



McGraw Hill Financial, Inc.
Board of Directors

CORPORATE GOVERNANCE GUIDELINES

1. Selection of Board Members

A. Board Membership Criteria

The Nominating and Corporate Governance Committee (the “Corporate Governance Committee”) is responsible for reviewing with the Board on an annual basis the appropriate skills and characteristics required of Board members in the context of the then-current composition of the Board. This assessment should include, in addition to qualities of intellect, integrity and judgment, issues of diversity, background, senior management experience and an understanding of marketing, finance, technology, international business matters, government regulation and public policy—all in the context of an assessment of the perceived needs of the Board at that point in time.

B. Selection of Directors

The Board is responsible for selecting all members of the Board and for recommending such members for election by the shareholders. The Board delegates the screening process to the Corporate Governance Committee with direct input from the Chairman of the Board or, if the Chairman is not an independent Director, the Presiding Director. The Corporate Governance Committee will consider recommendations of nominees to the Board by a shareholder if the shareholder submits the nomination in compliance with the advance notice, informational and other requirements set forth in the Corporation’s By-Laws.

In addition, the Corporate Governance Committee shall make recommendations to the Board concerning the nomination of incumbent Directors for re-election by the Corporation’s shareholders for a new term.

C. Extending the Invitation to a Potential Director to Join the Board

Upon approval of a new Director by the Board, the invitation to join the Board shall be extended by the Chairman of the Board.

D. Orientation of New Directors

The Board and the Corporation have an orientation process for all new Directors that includes providing relevant background material to all new Directors and background briefings by senior management of the Corporation.

2. Selection of the Chairman of the Board

The Board shall select annually the Chairman of the Board based upon such criteria as the Corporate Governance Committee recommends and the Directors believe to be in the best interests of the Corporation at a given point in time. This process shall include consideration of whether the roles of Chairman and Chief Executive Officer should be combined or separated based upon the Corporation's needs and the strengths and talents of its executives at any given time.

3. Board Composition and Performance

A. Size of the Board

The Board shall have twelve (12) members. It is the sense of the Board that this size is satisfactory. However, subject to the Corporation's Certificate of Incorporation and By-Laws, the Board may decrease the number of Directors as deemed appropriate or increase the number of Directors on the Board to a somewhat larger size in order to accommodate the availability of an outstanding Director candidate(s) or in anticipation of a pending retirement of a current Director to facilitate an orderly transition.

B. Director Responsibilities

The basic responsibility of the Directors is to exercise their reasonable business judgment on behalf of the Corporation. In discharging that obligation, Directors should be entitled to rely on the honesty and integrity of the Corporation's senior executives and its outside advisors and auditors. Directors are expected to attend Board meetings, meetings of the Committees on which they serve and the Corporation's Annual Meeting of Shareholders. If a Director is unable to attend any meeting, he or she should notify the Chairman of the Board.

C. Majority of Independent Directors

The Board will have a majority of Directors who meet the independence criteria established by the New York Stock Exchange. While the Board believes that members of management could also be Directors, membership should not be a prerequisite for executives to obtain any higher management position in the Corporation.

To be considered independent, a Director must have no material relationship (other than as a Director) with the Corporation, or any of its subsidiaries, either directly or as a partner, shareholder or officer of an organization that has a material relationship with the Corporation or any of its subsidiaries. In making independence determinations, the Board shall broadly consider all relevant facts and circumstances. Compliance with the Corporation's definition of independence is reviewed regularly by the Corporate Governance Committee.

A Director is not an independent Director of the Corporation if:

(i) such Director is, or has been within the last three years, an employee of the Corporation, or any of its subsidiaries, or has an immediate family member who is, or has been within the last three years, an executive officer of the Corporation, or any of its subsidiaries;

(ii) such Director has received, or has an immediate family member who has received, during any twelve-month period within the last three years, more than \$120,000 in direct compensation from the Corporation, or any of its subsidiaries, other than Director and Committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service);

(iii) (A) such Director is a current partner or employee of a firm that is the Corporation's, or any of its subsidiaries', internal or external auditor; (B) such Director has an immediate family member who is a current partner of such a firm; (C) such Director has an immediate family member who is a current employee of such a firm and personally works on the Corporation's, or any of its subsidiaries', audit; or (D) such Director or an immediate family member was within the last three years a partner or employee of such a firm and personally worked on the Corporation's, or any of its subsidiaries', audit within that time;

(iv) such Director or an immediate family member is, or has been within the last three years, employed as an executive officer of another company where any present executive officer of the Corporation, or any of its subsidiaries, at the same time serves or served on the compensation committee of such other company; or

(v) such Director is a current employee, or an immediate family member is a current executive officer, of another company that has made payments to, or received payments (exclusive of contributions to tax exempt organizations) from, the Corporation, or any of its subsidiaries, for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1 million, or 2% of the consolidated gross revenues of such other company.

For purposes of sub-paragraphs (i) through (v) above, an "immediate family member" includes a person's spouse, parents, children, siblings, mothers and fathers-in-law, sons

and daughters-in-law, brothers and sisters-in-law and anyone (other than domestic employees) who shares such person's home. Individuals who are no longer immediate family members as a result of legal separation or divorce, or those who have died or become incapacitated are not taken into consideration with respect to the determination of a Director's independence.

For purposes of sub-paragraphs (i), (iv) and (v) above, and Section 3(G) below, an "executive officer" has the same meaning specified for the term "officer" in Rule 16a-1(f) under the Securities Exchange Act of 1934.

The ownership of stock in the Corporation by all Directors is strongly encouraged by the Board. The Board believes that the ownership of a substantial amount of stock in the Corporation is not a basis for disqualifying a Director as being independent. In order to create a direct linkage with corporate performance, the Board believes that a significant portion of a Director's total compensation should be provided in the form of common stock of the Corporation.

D. Directors Who Retire or Change Their Current Job Responsibility

It is the policy of the Board that individual Directors who retire or change the position they held when they were initially elected to the Board will volunteer to resign from the Board as of the date of such retirement or change in position.

It is not the sense of the Board that the Directors who retire or change the position they held when they were initially elected to the Board should necessarily be required to leave the Board. There should, however, be an opportunity for the Corporate Governance Committee on behalf of the Board to review such circumstances and make recommendations to the Board regarding the continued appropriateness of Board membership under such changed circumstances.

E. Retirement Age

Non-management Directors of the Board shall not stand for reelection after reaching age seventy-two (72). In special circumstances, the Board may waive such mandatory retirement age with respect to a Director, subject to review and evaluation on an annual basis, if it deems such waiver to be in the best interests of the Corporation and its shareholders. Officers of the Corporation who are members of the Board shall not stand for reelection following their retirement from the Corporation or upon their leaving the active employment of the Corporation for any reason, except that the Chief Executive Officer or former Chief Executive Officer may be subject to the Board retirement policies applicable to non-management Directors.

F. Board Compensation Review

It is appropriate for the management of the Corporation to report once a year to the Corporate Governance Committee concerning the status of Board compensation in relation to other comparable United States corporations. Compensation levels are reviewed by the Corporate Governance Committee by reference to third-party consultant surveys of corporations including the Corporation's peer group.

Changes in Board compensation, if any, will be made by the full Board based upon a formal recommendation of the Corporate Governance Committee.

G. Presiding Director

In the event that the Chairman of the Board is not an independent Director, the Board shall designate an independent Director to serve as Presiding Director. The selection of the Presiding Director shall be made at a meeting (or portion thereof) at which only independent Directors are present. The Corporate Governance Committee will be responsible for making a recommendation to the independent Directors when the Presiding Director is up for appointment. The Presiding Director shall ordinarily serve for a three year term, with the possibility of an extension of one or two years, although the independent Directors will have discretion to appoint the Presiding Director to a longer or shorter term if they deem it warranted. The term of the Presiding Director will automatically expire upon the appointment by the Board of a Chairman who is an independent Director.

Each Director is encouraged to engage in direct communication with the Presiding Director, the Chairman of the Board, the Chief Executive Officer, and the other Directors.

The Presiding Director shall have the following responsibilities: (i) be readily available to be consulted by any of the senior executives of the Corporation as to any concerns they may have about the Corporation; (ii) be readily available to all Directors to communicate their issues and concerns to the Chairman or the Chief Executive Officer; (iii) be readily available to the Chief Executive Officer to offer counsel; (iv) preside at all meetings of the Board at which the Chairman is not present, including all meetings of non-management Directors and all executive sessions of the independent Directors; (v) authority to call meetings of the independent Directors including in the event of a crisis and/or the incapacitation of the Chief Executive Officer; (vi) communicate Directors' feedback to the Chief Executive Officer from the meetings of the non-management Directors and from informal conversations with Directors; (vii) communicate Directors' feedback to the Chairman and the Chief Executive Officer from the executive sessions of the independent Directors; (viii) review the proposed agenda for each upcoming Board meeting and the annual Board calendar; (ix) review and approve meeting schedules to

assure there is sufficient time for discussion of all agenda items; (x) consult with the other Directors and advise the Chief Executive Officer about the quality and timeliness of the materials distributed to the Board; (xi) review and approve the materials and information sent to the Board; (xii) interview, along with the Chief Executive Officer, the Chairman and the Corporate Governance Committee, candidates for the Board; and (xiii) assist the Corporate Governance Committee with broad issues of corporate governance.

In the event that the Chairman of the Board is an independent Director, the Board shall not designate a Presiding Director, and the responsibilities set forth above shall be performed by the independent Chairman.

H. Executive Sessions of Directors

The Directors of the Board shall meet in executive session during a portion of each meeting of the Board. The format of these meetings shall include a discussion with the Chief Executive Officer on each occasion. At the executive session, only the members of the Board, the General Counsel, the Chief Executive Officer and any additional individuals specifically designated by the Chief Executive Officer (after consultation with the Chairman and the Presiding Director) shall be present, and no other member of management shall be present.

The non-management Directors of the Board will meet at regularly scheduled executive sessions without management present. Non-management Directors are all those who are not executive officers of the Corporation or any of its subsidiaries. If the non-management Directors include Directors who are not independent, an executive session including only independent non-management Directors will be scheduled at least once each year. The Chairman or, if the Chairman is not an independent Director, the Presiding Director will preside over each executive session of the non-management Directors.

The independent non-management Directors of the Board will meet in executive session at least once each year without management present in order to review the performance and compensation of the Chief Executive Officer.

I. Director Access to Independent Advisors

The Board and each Committee of the Board shall have the power to hire independent legal, financial or other advisors as they may deem necessary, without consulting or obtaining the approval of any officer of the Corporation in advance.

J. Assessing the Board's and Individual Director's Performance

The Corporate Governance Committee is responsible to report annually to the Board concerning an assessment of the Board's performance and the performance of each of the Committees of the Board. In preparing such Board performance evaluations, the Corporate Governance Committee will develop and circulate to all Directors a self-evaluation questionnaire for each Director to fill out and return to the Corporate Governance Committee. The Corporate Governance Committee's performance evaluation of the Board should assess the Board's contribution as a whole and should specifically review areas in which the Board and/or management believes a better contribution could be made.

The Corporate Governance Committee will also evaluate annually the performance of individual incumbent Directors to be recommended for re-election by the Corporation's shareholders for a new term.

K. Board's Interaction With the Press, Customers and other Constituencies of the Corporation

The Board believes that management generally speaks for the Corporation. Individual Board members may, from time to time at the request of the Chief Executive Officer, meet or otherwise communicate with various constituencies that are involved with the Corporation. If comments from the Board are appropriate, they should, unless otherwise requested by the Chairman, come from the Chairman.

4. Board Meeting Procedures

A. Selection of Agenda Items for Board Meetings

The Chief Executive Officer will establish the agenda for each Board meeting and the agenda will be reviewed by the Chairman and the Presiding Director.

Each Board member can suggest the inclusion of additional item(s) on the agenda. Each Board member can raise at any regular Board meeting subjects for discussion that are not on the formal agenda for the meeting.

B. Board Materials Distributed in Advance

Information and data that is important to the Board's understanding of the various businesses of the Corporation shall be distributed to the Board prior to each Board meeting. Management will make every effort to see that such background material is as brief as possible while still providing the Directors with all necessary information. Directors should review in advance any materials sent to them before the meeting.

5. Committee Matters

A. Number, Structure and Independence of Committees

The Board shall have the following Committees:

- Audit
- Compensation and Leadership Development
- Executive
- Nominating and Corporate Governance
- Financial Policy

Only independent Directors shall serve on the Audit, Compensation and Leadership Development, and Nominating and Corporate Governance Committees. The Board has the flexibility to form a new Committee as deemed appropriate by the Board or, to the extent permitted by law, to disband a current Committee. The Chairman of each Committee shall report to the full Board, as appropriate, with respect to those matters considered and acted upon by each Committee. The charter of each Committee shall be reviewed by the Board on a regular basis.

B. Assignment and Rotation of Committee Members

The Corporate Governance Committee is responsible, after consultation with the Chairman of the Board or, if the Chairman is not an independent Director, the Presiding Director, and after giving due consideration to the desires of individual Board members, for the assignment of Board members to various Committees and for the selection of Committee Chairmen. The Board believes that Committee Chairmen should be rotated periodically at reasonable intervals at the recommendation of the Corporate Governance Committee.

C. Frequency and Length of Committee Meetings

Each Committee Chairman, in consultation with Committee members, will determine the frequency and length of the meetings of the Committee. Each Committee shall prepare minutes of meetings of the Committee.

Each Committee Chairman may invite management and staff, as appropriate, to attend sessions of Committee meetings.

D. Committee Agenda

The Chairman of each Committee, in consultation with the appropriate members of management and staff, will develop the Committee's agenda.

6. Board Relationship to Senior Management

A. Regular Attendance of Non-Directors at Board Meetings

The Chief Executive Officer (after consultation with the Chairman and the Presiding Director) may invite senior officers of the Corporation to attend all the non-executive sessions of the Board meetings. The Chief Executive Officer (after consultation with the Chairman and the Presiding Director) may invite other executives of the Corporation to attend specific Board meetings.

B. Board Access to Senior Management

Board members shall have complete access to the Corporation's senior management. Such contact, if made in writing, should be copied by the Director to the Chief Executive Officer and, as applicable, to the independent Chairman of the Board or the Presiding Director.

The Board encourages senior management to, from time to time, bring executives to Board meetings who: (i) can provide additional insight into the items being discussed at the meeting because of personal involvement in these areas; and/or (ii) represent executives with future leadership potential that senior management of the Corporation believes should be given exposure to the Board.

7. Leadership Development

A. Formal Evaluation of the Chief Executive Officer

The independent Directors shall make an evaluation of the Chief Executive Officer annually. Such annual performance appraisals shall be communicated to the Chief Executive Officer by the Chairman of the Compensation and Leadership Development Committee and, as applicable, by the independent Chairman of the Board or the Presiding Director.

The annual evaluation of the Chief Executive Officer shall be based on objective criteria, including the performance of the Corporation's various businesses, the accomplishment of long-term strategic objectives and the development of the Corporation's management.

The annual performance evaluation of the Chief Executive Officer shall be used by the Compensation and Leadership Development Committee during the course of its annual deliberations in determining the compensation of the Chief Executive Officer.

B. Succession Planning

The Board shall have responsibility for succession planning involving the Chief Executive Officer and oversight for succession planning involving other senior level positions. As a matter of corporate policy, the Chief Executive Officer shall be required to retire as Chief Executive Officer at age 65.

There should be an annual discussion or report to the Board by the Chief Executive Officer with respect to succession planning concerning the Chief Executive Officer and other senior level positions.

There should also be available, on a continuing basis, the Chief Executive Officer's recommendation concerning an emergency succession plan in the event of the death or disability of the Chief Executive Officer. The Corporate Governance Committee shall review such emergency succession plan with the Chief Executive Officer. The Corporate Governance Committee shall review the emergency succession plan with the Board at least annually.

In the event of the death or disability of the Chief Executive Officer, the Chairman, the Presiding Director or the Chairman of the Corporate Governance Committee, as appropriate, will call a special meeting of the Board to discuss the Board's response to such a development.

C. Management Development

There will be an annual discussion or report to the Board by the Chief Executive Officer concerning the Corporation's program for management development.

McGraw Hill Financial, Inc.
Board of Directors

October 24, 2013