Form 8-K (file no. 001-36495) filed on July 23, 2018)
4.2	<a href="#">Fourth Supplemental Indenture, dated as of April 8, 2019, between the Company and Wells Fargo Bank, National Association, as trustee</a> (Incorporated by reference to Exhibit 4.4 of the IHS Markit Ltd. Current Report on Form 8-K (file no. 001-36495) filed on April 8, 2019)
4.3	<a href="#">Form of 4.250% Senior Note due 2029</a> (included in Exhibit 4.2)
10.1+*	<a href="#">Non-Employee Director Equity Compensation Policy (Effective December 1, 2019)</a>
10.2+*	<a href="#">Summary of 2020 Non-Employee Director Compensation Program (Effective December 1, 2019)</a>
10.3+*	<a href="#">Executive Retirement Policy</a>
10.4	<a href="#">Credit Agreement, dated as of September 13, 2019, by and among IHS Markit Ltd., as the Borrower, the lenders party thereto and PNC Bank, National Association, as Administrative Agent and certain lenders party thereto</a> (Incorporated by reference to Exhibit 10.1 of the IHS Markit Ltd. Current Report on Form 8-K (file no. 001-36495) filed on September 19, 2019)
31.1*	<a href="#">Certification of the Chief Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) of the Securities Exchange Act</a>
31.2*	<a href="#">Certification of the Chief Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) of the Securities Exchange Act</a>
32*	<a href="#">Certification of the Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>
101.INS	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	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
104	The cover page from this Quarterly Report on Form 10-Q, formatted as Inline XBRL

\* Filed herewith.

+ Compensatory plan or arrangement.



## IHS Markit Ltd.

## Non-Employee Director Equity Compensation Policy

**1. Purpose of this Policy.**

The Non-Employee Director Equity Compensation Policy (as amended from time to time, this "**Policy**") is established pursuant to Section 4.6 of the IHS Markit Ltd. 2014 Equity Incentive Award Plan (as amended from time to time, the "**Plan**"). Awards under this Policy shall be granted in accordance with the Plan, including Section 4.6 thereof, and shall constitute Non-Employee Director Awards. Unless defined in this Policy, capitalized terms shall have the same meanings ascribed to them in the Plan.

**2. Effective Date; Eligibility.**

- (a) This Policy is effective as of December 1, 2019.
- (b) Only Non-Employee Directors shall be eligible to participate in this Policy.

**3. Awards and Cash Retainers.**

- (a) On the date of each annual general meeting of the Company's shareholders ("**Annual Meeting of Shareholders**"), beginning with the 2020 Annual Meeting of Shareholders, each Non-Employee Director shall receive an Award consisting of Restricted Share Units ("**RSUs**"), the value of which is set by the Board, or the Nominating and Governance Committee of the Board (the "**NGC**") or such other duly authorized committee of the Board, from time to time. The receipt of RSUs may be deferred until after termination of service in accordance with Section 4(a). On a date other than the Annual Meeting of Shareholders, the Board, the NGC or such other designated committee of the Board, may authorize the grant of an Award consisting of RSUs, the value of which is set by the Board, the NGC or such other designated committee of the Board.
  - (b) Each Non-Employee Director shall receive an annual cash retainer and applicable Committee Chair cash retainers, the value and timing of payment of which is set by the Board, or its designated committee, from time to time, (collectively "**Cash Retainers**"). Cash Retainers are payable in arrears on a quarterly calendar basis in equal installments, and Cash Retainers shall be prorated for any partial period of service, based upon the number of days of service as a Non-Employee Director during a given quarter. Cash Retainers may be converted into Deferred Share Units ("**DSUs**") in accordance with Section 4(b).
  - (c) Subject to prior approval of the NGC, any Non-Employee Director may waive in writing any entitlement to any or all RSUs, DSUs and Cash Retainers under this Policy.
  - (d) Any Non-Employee Director who is elected to fill a vacancy or a newly created directorship in the interim shall receive, effective as of the date of such election, a prorated Award under Section 3(a) based upon the number of full months he or she shall serve as a Non-Employee Director between the month in which he or she is elected and the next Annual Meeting of Shareholders.
  - (e) All RSUs, DSUs and Cash Retainers under this Policy are subject to the terms and conditions set forth in Section 4.
  - (f) Each RSU or DSU grant under this Policy shall be evidenced by an Award Agreement. An acceptable form of an Award Agreement for a RSU grant is attached hereto as *Exhibit A*, and an acceptable form of an Award Agreement for a DSU grant is attached hereto as *Exhibit B*. For the avoidance of doubt, the Board or the NGC will have the power and authority to adopt the form of Award Agreement for grants of RSUs and DSUs.
  - (g) For purposes of this Policy, FMV means, in accordance with Section 2.28 of the Plan, the fair market value of a Share.
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#### 4. Terms and Conditions of Awards.

(a) *RSUs.*

- (i) Each RSU granted under Section 3(a) shall represent a Non-Employee Director's right to receive one Share, which right shall be unvested and forfeitable until the earlier to occur of:
    - (i) the date of the first Annual Meeting of Shareholders occurring in the fiscal year immediately following the grant date and (ii) the first anniversary of the grant date (in either case, the "**RSU Vesting Date**"), unless the Board expressly determines otherwise. In the event of the Non-Employee Director's death or Disability, the RSU Vesting Date will be 10 days following the Termination of Service due to death or Disability. If a Non-Employee Director terminates his or her service as such prior to the RSU Vesting Date for reasons other than death or Disability, then (1) his or her RSUs shall be forfeited without any payment therefor unless the Board, the NGC or such other designated committee of the Board, expressly determines otherwise, and (2) for purposes of Section 3.1(b) of the Plan, the Shares underlying such RSUs shall again be available for issuance under the Plan.
  - (ii) The Shares underlying such Non-Employee Director's RSUs shall be delivered to him or her on the RSU Vesting Date, unless the Non-Employee Director elects to defer delivery of the Shares to 10 days after his or her Termination of Service (the "**Deferred RSU Delivery Date**") by exercising such election as specified by the Company and in compliance with Section 409A of the Code and any other regulation that may govern deferred compensation. Following the RSU Vesting Date, any deferred RSUs held by the Non-Employee Director shall be counted toward the then current share ownership guidelines for the Non-Employee Directors adopted by the Board.
  - (iii) RSUs shall carry no voting rights.
  - (iv) In the event dividends are paid on shares during the period from the grant date through the RSU Delivery Date or the Deferred RSU Delivery Date, the Company shall credit the Non-Employee Director with Dividend Equivalents equal to the dividends the Non-Employee Director would have received if he or she had been the actual record owner of the underlying Shares on each dividend record date. If a dividend on the Shares is payable wholly or partially in Shares, the Dividend Equivalent representing that portion shall be in the form of additional RSUs, credited on a one-for-one basis. If a dividend on the Shares is payable wholly or partially in cash, the Dividend Equivalent representing that portion shall also be in the form of cash, and the Holder shall be treated as being credited with any cash dividends, without earnings, until the RSU Delivery Date or Deferred RSU Delivery Date, as applicable. If a dividend on Shares is payable wholly or partially in a form other than cash or Shares, the Board, the NGC or such other designated committee of the Board, may, in its discretion, provide for such Dividend Equivalents with respect to that portion as it deems appropriate under the circumstances. Dividend Equivalents shall be subject to the same terms and conditions as the RSUs originally awarded pursuant to this Policy and the Plan, and they shall vest (or, if applicable, be forfeited) as if they had been granted at the same time as the original RSU award.
  - (v) RSUs, and the Shares underlying such RSUs, may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated by a Non-Employee Director until the RSU Vesting Date or the Deferred RSU Delivery Date, as applicable; *provided, however*, that they shall be transferrable without the prior approval of the NGC to (1) a member of such Non-Employee Director's immediate family (as defined in Rule 16a-1) under the Exchange Act; (2) to a trust in which one or more permitted transferees described in clause (1) in the aggregate have more than fifty percent (50%) of the beneficial interest and (3) a charitable foundation in which one or more of the permitted transferees described in clause (1) and such Non-Employee Director in the aggregate control the management of assets; *provided, further* that subject to the specific prior approval of the NGC (which approval shall include, for the avoidance of doubt, approval of any transferee), they shall be transferrable to any third party.
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(b) *DSUs.*

- (i) A Non-Employee Director may elect to convert his or her Cash Retainers into DSUs, of which the underlying Shares shall have, on the grant date, a FMV equal to the annual amount of such Awards; *provided* that such election is made as specified by the Company and in compliance with Section 409A of the Code and any other regulations that may govern deferred compensation. Each DSU shall represent such Non-Employee Director's right to receive one Share, which right shall be fully vested and non-forfeitable. The grant date of the DSUs will be the day the Cash Retainer would otherwise be payable.
- (ii) The Shares underlying a Non-Employee Director's DSUs shall be delivered to him or her based on his or her deferral election on (i) the tenth (10<sup>th</sup>) day following his or her Termination of Service as a Non-Employee Director for any reason, including for death or Disability, or (ii) three years following the year in which the original Cash Retainers were earned, with the delivery date in the case of clause (ii) being the date of the Annual Meeting of Shareholders (either such date, the "**DSU Delivery Date**"). For example, a director may choose to receive DSUs granted in 2020 on the day of the 2023 Annual Meeting of Shareholders.
- (iii) DSUs shall carry no voting rights.
- (iv) In the event dividends are paid on shares during the period from the grant date through the DSU Delivery Date, the Company shall credit the Non-Employee Director with Dividend Equivalents equal to the dividends the Non-Employee Director would have received if he or she had been the actual record owner of the underlying Shares on each dividend record date. If a dividend on the Shares is payable wholly or partially in Shares, the Dividend Equivalent representing that portion shall be in the form of additional DSUs, credited on a one-for-one basis. If a dividend on the Shares is payable wholly or partially in cash, the Dividend Equivalent representing that portion shall also be in the form of cash, and the Holder shall be treated as being credited with any cash dividends, without earnings, until the DSU Delivery Date. If a dividend on Shares is payable wholly or partially in a form other than cash or Shares, the Board, the NGC or such other designated committee of the Board, may, in its discretion, provide for such Dividend Equivalents with respect to that portion as it deems appropriate under the circumstances. Dividend Equivalents shall be subject to the same terms and conditions as the DSUs originally awarded pursuant to this Policy and the Plan.
- (v) DSUs, and the Shares underlying such DSUs, may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated by a Non-Employee Director until the DSU Delivery Date; *provided, however*, that they shall be transferrable without the prior approval of the NGC to (1) a member of such Non-Employee Director's immediate family (as defined in Rule 16a-1) under the Exchange Act; (2) to a trust in which one or more permitted transferees described in clause (1) in the aggregate have more than fifty percent (50%) of the beneficial interest and (3) a charitable foundation in which one or more of the permitted transferees described in clause (1) and such Non-Employee Director in the aggregate control the management of assets; *provided, further* that subject to the specific prior approval of the NGC (which approval shall include, for the avoidance of doubt, approval of any transferee), they shall be transferrable to any third party.

(c) *Change in Control/Acceleration of Vesting.*

- (i) The provisions of Section 13.2 of the Plan shall apply to RSUs and DSUs and any Dividend Equivalents in the event of a Change in Control or other corporate event.
  - (ii) The delivery date of any Shares underlying RSUs and DSUs shall accelerate only if such acceleration is permitted under applicable law and any applicable regulations thereunder. If the acceleration of such delivery date is not so permitted, then on the tenth (10<sup>th</sup>) day following his or her Termination of Service as a Non-Employee Director of the Company (or its successor) for any reason, including for death or Disability, for each Share underlying RSUs or DSUs, as applicable, a Non-Employee Director shall receive the same per share consideration received by the Company's shareholders for each Share in the acquisition (at which time such RSUs and/or DSUs shall automatically be cancelled).
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(d) *Other Terms and Conditions.*

- (i) Awards granted under this Policy are subject to the terms and provisions of the Plan, which is incorporated by reference. In the event of a conflict between the provisions of the Plan, this Policy, and the Award Agreement, the provisions of the Plan, this Policy and the Award Agreement will prevail, in that order.

**5. Expense Reimbursements.**

Each Non-Employee Director will be entitled to reimbursement for all reasonable and documented expenses incurred in the performance of his or her duties as a Non-Employee Director pursuant to the terms of any applicable Company expense reimbursement policy that is in effect from time to time. The Company shall provide Non-Employee Directors with an additional cash payment to account for any taxes incurred under applicable law with respect to any expense reimbursement provided pursuant to this Section 5.

**6. Miscellaneous.**

- (a) *Taxes.* Except as provided in Section 5, the Company is not responsible for the tax consequences under federal, foreign, provincial, state or local law with respect to any Awards or Cash Retainers granted to any Non-Employee Director under this Policy or the Plan, as applicable. All payments under this Policy and the Plan are subject to withholding and reporting requirements to the extent required by applicable law. To the extent required by applicable law in effect at the time a distribution is made from the Plan, the Company or its agents shall have the right to withhold or deduct from any distributions or payments any taxes required to be withheld by federal, foreign, provincial, state or local governments.
  - (b) *No Right to Nomination.* Nothing contained in this Policy shall confer upon any Non-Employee Director the right to be nominated for re-election to the Board.
  - (c) *Duration of This Plan.* Unless terminated earlier, this Policy shall be coterminous with the Plan. After the Plan is terminated, no Awards may be granted, but any Award previously granted shall remain outstanding in accordance with the terms and conditions of this Policy, the Plan, and such Award's Award Agreement.
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*EXHIBIT A*

IHS Markit Ltd.

Non-Employee Director Equity Compensation Policy

GRANT AGREEMENT—RESTRICTED SHARE UNITS

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**IHS MARKIT LTD. RESTRICTED SHARE UNIT GRANT NOTICE AND  
RESTRICTED SHARE UNIT AGREEMENT  
UNDER THE  
IHS MARKIT LTD. 2014 EQUITY INCENTIVE AWARD PLAN**

IHS Markit Ltd., an exempted company incorporated under the laws of Bermuda (the "**Company**"), pursuant to its 2014 Equity Incentive Award Plan (the "**Plan**") and the Non-Employee Director Equity Compensation Policy (the "**Policy**"), hereby grants to the individual listed below ("**you**" or the "**Holder**") an award of Restricted Share Units ("**RSUs**") indicated below, which RSUs shall be subject to vesting based on your continued service with the Company (or any Affiliate), as provided herein. This award of RSUs, together with any accumulated Dividend Equivalents as provided herein (the "**Award**"), is subject to all of the terms and conditions as set forth herein and in the Restricted Share Unit Agreement attached hereto as Exhibit A (the "**Agreement**") and in the Plan and the Policy, each of which is incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Restricted Share Unit Grant Notice (the "**Grant Notice**") and the Agreement.

Holder: \_\_\_\_\_

Non -  
Employee  
Director ID: \_\_\_\_\_

Grant Date: \_\_\_\_\_

Number of RSUs: \_\_\_\_\_

Vesting Schedule: Subject to the terms and conditions of the Agreement and notwithstanding anything to the contrary in the Plan or the Policy, the RSUs (together with any accumulated Dividend Equivalents) shall become fully vested on the earlier to occur of: (i) the date of the first annual general meeting of the Company's shareholders occurring in the fiscal year immediately following the Grant Date and (ii) the first anniversary of the Grant Date (in either case, the "**RSU Vesting Date**") (but will remain subject to the terms of this Agreement, the Plan and the Policy).

By your submission of your electronic acceptance of the Award or, if required by applicable law or by current Company practice, by your signature below, subject to this Grant Notice as designated by the Company, you agree to be bound by the terms and conditions of the Plan, the Policy, the Agreement and this Grant Notice. You agree to access copies of the Plan, the prospectus governing the Plan and the Policy (collectively, the "**Plan Documents**") on the Company's intranet or on the website of the Company's designated brokerage firm. Paper copies are also available upon request to the Secretary of the Company at the Company's corporate offices. **YOU MUST ACCEPT THIS AWARD BY THE DATE DETERMINED AND COMMUNICATED TO YOU BY THE COMPANY BUT IN ANY EVENT NO LATER THAN TWO (2) MONTHS AFTER THE GRANT DATE OR THE AWARD WILL AUTOMATICALLY BE CANCELLED.**

You have reviewed this Grant Notice, the Agreement and the Plan Documents in their entirety, have had an opportunity to obtain the advice of counsel prior to executing this Grant Notice or accepting the Award subject hereto and fully understand all provisions of this Grant Notice, the Agreement, the Policy and the Plan. You agree to accept as binding, conclusive and final all decisions or interpretations of the Committee with respect to the Plan, the Policy, this Grant Notice or the Agreement.

**IN WITNESS WHEREOF**, the undersigned has executed this Grant Notice effective as of the Grant Date.

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**HOLDER** Participant Name

By: \_\_\_\_\_  
Print Name:  
Address:

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**EXHIBIT A  
TO RESTRICTED SHARE UNIT GRANT NOTICE  
RESTRICTED SHARE UNIT AGREEMENT**

Pursuant to the Grant Notice to which this Agreement is attached and in connection with your service as a Non-Employee Director on the Board of Directors of the Company (the "**Board**"), the Company has granted to you the right to receive a number of RSUs set forth in the Grant Notice, together with Dividend Equivalents, if any, to the extent provided in Section 2(g) below, subject to all of the terms and conditions set forth in this Agreement and the Grant Notice. The Award is also subject to the terms and conditions of the Plan and the Policy, which are each incorporated herein by reference. In the event of any inconsistency between the Plan, the Policy and this Agreement, the terms of the Plan and the Policy shall control, in that order. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan and the Grant Notice, as applicable.

**Terms and Conditions**

1. **Grant of RSUs.** Effective as of the grant date set forth in the Grant Notice (the "**Grant Date**"), and subject to the restrictions, terms and conditions set forth in the Plan, the Policy and this Agreement, the Company has granted to you, pursuant to the Grant Notice and the Plan, the number of RSUs set forth in the Grant Notice and accumulated Dividend Equivalents, if any, to the extent provided in Section 2(g) below. Each RSU represents the right to receive one Share at the time provided for herein, together with any Dividend Equivalent issued in respect thereof. Your right to receive Shares and Dividend Equivalents, if any, under this Agreement shall be no greater than the right of any unsecured general creditor of the Company.

2. **RSUs.**

(a) **Rights as a Shareholder.** You shall have no rights of a shareholder with respect to the Shares represented by RSUs, including, but not limited to, the right to vote and to receive dividends, unless and until such Shares are transferred to you pursuant to the Plan, the Policy and this Agreement.

(b) **Vesting.** Subject to Section 2(d) below and the other terms and conditions of this Agreement, the RSUs and accumulated Dividend Equivalents, if any, to the extent provided in Section 2(g) below, shall become vested in accordance with the vesting schedule set forth in the Grant Notice (but will remain subject to the terms of this Agreement and the Plan), unless you have elected to defer delivery of the Shares to ten (10) days after your Termination of Service by exercising such election as specified by the Company and in compliance with Section 409A of the Code and any other regulation that may govern deferred compensation. There shall be no proportionate or partial vesting in the periods prior to the RSU Vesting Date and all vesting shall occur only on the RSU Vesting Date.

(c) **Settlement.** Subject to the terms of this Agreement, the Policy and the Plan, the Shares and accumulated Dividend Equivalents, if any, to the extent provided in Section 2(g) below, shall be delivered and paid to you as soon as practicable following the RSU Vesting Date. Notwithstanding the foregoing, if you have elected to defer the delivery of your Shares, the Shares and accumulated Dividend Equivalents, if any, to the extent provided in Section 2(g) below, shall be delivered and paid to you ten (10) days following your Termination of Service (the "**Deferred RSU Delivery Date**"). In the event that you are a resident of a country where applicable local law requires the Award to be settled in cash, the Company will settle the RSUs and accumulated Dividend Equivalents, if any, to the extent provided in Section 2(g) below, in a cash payment to you. In its sole discretion, the Company may elect to deliver the Shares to you by book-entry in the Company's books or by electronic delivery to a brokerage account established for your benefit at a financial/brokerage firm selected by the Company. You agree to complete and sign any documents and take any additional action that the financial/brokerage firm designated by the Company may request to enable the Company to deliver the Shares on your behalf. The date of settlement shall not be later than 2½ months after the later of (x) the end of the Company's fiscal year in which the RSU Vesting Date occurs or (y) the end of the calendar year in which the RSU Vesting Date occurs.

(d) **Forfeiture.** Upon your Termination of Service for any reason, other than your death or Disability, any and all unvested RSUs, together with all unvested accumulated Dividend

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Equivalents, if any, to the extent provided in Section 2(g) below, shall automatically be cancelled for no consideration, and shall cease to be outstanding. For avoidance of doubt, should you cease to be a member of the Board of the Company but otherwise continue in service as a contractor or consultant, you will forfeit any and all unvested RSUs unless otherwise approved by the Committee. In the event of your Termination of Service prior to the RSU Vesting Date due to your death or Disability, the unvested RSUs shall vest and be free of restrictions ten (10) days following your Termination of Service due to death or Disability.

(e) **Restriction on Transfer of RSUs.** RSUs, and the Shares underlying such RSUs, may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated by you until the RSU Vesting Date or the Deferred RSU Delivery Date, as applicable; *provided, however,* that they may be transferrable to (1) a member of your immediate family (as defined in Rule 16a-1 under the Exchange Act); (2) to a trust in which one or more permitted transferees described in clause (1) in the aggregate have more than fifty percent (50%) of the beneficial interest and (3) a charitable foundation in which you and one or more of the permitted transferees described in clause (1) in the aggregate control the management of assets.

(f) **Certain Legal Restrictions.** The Plan, the Policy, this Agreement, the granting, vesting and settlement of the RSUs and Dividend Equivalents, if any, to the extent provided in Section 2(g) below, and any obligations of the Company under the Plan, the Policy and this Agreement, shall be subject to all applicable federal, foreign, provincial, state and local laws, rules and regulations, and to such approvals by any regulatory or governmental agency as may be required, and to any rules or regulations of any exchange on which the Shares are listed.

(g) **Dividend Equivalents.** During the period from the Grant Date through the date on which Shares underlying vested RSUs are issued to you pursuant to Section 2(c), the Company may credit the Holder with Dividend Equivalents equal to the dividends the Holder would have received if the Holder had been the actual record owner of the underlying Shares on each dividend record date. If a dividend on the Shares is payable wholly or partially in Shares, the Dividend Equivalent representing that portion shall be in the form of additional RSUs, credited on a one-for-one basis. If a dividend on the Shares is payable wholly or partially in cash, the Dividend Equivalent representing that portion shall also be in the form of cash, and the Holder shall be treated as being credited with any cash dividends, without earnings, until settlement pursuant to Section 2(c) above. If a dividend on Shares is payable wholly or partially in a form other than cash or Shares, the Committee may, in its discretion, provide for such Dividend Equivalents with respect to that portion as it deems appropriate under the circumstances. Dividend Equivalents shall be subject to the same terms and conditions as the RSUs originally awarded pursuant to the Grant Notice, this Agreement, the Policy and the Plan, and they shall vest (or, if applicable, be forfeited) as if they had been granted at the same time as the original RSU Award.

(h) **Corporate Events.** Except as otherwise provided in the Grant Notice, this Agreement or the Policy, the provisions of Section 13.2 of the Plan shall apply to the RSUs and Dividend Equivalents, if any, to the extent provided in Section 2(g).

3. **Withholding of Taxes.** You acknowledge that you are responsible to pay any and all applicable tax obligations, including withholding and other taxes, which may be due as a result of receipt of this Award or the vesting and payout of the RSUs that you receive under this Award. You acknowledge and agree that the payment of such tax obligations may be made by any one or a combination of the following methods, as determined by the Company or the Committee: (a) the Company's repurchase of Shares to be issued upon settlement of the RSUs; (b) the sale of Shares acquired upon settlement of the RSUs either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization without further consent); (c) direct payment by you to the Company; (d) payroll withholding from your wages or other cash compensation paid to you by the Company; or (e) any other method as the Company or Committee may elect in compliance with the Plan, the Code and applicable law. The Fair Market Value of the Shares that are repurchased, if applicable, will be determined as of the date when the taxes otherwise would have been withheld in cash, and will be applied as a credit against the taxes.

Depending on the withholding method, the Company may withhold or account for withholding taxes by considering applicable minimum statutory withholding rates or other applicable withholding

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rates, including applicable maximum rates, in which case you will receive a refund of any over-withheld amount in cash and will have no entitlement to the common share equivalent. If the obligation for taxes is satisfied by the repurchase of Shares, you are deemed to have been issued the full number of Shares subject to the vested RSUs, notwithstanding that a number of the Shares are repurchased by the Company solely for the purpose of paying the taxes.

You acknowledge that the ultimate liability for all tax obligations legally due by you is and remains your responsibility.

If you are subject to tax liabilities in more than one jurisdiction between the Grant Date and the date of any relevant taxable or tax withholding event, as applicable, you acknowledge that the Company may be required to withhold or account for tax liability in more than one jurisdiction.

4. **Provisions of Plan and Policy Control.** This Agreement is subject to all the terms, conditions and provisions of the Plan and the Policy, including, without limitation, the amendment provisions thereof, and to such rules, regulations and interpretations relating to the Plan and the Policy as may be adopted by the Committee and as may be in effect from time to time. The Plan and the Policy are each incorporated herein by reference. If and to the extent that any provision of this Agreement conflicts or is inconsistent with the terms set forth in the Plan or the Policy, the terms set forth in the Plan and the Policy shall control, in that order of priority, and this Agreement shall be deemed to be modified accordingly.

5. **Entire Agreement.** This Agreement contains the entire understanding of the parties with respect to the subject matter hereof and supersedes any prior agreements between the Company and the Holder with respect to the subject matter hereof.

6. **Notices.** Any notice or communication given hereunder shall be in writing or by electronic means as set forth in Section 13 below and, if in writing, shall be deemed to have been duly given: (i) when delivered in person; (ii) five (5) business days after being sent by United States mail; or (iii) on the first business day following the date of deposit if delivered by a nationally recognized overnight delivery service, to the appropriate party at the address set forth below (or such other address as the party shall from time to time specify):

If to the Company, to:

Corporate Human Resources IHS Markit  
15 Inverness Way East Englewood, Colorado 80112

If to the Holder, to the address on file with the Company.

7. **Data Protection.** By participating in the Plan and entering into this Agreement, you hereby acknowledge the holding and processing of personal information provided by you to the Company, any Affiliate, trustee or third party service provider, for all purposes relating to the operation of the Plan. These include, but are not limited to: (i) administering and maintaining your records; (ii) providing information to the Company, Affiliates, trustees of any employee benefit trust, registrars, brokers or third party administrators of the Plan; (iii) providing information to future purchasers or merger partners of the Company or any Affiliate; (iv) using information for communication and other administrative purposes; and (v) transferring information about the Holder to any country or territory that may not provide the same protection for the information as the Holder's home country. Personal information may include, but shall not be limited to:

- Personal data: Name, address, telephone number, email address, family size, marital status, sex, beneficiary information, emergency contacts, passport or visa information, age, language skills, driver's license information, birth certificate and Non-Employee Director ID number.
  - Information: Curriculum vitae or resume, earnings history, references, job title, service
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or severance agreement, plan or benefit enrollment forms and elections and equity compensation or benefit statements.

- Financial information: Current earnings and benefit information, personal bank account number, brokerage account information, tax related information and tax identification number.

The Company may, from time to time, process and transfer this or other information for internal compensation and benefit planning (specifically, for enrollment purposes in the Plan and the administration of the Plan), to determine training needs, to develop a global human resource database and to evaluate skill utilization.

8. **Acquired Rights.** In accepting the Award, you acknowledge that:

- (a) Nothing contained in this Award shall confer upon you the right to be nominated for re-election to the Board;
- (b) the Plan is established voluntarily by the Company, is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time, as provided in the Plan;
- (c) the Award of RSUs is voluntary and occasional and does not create any contractual or other right to receive future Awards of RSUs, or benefits in lieu of RSUs even if RSUs have been awarded repeatedly in the past;
- (d) all decisions with respect to future Awards, if any, will be at the sole discretion of the Board or, as designated, the Committee;
- (e) your participation in the Plan is voluntary;
- (f) the future value of the underlying Shares is unknown and cannot be predicted with certainty;
- (g) the value of Shares acquired on vesting of RSUs may increase or decrease in value;
- (h) no claim or entitlement to compensation or damages arises from the termination of the RSUs, and no claim or entitlement to compensation or damages shall arise from any diminution in value of the RSUs or Shares received upon the vesting of the RSUs resulting from the termination of your entitlement by the Company or any Affiliate (for any reason whatsoever) and you irrevocably release the Company and any Affiliate from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then, by signing this Agreement, you shall be deemed irrevocably to have waived your entitlement to pursue such claim; and
- (i) in the event of a Termination of Service, your right to receive RSUs and vest under the Plan, if any, will terminate effective as of the date of your actual Termination of Service.

9. **Language.** If you have received this or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

10. **Power of Attorney.** The Company (including its successors and assigns) is hereby appointed the attorney-in-fact, with full power of substitution, of the Holder for the purpose of carrying out the provisions of this Agreement and taking any action and executing any instruments which such attorney-in-fact may deem necessary or advisable to accomplish the purposes hereof, which appointment as attorney-in-fact is irrevocable and coupled with an interest. The Company, as attorney-in-fact for the Holder, may in the name and stead of the Holder, make and execute all conveyances, assignments and transfers of the RSUs, Dividend Equivalents, other property issued in respect of such RSUs, Shares and any property provided for herein, and the Holder hereby ratifies and confirms that which the Company, as said attorney-in-fact, shall do by virtue hereof. Nevertheless, the Holder shall, if so requested by the Company, execute and deliver to the Company all such instruments as may, in the judgment of the Company, be advisable for this purpose.

11. **WAIVER OF JURY TRIAL. EACH PARTY TO THIS AGREEMENT, FOR ITSELF AND ITS AFFILIATES, HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ALL RIGHT TO TRIAL BY JURY IN ANY ACTION,**

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**PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THE ACTIONS OF THE PARTIES HERETO OR THEIR RESPECTIVE AFFILIATES PURSUANT TO THIS AGREEMENT OR IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE OR ENFORCEMENT OF THIS AGREEMENT.**

12. **Interpretation.** All section titles and captions in this Agreement are for convenience only, shall not be deemed part of this Agreement, and in no way shall define, limit, extend or describe the scope or intent of any provisions of this Agreement.

13. **Mode of Communications.** The Holder agrees, to the fullest extent permitted by applicable law, in lieu of receiving documents in paper format, to accept electronic delivery of any documents that the Company or any of its Affiliates may deliver in connection with this grant of RSUs, including, without limitation, prospectuses, grant notifications, account statements, annual or quarterly reports, and other communications. The Holder further agrees that electronic delivery of a document may be made via the Company's email system or by reference to a location on the Company's intranet or website or the online brokerage account system.

14. **No Waiver.** No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute a waiver of any such breach or any other covenant, duty, agreement or condition.

15. **Severability.** If any provision of this Agreement is declared or found to be illegal, unenforceable or void, in whole or in part, then the parties hereto shall be relieved of all obligations arising under such provision, but only to the extent that it is illegal, unenforceable or void, it being the intent and agreement of the parties hereto that this Agreement shall be deemed amended by modifying such provision to the extent necessary to make it legal and enforceable while preserving its intent or, if that is not possible, by substituting therefor another provision that is legal and enforceable and achieves the same objectives. The illegality, unenforceability or invalidity of any provision of this Agreement shall not affect the legality, enforceability or validity of any other provision of this Agreement.

16. **Counterparts.** This Agreement may be executed in counterparts, all of which together shall constitute one agreement binding on all the parties hereto, notwithstanding that all such parties are not signatories to the original or the same counterpart.

17. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of New York, regardless of the law that might be applied under principles of conflict of laws. Each party hereby irrevocably submits to the exclusive jurisdiction of the federal and state courts of New York located in the borough of Manhattan in New York City in respect of the interpretation and enforcement of the provisions of this Agreement. Each party hereby waives and agrees not to assert, as a defense in any action, suit or proceeding for the interpretation and enforcement hereof, that such action, suit or proceeding may not be brought or is not maintainable in such courts or that the venue thereof may not be appropriate or that this Agreement may not be enforced in or by such courts. Each party hereby consents to and grants any such court jurisdiction over the person of such parties and over the subject matter of any such action, suit or proceeding and agrees that the mailing of process or other papers in connection with any such action, suit, or proceeding in the manner provided in Section 6 hereof or in such other manner as may be permitted by law shall be valid and sufficient service thereof.

18. **Miscellaneous.**

(a) This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, personal legal representatives, successors, trustees, administrators, distributees, devisees and legatees. The Company may assign to any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company or any Affiliate, and require such successor to expressly assume and agree in writing to perform, this Agreement.

(b) No modification or waiver of any of the provisions of this Agreement shall be effective unless in writing and signed by the party against whom it is sought to be enforced.

19. **Section 409A and Section 457A.** To the extent the Committee determines that any payment under this Agreement is subject to Section 409A or Section 457A of the Code, the provisions of Section 13.10 of the Plan (including, without limitation, the six-month delay relating to "specified employees") shall apply.

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***EXHIBIT B***

**IHS Markit Ltd.**

**Non-Employee Director Equity Compensation Policy**

**GRANT AGREEMENT—DEFERRED SHARE UNITS**

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**IHS MARKIT LTD. DEFERRED SHARE UNIT GRANT NOTICE AND  
DEFERRED SHARE UNIT AGREEMENT  
UNDER THE  
IHS MARKIT LTD. 2014 EQUITY INCENTIVE AWARD PLAN**

IHS Markit Ltd., an exempted company incorporated under the laws of Bermuda (the "**Company**"), pursuant to its 2014 Equity Incentive Award Plan (the "**Plan**") and the Non-Employee Director Equity Compensation Policy (the "**Policy**"), hereby grants to the individual listed below ("you" or the "**Holder**") an award of Deferred Share Units ("**DSUs**") indicated below, which DSUs represent the original cash retainer fees awarded to you in your capacity as a Non-Employee Director and which you have elected to convert into DSUs. This award of DSUs, together with any accumulated Dividend Equivalents as provided herein (the "**Award**"), is subject to all of the terms and conditions as set forth herein and in the Deferred Share Unit Agreement attached hereto as Exhibit A (the "**Agreement**") and in the Plan and the Policy, each of which is incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Deferred Share Unit Grant Notice (the "**Grant Notice**") and the Agreement.

Holder: \_\_\_\_\_

Non -  
Employee  
Director ID: \_\_\_\_\_

Grant Date: \_\_\_\_\_

Number of RSUs: \_\_\_\_\_

Delivery Schedule: Subject to the terms and conditions of the Agreement and notwithstanding anything to the contrary in the Plan or the Policy, the Shares underlying the DSUs (together with any accumulated Dividend Equivalents) shall be delivered to you on the earlier to occur of (i) the tenth (10th) day following your Termination of Service as a Non-Employee Director for any reason, including for death or Disability and (ii) three years following the year in which the original cash retainer fees were earned, with the delivery date being the date of the annual general meeting of the Company's shareholders (such earlier date, the "**DSU Delivery Date**").

By your submission of your electronic acceptance of the Award or, if required by applicable law or by current Company practice, by your signature below, subject to this Grant Notice as designated by the Company, you agree to be bound by the terms and conditions of the Plan, the Policy, the Agreement and this Grant Notice. You agree to access copies of the Plan, the prospectus governing the Plan and the Policy (collectively, the "**Plan Documents**") on the Company's intranet or on the website of the Company's designated brokerage firm. Paper copies are also available upon request to the Secretary of the Company at the Company's corporate offices. YOU MUST ACCEPT THIS AWARD BY THE DATE DETERMINED AND COMMUNICATED TO YOU BY THE COMPANY BUT IN ANY EVENT NO LATER THAN TWO (2) MONTHS AFTER THE GRANT DATE OR THE AWARD WILL AUTOMATICALLY BE CANCELLED.

You have reviewed this Grant Notice, the Agreement and the Plan Documents in their entirety, have had an opportunity to obtain the advice of counsel prior to executing this Grant Notice or accepting the Award subject hereto and fully understand all provisions of this Grant Notice, the Agreement, the Policy and the Plan. You agree to accept as binding, conclusive and final all decisions or interpretations of the Committee with respect to the Plan, the Policy, this Grant Notice or the Agreement.

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**IN WITNESS WHEREOF**, the undersigned has executed this Grant Notice effective as of the Grant Date.

**HOLDER** Participant Name

By: \_\_\_\_\_

Print Name:

Address:

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**EXHIBIT A  
TO DEFERRED SHARE UNIT GRANT NOTICE  
DEFERRED SHARE UNIT AGREEMENT**

Pursuant to the Grant Notice to which this Agreement is attached and in connection with your service as a Non-Employee Director on the Board of Directors of the Company (the "**Board**"), the Company has granted to you the right to receive a number of DSUs set forth in the Grant Notice, together with Dividend Equivalents, if any, to the extent provided in Section 2(f) below, subject to all of the terms and conditions set forth in this Agreement and the Grant Notice. The Award is also subject to the terms and conditions of the Plan and the Policy, which are each incorporated herein by reference. In the event of any inconsistency between the Plan, the Policy and this Agreement, the terms of the Plan and the Policy shall control, in that order. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan and the Grant Notice, as applicable.

**Terms and Conditions**

1. **Grant of DSUs.** Effective as of the grant date set forth in the Grant Notice (the "**Grant Date**"), and subject to the restrictions, terms and conditions set forth in the Plan, the Policy and this Agreement, the Company has granted to you, pursuant to the Grant Notice and the Plan, the number of DSUs set forth in the Grant Notice and accumulated Dividend Equivalents, if any, to the extent provided in Section 2(f) below. Each DSU represents the right to receive one Share at the time provided for herein, together with any Dividend Equivalent issued in respect thereof. Your right to receive Shares and Dividend Equivalents, if any, under this Agreement shall be no greater than the right of any unsecured general creditor of the Company.

2. **DSUs.**

(a) **Rights as a Shareholder.** You shall have no rights of a shareholder with respect to the Shares represented by DSUs, including, but not limited to, the right to vote and to receive dividends, unless and until such Shares are transferred to you pursuant to the Plan, the Policy and this Agreement.

(b) **Delivery Schedule.** Subject to the other terms and conditions of this Agreement and in compliance with Section 409A of the Code and any other regulation that may govern deferred compensation, the DSUs and accumulated Dividend Equivalents, if any, to the extent provided in Section 2(f) below, shall be delivered in accordance with the delivery schedule set forth in the Grant Notice (but will remain subject to the terms of this Agreement and the Plan). There shall be no proportionate or partial delivery in the periods prior to each DSU Delivery Date and all delivery shall occur only on the applicable DSU Delivery Date.

(c) **Settlement.** Subject to the terms of this Agreement, the Policy and the Plan, the Shares and accumulated Dividend Equivalents, if any, to the extent provided in Section 2(f) below, shall be delivered and paid to you on the DSU Delivery Date. In the event that you are a resident of a country where applicable local law requires the Award to be settled in cash, the Company will settle the DSUs and accumulated Dividend Equivalents, if any, to the extent provided in Section 2(f) below, in a cash payment to you. In its sole discretion, the Company may elect to deliver the Shares to you by book-entry in the Company's books or by electronic delivery to a brokerage account established for your benefit at a financial/brokerage firm selected by the Company. You agree to complete and sign any documents and take any additional action that the financial/brokerage firm designated by the Company may request to enable the Company to deliver the Shares on your behalf.

(d) **Restriction on Transfer of DSUs.** DSUs, and the Shares underlying such DSUs, may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated by you until the DSU Delivery Date; *provided, however*, that they may be transferrable to (1) a member of your immediate family (as defined in Rule 16a-1 under the Exchange Act); (2) to a trust in which one or more permitted transferees described in clause (1) in the aggregate have more than fifty percent (50%) of the beneficial interest and (3) a charitable foundation in which you and one or more of the permitted transferees described in clause (1) in the aggregate control the management of assets.

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(e) **Certain Legal Restrictions.** The Plan, the Policy, this Agreement, the granting and settlement of the DSUs and Dividend Equivalents, if any, to the extent provided in Section 2(f) below, and any obligations of the Company under the Plan, the Policy and this Agreement, shall be subject to all applicable federal, foreign, provincial, state and local laws, rules and regulations, and to such approvals by any regulatory or governmental agency as may be required, and to any rules or regulations of any exchange on which the Shares are listed.

(f) **Dividend Equivalents.** During the period from the Grant Date through the date on which Shares underlying DSUs are issued to you pursuant to Sections 2(b) and 2(c), the Company may credit the Holder with Dividend Equivalents equal to the dividends the Holder would have received if the Holder had been the actual record owner of the underlying Shares on each dividend record date. If a dividend on the Shares is payable wholly or partially in Shares, the Dividend Equivalent representing that portion shall be in the form of additional DSUs, credited on a one-for-one basis. If a dividend on the Shares is payable wholly or partially in cash, the Dividend Equivalent representing that portion shall also be in the form of cash, and the Holder shall be treated as being credited with any cash dividends, without earnings, until settlement pursuant to Section 2(c) above. If a dividend on Shares is payable wholly or partially in a form other than cash or Shares, the Committee may, in its discretion, provide for such Dividend Equivalents with respect to that portion as it deems appropriate under the circumstances. Dividend Equivalents shall be subject to the same terms and conditions as the DSUs originally awarded pursuant to the Grant Notice, this Agreement, the Policy and the Plan, and they shall be settled as if they had been granted at the same time as the original DSU Award.

(g) **Corporate Events.** Except as otherwise provided in the Grant Notice, this Agreement or the Policy, the provisions of Section 13.2 of the Plan shall apply to the DSUs and Dividend Equivalents, if any, to the extent provided in Section 2(f).

3. **Withholding of Taxes.** You acknowledge that you are responsible to pay any and all applicable tax obligations, including withholding and other taxes, which may be due as a result of receipt of this Award or the settlement and payout of the DSUs that you receive under this Award. You acknowledge and agree that the payment of such tax obligations may be made by any one or a combination of the following methods, as determined by the Company or the Committee: (a) the Company's repurchase of Shares to be issued upon settlement of the DSUs; (b) the sale of Shares acquired upon settlement of the DSUs either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization without further consent); (c) direct payment by you to the Company; (d) payroll withholding from your wages or other cash compensation paid to you by the Company; or (e) any other method as the Company or Committee may elect in compliance with the Plan, the Code and applicable law. The Fair Market Value of the Shares that are repurchased, if applicable, will be determined as of the date when the taxes otherwise would have been withheld in cash, and will be applied as a credit against the taxes.

Depending on the withholding method, the Company may withhold or account for withholding taxes by considering applicable minimum statutory withholding rates or other applicable withholding rates, including applicable maximum rates, in which case you will receive a refund of any over-withheld amount in cash and will have no entitlement to the common share equivalent. If the obligation for taxes is satisfied by the repurchase of Shares, you are deemed to have been issued the full number of Shares subject to the DSUs, notwithstanding that a number of the Shares are repurchased by the Company solely for the purpose of paying the taxes.

You acknowledge that the ultimate liability for all tax obligations legally due by you is and remains your responsibility.

If you are subject to tax liabilities in more than one jurisdiction between the Grant Date and the date of any relevant taxable or tax withholding event, as applicable, you acknowledge that the Company may be required to withhold or account for tax liability in more than one jurisdiction.

4. **Provisions of Plan and Policy Control.** This Agreement is subject to all the terms, conditions and provisions of the Plan and the Policy, including, without limitation, the amendment provisions thereof, and to such rules, regulations and interpretations relating to the Plan and the Policy as may be adopted by the Committee and as may be in effect from time to time. The Plan and the

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Policy are each incorporated herein by reference. If and to the extent that any provision of this Agreement conflicts or is inconsistent with the terms set forth in the Plan or the Policy, the terms set forth in the Plan and the Policy shall control, in that order of priority, and this Agreement shall be deemed to be modified accordingly.

5. **Entire Agreement.** This Agreement contains the entire understanding of the parties with respect to the subject matter hereof and supersedes any prior agreements between the Company and the Holder with respect to the subject matter hereof.

6. **Notices.** Any notice or communication given hereunder shall be in writing or by electronic means as set forth in Section 13 below and, if in writing, shall be deemed to have been duly given: (i) when delivered in person; (ii) five (5) business days after being sent by United States mail; or (iii) on the first business day following the date of deposit if delivered by a nationally recognized overnight delivery service, to the appropriate party at the address set forth below (or such other address as the party shall from time to time specify):

If to the Company, to:

Corporate Human Resources IHS Markit  
15 Inverness Way East Englewood, Colorado 80112

If to the Holder, to the address on file with the Company.

7. **Data Protection.** By participating in the Plan and entering into this Agreement, you hereby acknowledge the holding and processing of personal information provided by you to the Company, any Affiliate, trustee or third party service provider, for all purposes relating to the operation of the Plan. These include, but are not limited to: (i) administering and maintaining your records; (ii) providing information to the Company, Affiliates, trustees of any employee benefit trust, registrars, brokers or third party administrators of the Plan; (iii) providing information to future purchasers or merger partners of the Company or any Affiliate; (iv) using information for communication and other administrative purposes; and (v) transferring information about the Holder to any country or territory that may not provide the same protection for the information as the Holder's home country. Personal information may include, but shall not be limited to:

- Personal data: Name, address, telephone number, email address, family size, marital status, sex, beneficiary information, emergency contacts, passport or visa information, age, language skills, driver's license information, birth certificate and Non-Employee Director ID number.
- Information: Curriculum vitae or resume, earnings history, references, job title, service or severance agreement, plan or benefit enrollment forms and elections and equity compensation or benefit statements.
- Financial information: Current earnings and benefit information, personal bank account number, brokerage account information, tax related information and tax identification number.

The Company may, from time to time, process and transfer this or other information for internal compensation and benefit planning (specifically, for enrollment purposes in the Plan and the administration of the Plan), to determine training needs, to develop a global human resource database and to evaluate skill utilization.

8. **Acquired Rights.** In accepting the Award, you acknowledge that:

- (a) Nothing contained in this Award shall confer upon you the right to be nominated for re-election to the Board;
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(b) the Plan is established voluntarily by the Company, is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time, as provided in the Plan;

(c) the Award of DSUs is voluntary and occasional and does not create any contractual or other right to receive future Awards of DSUs, or benefits in lieu of DSUs even if DSUs have been awarded repeatedly in the past;

(d) all decisions with respect to future Awards, if any, will be at the sole discretion of the Board or, as designated, the Committee;

(e) your participation in the Plan is voluntary;

(f) the future value of the underlying Shares is unknown and cannot be predicted with certainty;

(g) the value of Shares acquired on settlement of DSUs may increase or decrease in value; and

(h) no claim or entitlement to compensation or damages shall arise from any diminution in value of the DSUs or Shares received upon the settlement of the DSUs and you irrevocably release the Company and any Affiliate from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then, by signing this Agreement, you shall be deemed irrevocably to have waived your entitlement to pursue such claim.

9. **Language.** If you have received this or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

10. **Power of Attorney.** The Company (including its successors and assigns) is hereby appointed the attorney-in-fact, with full power of substitution, of the Holder for the purpose of carrying out the provisions of this Agreement and taking any action and executing any instruments which such attorney-in-fact may deem necessary or advisable to accomplish the purposes hereof, which appointment as attorney-in-fact is irrevocable and coupled with an interest. The Company, as attorney-in-fact for the Holder, may in the name and stead of the Holder, make and execute all conveyances, assignments and transfers of the DSUs, Dividend Equivalents, other property issued in respect of such DSUs, Shares and any property provided for herein, and the Holder hereby ratifies and confirms that which the Company, as said attorney-in-fact, shall do by virtue hereof. Nevertheless, the Holder shall, if so requested by the Company, execute and deliver to the Company all such instruments as may, in the judgment of the Company, be advisable for this purpose.

11. **WAIVER OF JURY TRIAL.** EACH PARTY TO THIS AGREEMENT, FOR ITSELF AND ITS AFFILIATES, HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THE ACTIONS OF THE PARTIES HERETO OR THEIR RESPECTIVE AFFILIATES PURSUANT TO THIS AGREEMENT OR IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE OR ENFORCEMENT OF THIS AGREEMENT.

12. **Interpretation.** All section titles and captions in this Agreement are for convenience only, shall not be deemed part of this Agreement, and in no way shall define, limit, extend or describe the scope or intent of any provisions of this Agreement.

13. **Mode of Communications.** The Holder agrees, to the fullest extent permitted by applicable law, in lieu of receiving documents in paper format, to accept electronic delivery of any documents that the Company or any of its Affiliates may deliver in connection with this grant of DSUs, including, without limitation, prospectuses, grant notifications, account statements, annual or quarterly reports, and other communications. The Holder further agrees that electronic delivery of a document may be made via the Company's email system or by reference to a location on the Company's intranet or website or the online brokerage account system.

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14. **No Waiver.** No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute a waiver of any such breach or any other covenant, duty, agreement or condition.

15. **Severability.** If any provision of this Agreement is declared or found to be illegal, unenforceable or void, in whole or in part, then the parties hereto shall be relieved of all obligations arising under such provision, but only to the extent that it is illegal, unenforceable or void, it being the intent and agreement of the parties hereto that this Agreement shall be deemed amended by modifying such provision to the extent necessary to make it legal and enforceable while preserving its intent or, if that is not possible, by substituting therefor another provision that is legal and enforceable and achieves the same objectives. The illegality, unenforceability or invalidity of any provision of this Agreement shall not affect the legality, enforceability or validity of any other provision of this Agreement.

16. **Counterparts.** This Agreement may be executed in counterparts, all of which together shall constitute one agreement binding on all the parties hereto, notwithstanding that all such parties are not signatories to the original or the same counterpart.

17. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of New York, regardless of the law that might be applied under principles of conflict of laws. Each party hereby irrevocably submits to the exclusive jurisdiction of the federal and state courts of New York located in the borough of Manhattan in New York City in respect of the interpretation and enforcement of the provisions of this Agreement. Each party hereby waives and agrees not to assert, as a defense in any action, suit or proceeding for the interpretation and enforcement hereof, that such action, suit or proceeding may not be brought or is not maintainable in such courts or that the venue thereof may not be appropriate or that this Agreement may not be enforced in or by such courts. Each party hereby consents to and grants any such court jurisdiction over the person of such parties and over the subject matter of any such action, suit or proceeding and agrees that the mailing of process or other papers in connection with any such action, suit, or proceeding in the manner provided in Section 6 hereof or in such other manner as may be permitted by law shall be valid and sufficient service thereof.

18. **Miscellaneous.**

(a) This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, personal legal representatives, successors, trustees, administrators, distributees, devisees and legatees. The Company may assign to any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company or any Affiliate, and require such successor to expressly assume and agree in writing to perform, this Agreement.

(b) No modification or waiver of any of the provisions of this Agreement shall be effective unless in writing and signed by the party against whom it is sought to be enforced.

19. **Section 409A and Section 457A.** To the extent the Committee determines that any payment under this Agreement is subject to Section 409A or Section 457A of the Code, the provisions of Section 13.10 of the Plan (including, without limitation, the six-month delay relating to "specified employees") shall apply.

**Summary of 2020 Non-Employee Director Compensation Program**  
**IHS Markit Ltd.**  
**Effective December 1, 2019**

**Director Compensation**

Our nonemployee directors receive compensation for their service on our Board of Directors, subject to and in accordance with the IHS Markit Ltd. Non-Employee Director Equity Compensation Policy (the “Director Compensation Policy”).

Beginning December 1, 2019, each of our nonemployee directors will receive annual cash retainers and equity awards, as described in the table below. The cash retainers received by the nonemployee directors may be converted into deferred stock units.

<b>Annual Director Compensation</b>	<b>\$</b>
Board Retainer	90,000
Lead Independent Director Retainer	50,000
Committee Chair Retainer:	30,000
Annual Equity Award (1)	180,000
<p>(1) On the day of the Company’s annual general meeting of shareholders each year, each nonemployee director shall receive an award consisting of restricted stock units whose underlying shares shall have, on the date of grant, a fair market value equal to \$180,000. Such awards will vest on the earlier to occur of: (i) the date of the first annual general meeting of shareholders occurring in the fiscal year immediately following the grant date and (ii) the first anniversary of the grant date, unless the Board expressly determines otherwise. Directors may choose to defer receipt of the shares underlying the restricted stock units until after their termination of service.</p>	

Non-Employee Director Compensation (cash and equity) shall be prorated for any partial period of service in accordance with the Director Compensation Policy.

All equity awards for nonemployee directors will be issued pursuant to the IHS Markit Ltd. 2014 Equity Incentive Award Plan and the Director Compensation Policy.

We provide liability insurance for our directors and officers. In addition, our nonemployee directors are reimbursed for reasonable expenses.

## IHS Markit Ltd.

## EXECUTIVE RETIREMENT POLICY

Effective July 16, 2019

**1. PURPOSE**

This IHS Markit Ltd. Executive Retirement Policy (as amended from time to time, the “Policy”) provides special benefits for select executives of IHS Markit Ltd. or any member of the Affiliated Group upon his or her termination of service due to Retirement (as defined below) in an effort to ensure efficient and effective departure and succession planning, encourage promotional opportunities and set clear expectations with regard to remuneration upon the departure of Eligible Employees (as defined below).

This Policy shall not change, amend or alter an executive’s right to receive earned but unpaid base salary or any other amounts accrued or owing to the executive as a result of the executive’s termination of service under or in accordance with any employment agreement, applicable employee benefit plans, or other policies and programs, including retirement plans or retirement programs, or applicable law.

**2. ELIGIBILITY**

Active salaried executives who have been designated by the Company in writing as members of the Executive Leadership Team of the Company, who voluntarily terminate their service with the Company and, as applicable, members of the Affiliated Group and qualify for Retirement (as defined below), shall be eligible for the benefits provided in the Policy (“Eligible Employees”).

**3. RETIREMENT**

An Eligible Employee shall be eligible to receive the benefits provided under this Policy provided that (i) the Eligible Employee terminates his or her service with the Company and, as applicable, members of the Affiliated Group on or after his or her attainment of (x) age 60 and (y) twenty (20) years of service with the Company or any member of the Affiliated Group (either with one member or in total amongst multiple members of the Affiliated Group), based on the Eligible Employee’s Original Hire Date; and (ii) the Eligible Employee provides to the Company or the appropriate member of the Affiliated Group at least six (6) months prior written notice of the Eligible Employee’s intent to retire, which notice requirement the Company may waive in whole or in part (a “Retirement”).

**4. RETIREMENT BENEFITS**

If an Eligible Employee experiences a Retirement, as defined in Section 3 above, such Eligible Employee shall receive the following benefits, subject to the terms and conditions of the Policy, including the Eligible Employee’s execution of a release of claims as provided in Section 5 hereof:

(i) Continued participation in any medical, dental and vision plans of the Company or another applicable member of the Affiliated Group in which the Eligible Employee and or his or her eligible

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dependents participated as of the Termination Date (or if the Eligible Employee is ineligible to continue to participate under the terms thereof, in substitute arrangements adopted by the Company or such member of the Affiliated Group, with the effect of providing benefits of substantially comparable value) for the twenty-four (24) month period following the Termination Date; and

(ii) Any unvested options, restricted share units and other time-based equity awards granted at least six (6) months prior to the Termination Date and held by the Eligible Employee shall continue to vest in accordance with the vesting schedule in effect as of the Termination Date. Each vested option will remain exercisable for the earlier of one year following the Termination Date or the expiration date of such option. Any unvested performance-based equity awards granted at least six (6) months prior to the Termination Date and held by the Eligible Employee shall continue to vest, based on IHS Markit's actual achievement of the applicable performance objectives for the full performance period. The terms and conditions of such equity incentive awards shall otherwise continue to be subject to the terms and conditions of the relevant plan and the applicable award agreements, and will be subject to local taxation requirements.

## **5. RELEASE**

Any benefit that the Eligible Employee is eligible to receive under Section 4 will be contingent on the Eligible Employee's execution of a release of claims in a form reasonably acceptable to the Company within 45 days of the Eligible Employee's Termination Date and non-revocation of such release (the "Release"). If the Eligible Employee fails to execute the Release within such 45-day period, or if the Eligible Employee revokes the Release within 7 days following the execution of the Release, the Eligible Employee will not be eligible to receive any benefit pursuant to this Policy, including any benefit under Section 4.

## **6. RESTRICTIVE COVENANTS**

The Eligible Employee's entitlement to any of the benefits in Section 4 is contingent upon the Eligible Employee's continued adherence to any restrictive covenants contained in any employment, restrictive covenant or similar agreement between Eligible Employee and the Company or any member of the Affiliated Group, including, but not limited to, post-termination obligations concerning non-competition, non-solicitation, confidentiality, non-disparagement, assignment of inventions, other intellectual property or other restrictive covenants. Subject to Section 7 and applicable law, the Eligible Employee's breach of any non-competition, non-solicitation, confidentiality, non-disparagement, assignment of inventions, other intellectual property or other restrictive covenant, in addition to whatever other equitable relief or monetary damages that the Company or any member of the Affiliated Group may be entitled to, shall result in automatic rescission, forfeiture, cancellation or return of any common shares of the Company (whether or not vested) and any amounts or benefits arising from this Policy held by the Eligible Employee. For the avoidance of doubt, this Section 6 expressly permits the Company to recoup or clawback the value of any compensation that the Eligible Employee receive under this Policy, should the Eligible Employee breach any restrictive covenants.

## **7. WHISTLEBLOWER PROTECTION; DEFEND TRADE SECRETS ACT**

(a) Nothing in this Policy or otherwise limits an Eligible Employee's ability to communicate directly with and provide information, including documents, not otherwise protected from disclosure by any applicable law or privilege to the Securities and Exchange Commission (the "SEC"), any other federal, state or local governmental agency or commission ("Government Agency") or self-regulatory organization

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regarding possible legal violations, without disclosure to the Company. The Company may not retaliate against an Eligible Employee for any of these activities, and nothing in this Policy requires an Eligible Employee to waive any monetary award or other payment that the Eligible Employee might become entitled to from the SEC or any other Government Agency or self-regulatory organization.

(b) Further, nothing in this Policy precludes an Eligible Employee from filing a charge of discrimination with the Equal Employment Opportunity Commission or a like charge or complaint with a state or local fair employment practice agency. However, once this Policy becomes effective, an Eligible Employee may not receive a monetary award or any other form of personal relief from the Company in connection with any such charge or complaint that the Eligible Employee filed or is filed on their behalf.

(c) Pursuant to the Defend Trade Secrets Act of 2016, the parties hereto acknowledge and agree that an Eligible Employee shall not have criminal or civil liability under any federal or state trade secret law for the disclosure of a trade secret that (i) is made (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition and without limiting the preceding sentence, if an Eligible Employee files a lawsuit for retaliation by the Company for reporting a suspected violation of law as contemplated by the preceding sentence, the Eligible Employee may disclose the relevant trade secret to their attorney and may use such trade secret in the ensuing court proceeding, if the Eligible Employee (X) files any document containing such trade secret under seal and (Y) does not disclose such trade secret, except pursuant to court order.

## 8. DEFINITIONS

(a) “Affiliated Group” means IHS Markit Ltd. and any corporation, partnership, joint venture, limited liability company or other entity in which IHS Markit Ltd. has a 50% or greater direct or indirect interest.

(b) “Code” means the Internal Revenue Code of 1986, as amended.

(c) “Company” means IHS Markit Ltd. and any successor or assign of the IHS Markit Ltd. pursuant to Section 8 hereof.

(d) “Original Hire Date” means the date an individual was first hired by, or provided services to, the Company or a member of the Affiliated Group.

(e) “Termination Date” means the effective date of the Eligible Employee’s Retirement as described in Section 3.

## 9. SUCCESSORS AND ASSIGNS

The Policy shall be binding upon the Company and its successors and assigns, including any corporation, person or other entity which may acquire all or substantially all of the business or assets of the Company or any other corporation with or into which the Company is consolidated or merged or otherwise.

## 10. MISCELLANEOUS

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- (a) Amendment and Termination. The Company reserves the right to amend or terminate this Policy at any time.
- (b) Governing Law. This Policy shall be governed by and construed in accordance with the laws of the State of New York, without reference to principles of conflict of laws.
- (c) Severability; Captions. In the event that any provision of this Policy is determined to be invalid or unenforceable, in whole or in part, the remaining provisions of this Policy will be unaffected thereby and shall remain in full force and effect to the fullest extent permitted by law. The captions in this Policy are inserted for convenience of reference, constitute no part of the Policy and will have no force or effect.
- (d) Tax Withholding. The Company may withhold from any amounts payable under the Policy, including payment in cash or common shares upon the vesting of equity incentive awards, such federal, state or local taxes (including, but not limited to, any social security contributions) as shall be required to be withheld pursuant to any applicable law or regulation.
- (e) No Right to Continued Service. Nothing in the Policy shall confer upon any Eligible Employee any right to continued employment for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Company, any member of the Affiliated Group or the Eligible Employee, which rights are hereby expressly reserved by each, to terminate the Eligible Employee's employment at any time and for any reason, with or without cause (as defined in the Eligible Employee's employment or similar agreement, or if there is no such agreement or definition, as defined in the Company's 2014 Equity Incentive Award Plan).
- (f) Coordination with Certain Employment Agreements Terms. If an Eligible Employee's employment agreement provides for certain benefits upon retirement ("Retirement Benefits"), and there is a conflict between the Retirement Benefits provided under the employment agreement and the benefits provided under this Policy, the terms of the employment agreement shall govern and determine the benefits provided to the Eligible Employee upon Retirement and, for the avoidance of doubt, the Eligible Employee will not be eligible to receive the conflicting benefits provided under this Policy.
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## 11. SECTION 409A

(a) Interpretation. The Company intends that that payments and benefits under this Policy will either comply with or be exempt from Section 409A of the Code and the regulations and guidance promulgated thereunder (collectively “Section 409A”) and, accordingly, to the maximum extent permitted, this Policy and the benefits provided hereunder shall be interpreted to be exempt from Section 409A or in compliance therewith, as applicable.

(b) Payments for Reimbursements, In-Kind Benefits. All reimbursements for costs and expenses under the Policy, if any, shall be paid to the Eligible Employee no later than the end of the calendar year following the calendar year in which the Eligible Employee incurs such expense. With regard to any provision herein that provides for reimbursement of costs and expenses or in-kind benefits, except as permitted by Section 409A, (i) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit and (ii) the amount of expenses eligible for reimbursements or in-kind benefits provided during any taxable year shall not affect the expenses eligible for reimbursement or in-kind benefits to be provided in any other taxable year.

**CERTIFICATION PURSUANT TO RULES 13a-14(a) AND 15d-14(a)  
UNDER THE SECURITIES EXCHANGE ACT, AS AMENDED**

I, Lance Uggla, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of IHS Markit Ltd.;
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: September 24, 2019

/s/ Lance Uggla

Lance Uggla

Chairman and Chief Executive Officer

**CERTIFICATION PURSUANT TO RULES 13a-14(a) AND 15d-14(a)  
UNDER THE SECURITIES EXCHANGE ACT, AS AMENDED**

I, Todd S. Hyatt, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of IHS Markit Ltd.;
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: September 24, 2019

/s/ Todd S. Hyatt

Todd S. Hyatt

Executive Vice President and Chief Financial Officer

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

Each of the undersigned hereby certifies, for the purposes of section 1350 of chapter 63 of title 18 of the United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, in his capacity as an officer of IHS Markit Ltd. (the "Company"), that, to his knowledge, the Quarterly Report on Form 10-Q of the Company for the period ended August 31, 2019 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in such report fairly presents, in all material respects, the financial condition and results of operations of the Company. This written statement is being furnished to the Securities and Exchange Commission as an exhibit to such report. A signed original of this statement 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.

Date: September 24, 2019

/s/ Lance Uggla

Lance Uggla  
Chairman and Chief Executive Officer

/s/ Todd S. Hyatt

Todd S. Hyatt  
Executive Vice President and Chief Financial Officer