

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

Form 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2022

OR

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

Commission File Number 1-14443

Gartner, Inc.

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

04-3099750
(I.R.S. Employer
Identification Number)

P.O. Box 10212
56 Top Gallant Road
Stamford,
Connecticut
(Address of principal executive offices)

06902-7700
(Zip Code)

Registrant's telephone number, including area code: (203) 316-1111

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, \$.0005 par value per share	IT	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 every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

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

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 July 29, 2022, 79,093,899 shares of the registrant's common shares were outstanding.

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PART I. FINANCIAL INFORMATION**ITEM 1. FINANCIAL STATEMENTS****GARTNER, INC. AND SUBSIDIARIES****Condensed Consolidated Balance Sheets**

(Unaudited; in thousands, except share data)

	June 30, 2022	December 31, 2021
Assets		
Current assets:		
Cash and cash equivalents	\$ 360,473	\$ 756,493
Fees receivable, net of allowances of \$9,500 and \$6,500, respectively	1,171,996	1,365,180
Deferred commissions	312,048	380,569
Prepaid expenses and other current assets	136,765	117,838
Total current assets	1,981,282	2,620,080
Property, equipment and leasehold improvements, net	250,315	273,562
Operating lease right-of-use assets	481,551	548,258
Goodwill	2,943,257	2,951,317
Intangible assets, net	645,368	714,418
Other assets	288,821	308,689
Total Assets	\$ 6,590,594	\$ 7,416,324
Liabilities and Stockholders' (Deficit) Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 775,371	\$ 1,134,814
Deferred revenues	2,396,143	2,238,035
Current portion of long-term debt	6,868	5,931
Total current liabilities	3,178,382	3,378,780
Long-term debt, net of deferred financing fees	2,455,506	2,456,833
Operating lease liabilities	646,677	697,766
Other liabilities	452,896	511,887
Total Liabilities	6,733,461	7,045,266
Stockholders' (Deficit) Equity		
Preferred stock, \$0.01 par value, 5,000,000 shares authorized; none issued or outstanding	—	—
Common stock, \$0.0005 par value, 250,000,000 shares authorized; 163,602,067 shares issued for both periods	82	82
Additional paid-in capital	2,136,684	2,074,896
Accumulated other comprehensive loss, net	(104,516)	(81,431)
Accumulated earnings	3,426,467	3,049,027
Treasury stock, at cost, 84,107,724 and 81,205,504 common shares, respectively	(5,601,584)	(4,671,516)
Total Stockholders' (Deficit) Equity	(142,867)	371,058
Total Liabilities and Stockholders' (Deficit) Equity	\$ 6,590,594	\$ 7,416,324

See the accompanying notes to Condensed Consolidated Financial Statements.

GARTNER, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Operations
(Unaudited; in thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Revenues:				
Research	\$ 1,142,329	\$ 1,003,238	\$ 2,278,709	\$ 1,982,970
Conferences	113,525	58,179	123,879	82,981
Consulting	120,667	105,902	236,673	205,406
Total revenues	1,376,521	1,167,319	2,639,261	2,271,357
Costs and expenses:				
Cost of services and product development	424,535	350,802	801,568	685,269
Selling, general and administrative	604,911	488,496	1,222,815	975,751
Depreciation	22,910	25,851	46,111	51,601
Amortization of intangibles	24,754	26,154	49,902	56,668
Acquisition and integration charges	2,289	1,302	4,496	1,942
Total costs and expenses	1,079,399	892,605	2,124,892	1,771,231
Operating income	297,122	274,714	514,369	500,126
Interest expense, net	(29,719)	(27,390)	(61,113)	(53,539)
Gain on event cancellation insurance claims	—	135,545	—	135,545
Other income (expense), net	8,548	(3,682)	37,754	11,808
Income before income taxes	275,951	379,187	491,010	593,940
Provision for income taxes	71,026	107,951	113,570	158,604
Net income	\$ 204,925	\$ 271,236	\$ 377,440	\$ 435,336
Net income per share:				
Basic	\$ 2.55	\$ 3.16	\$ 4.65	\$ 5.00
Diluted	\$ 2.53	\$ 3.13	\$ 4.60	\$ 4.95
Weighted average shares outstanding:				
Basic	80,271	85,712	81,145	87,032
Diluted	80,974	86,589	82,011	87,921

See the accompanying notes to Condensed Consolidated Financial Statements.

GARTNER, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Comprehensive Income
(Unaudited; in thousands)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2022	2021	2022	2021
Net income	\$ 204,925	\$ 271,236	\$ 377,440	\$ 435,336
Other comprehensive (loss) income, net of tax:				
Foreign currency translation adjustments	(25,431)	4,639	(32,229)	5,316
Interest rate swaps – net change in deferred gain or loss	3,869	5,457	9,239	10,727
Pension plans – net change in deferred actuarial loss	(143)	104	(95)	207
Other comprehensive (loss) income, net of tax	(21,705)	10,200	(23,085)	16,250
Comprehensive income	<u>\$ 183,220</u>	<u>\$ 281,436</u>	<u>\$ 354,355</u>	<u>\$ 451,586</u>

See the accompanying notes to Condensed Consolidated Financial Statements.

GARTNER, INC. AND SUBSIDIARIES**Condensed Consolidated Statements of Changes in Stockholders' (Deficit) Equity**

(Unaudited; in thousands)

Three and Six Months Ended June 30, 2022

	Common Stock	Additional Paid-In Capital	Accumulated Other Comprehensive Loss, Net	Accumulated Earnings	Treasury Stock	Total
Balance at December 31, 2021	\$ 82	\$ 2,074,896	\$ (81,431)	\$ 3,049,027	\$ (4,671,516)	\$ 371,058
Net income	—	—	—	172,515	—	172,515
Other comprehensive loss	—	—	(1,380)	—	—	(1,380)
Issuances under stock plans	—	579	—	—	6,385	6,964
Common share repurchases	—	—	—	—	(463,125)	(463,125)
Stock-based compensation expense	—	32,121	—	—	—	32,121
Balance at March 31, 2022	\$ 82	\$ 2,107,596	\$ (82,811)	\$ 3,221,542	\$ (5,128,256)	\$ 118,153
Net income	—	—	—	204,925	—	204,925
Other comprehensive loss	—	—	(21,705)	—	—	(21,705)
Issuances under stock plans	—	4,634	—	—	427	5,061
Common share repurchases	—	—	—	—	(473,755)	(473,755)
Stock-based compensation expense	—	24,454	—	—	—	24,454
Balance at June 30, 2022	\$ 82	\$ 2,136,684	\$ (104,516)	\$ 3,426,467	\$ (5,601,584)	\$ (142,867)

Three and Six Months Ended June 30, 2021

	Common Stock	Additional Paid-In Capital	Accumulated Other Comprehensive Loss, Net	Accumulated Earnings	Treasury Stock	Total
Balance at December 31, 2020	\$ 82	\$ 1,968,930	\$ (99,228)	\$ 2,255,467	\$ (3,034,823)	\$ 1,090,428
Net income	—	—	—	164,100	—	164,100
Other comprehensive income	—	—	6,050	—	—	6,050
Issuances under stock plans	—	(1,543)	—	—	6,923	5,380
Common share repurchases	—	—	—	—	(410,450)	(410,450)
Stock-based compensation expense	—	36,086	—	—	—	36,086
Balance at March 31, 2021	\$ 82	\$ 2,003,473	\$ (93,178)	\$ 2,419,567	\$ (3,438,350)	\$ 891,594
Net income	—	—	—	271,236	—	271,236
Other comprehensive income	—	—	10,200	—	—	10,200
Issuances under stock plans	—	2,063	—	—	2,017	4,080
Common share repurchases	—	—	—	—	(675,662)	(675,662)
Stock-based compensation expense	—	26,190	—	—	—	26,190
Balance at June 30, 2021	\$ 82	\$ 2,031,726	\$ (82,978)	\$ 2,690,803	\$ (4,111,995)	\$ 527,638

See the accompanying notes to Condensed Consolidated Financial Statements.

GARTNER, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
(Unaudited; in thousands)

	Six Months Ended	
	June 30,	
	2022	2021
Operating activities:		
Net income	\$ 377,440	\$ 435,336
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization	96,013	108,269
Stock-based compensation expense	56,575	62,276
Deferred taxes	3,256	2,294
Loss on impairment of lease related assets	35,501	—
Reduction in the carrying amount of operating lease right-of-use assets	35,366	37,261
Amortization and write-off of deferred financing fees	2,273	1,914
Gain on de-designated swaps	(40,547)	(11,751)
Changes in assets and liabilities:		
Fees receivable, net	159,098	132,650
Deferred commissions	60,156	10,494
Prepaid expenses and other current assets	(20,248)	(822)
Other assets	11,317	(23,769)
Deferred revenues	212,083	190,814
Accounts payable and accrued and other liabilities	(404,891)	(212,321)
Cash provided by operating activities	583,392	732,645
Investing activities:		
Additions to property, equipment and leasehold improvements	(38,385)	(24,479)
Acquisitions - cash paid (net of cash acquired)	—	(22,774)
Cash used in investing activities	(38,385)	(47,253)
Financing activities:		
Proceeds from employee stock purchase plan	11,995	9,414
Proceeds from borrowings	—	600,000
Payments of deferred financing fees	—	(6,045)
Payments on revolving credit facility	—	(5,000)
Payments on borrowings	(2,663)	(105,256)
Purchases of treasury stock	(929,880)	(1,083,350)
Cash used in financing activities	(920,548)	(590,237)
Net (decrease) increase in cash and cash equivalents and restricted cash	(375,541)	95,155
Effects of exchange rates on cash and cash equivalents	(20,479)	(7,281)
Cash and cash equivalents and restricted cash, beginning of period	760,602	712,583
Cash and cash equivalents and restricted cash, end of period	\$ 364,582	\$ 800,457

See the accompanying notes to Condensed Consolidated Financial Statements.

GARTNER, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

Note 1 — Business and Basis of Presentation

Business. Gartner, Inc. (NYSE: IT) delivers actionable, objective insight to executives and their teams. Our expert guidance and tools enable faster, smarter decisions and stronger performance on an organization’s mission critical priorities.

Segments. Gartner delivers its products and services globally through three business segments: Research, Conferences and Consulting. Revenues and other financial information for the Company’s segments are discussed in Note 7 — Segment Information.

Basis of presentation. The accompanying interim Condensed Consolidated Financial Statements have been prepared in accordance with generally accepted accounting principles in the United States of America (“U.S. GAAP”), as defined in Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 270 for interim financial information and with the applicable instructions of U.S. Securities and Exchange Commission (“SEC”) Rule 10-01 of Regulation S-X on Form 10-Q, and should be read in conjunction with the consolidated financial statements and related notes of the Company in its Annual Report on Form 10-K for the year ended December 31, 2021.

The fiscal year of Gartner is the twelve-month period from January 1 through December 31. In the opinion of management, all normal recurring accruals and adjustments considered necessary for a fair presentation of financial position, results of operations and cash flows at the dates and for the periods presented herein have been included. The results of operations for the three and six months ended June 30, 2022 may not be indicative of the results of operations for the remainder of 2022 or beyond. When used in these notes, the terms “Gartner,” the “Company,” “we,” “us,” or “our” refer to Gartner, Inc. and its consolidated subsidiaries.

Principles of consolidation. The accompanying interim Condensed Consolidated Financial Statements include the accounts of the Company and its wholly-owned subsidiaries. All significant intercompany transactions and balances have been eliminated.

Use of estimates. The preparation of the accompanying interim Condensed Consolidated Financial Statements requires management to make estimates and assumptions about future events. These estimates and the underlying assumptions affect the amounts of assets and liabilities reported, disclosures about contingent assets and liabilities, and reported amounts of revenues and expenses. Such estimates include the valuation of fees receivable, goodwill, intangible assets and other long-lived assets, as well as tax accruals and other liabilities. In addition, estimates are used in revenue recognition, income tax expense or benefit, performance-based compensation charges, depreciation and amortization. Management believes its use of estimates in these interim Condensed Consolidated Financial Statements to be reasonable.

Management continually evaluates and revises its estimates using historical experience and other factors, including the general economic environment and actions it may take in the future. Management adjusts these estimates when facts and circumstances dictate. However, these estimates may involve significant uncertainties and judgments and cannot be determined with precision. In addition, these estimates are based on management’s best judgment at a point in time. As a result, differences between estimates and actual results could be material and would be reflected in the Company’s consolidated financial statements in future periods.

Cash and cash equivalents and restricted cash. Below is a table presenting the beginning-of-period and end-of-period cash amounts from the Company’s Condensed Consolidated Balance Sheets and the total cash amounts presented in the Condensed Consolidated Statements of Cash Flows (in thousands).

	June 30, 2022	December 31, 2021
Cash and cash equivalents	\$ 360,473	\$ 756,493
Restricted cash classified in (1):		
Prepaid expenses and other current assets	4,109	4,109
Cash and cash equivalents and restricted cash	<u>\$ 364,582</u>	<u>\$ 760,602</u>

(1) Restricted cash consists of escrow accounts established in connection with certain of the Company’s business acquisitions. Generally, such cash is restricted to use due to provisions contained in the underlying stock or asset purchase agreement.

The Company will disburse the restricted cash to the sellers of the businesses upon satisfaction of any contingencies described in such agreements (e.g., potential indemnification claims).

Revenue recognition. Revenue is recognized in accordance with the requirements of FASB ASC Topic 606, *Revenue from Contracts with Customers* (“ASC Topic 606”). Revenue is only recognized when all of the required criteria for revenue recognition have been met. The accompanying Condensed Consolidated Statements of Operations present revenue net of any sales or value-added taxes that we collect from customers and remit to government authorities. ASC Topic 270 requires certain disclosures in interim financial statements around the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. Note 4 — Revenue and Related Matters provides additional information regarding the Company’s revenues.

Gain on event cancellation insurance claims. In May 2021, the Company received \$150.0 million of proceeds related to 2020 event cancellation insurance claims, and recorded a pre-tax gain of \$135.5 million. The Company does not record any gain on insurance claims in excess of expenses incurred until the receipt of the insurance proceeds is deemed to be realizable.

Adoption of new accounting standards. The Company adopted the accounting standard described below during the six months ended June 30, 2022.

Business Combinations — In October 2021, the FASB issued ASU No. 2021-08, *Business Combinations, Accounting for Contract Assets and Contract Liabilities from Contracts with Customers* (“ASU No. 2021-08”). ASU No. 2021-08 provides guidance for a business combination on how to recognize and measure contract assets and contract liabilities from revenue contracts with customers and other contracts that apply the provisions of ASC Topic 606, *Revenue from Contracts with Customers*. Specifically, the proposed amendments would require that an entity (acquirer) recognize and measure contract assets and contract liabilities acquired in a business combination in accordance with ASC Topic 606. Generally, this would result in an acquirer recognizing and measuring the acquired contract assets and contract liabilities consistent with how they were recognized and measured in the acquiree’s financial statements (if the acquiree prepared financial statements in accordance with U.S. GAAP). The rule will be effective for public entities on January 1, 2023, with early adoption permitted. Gartner has elected to adopt ASU No. 2021-08 effective January 1, 2022. ASU No. 2021-08 will not impact acquired contract assets or liabilities from business combinations occurring prior to January 1, 2022, and the impact in future periods will depend on the contract assets and contract liabilities acquired in future business combinations.

Accounting standards issued but not yet adopted. The FASB has issued accounting standards that have not yet become effective and may impact the Company’s consolidated financial statements or related disclosures in future periods. Those standards and their potential impact are discussed below.

Accounting standard effective immediately upon voluntary election by Gartner

Reference Rate Reform — In March 2020, the FASB issued ASU No. 2020-04, *Reference Rate Reform—Facilitation of the Effects of Reference Rate Reform on Financial Reporting* (“ASU No. 2020-04”). ASU No. 2020-04 provides that an entity can elect not to apply certain required modification accounting in U.S. GAAP to contracts where all changes to the critical terms relate to reference rate reform (e.g., the expected discontinuance of LIBOR and the transition to an alternative reference interest rate). In addition, the rule provides optional expedients and exceptions that enable entities to continue to apply hedge accounting for hedging relationships where one or more of the critical terms change due to reference rate reform. The rule became effective for all entities as of March 12, 2020 and will generally no longer be available to apply after December 31, 2022. The Company is currently evaluating the potential impact of ASU No. 2020-04 on its consolidated financial statements, including the rule’s potential impact on any debt modifications or other contractual changes in the future that may result from reference rate reform.

Accounting standard effective later in 2022

Government Assistance — In November 2021, the FASB issued ASU No. 2021-10, *Government Assistance (Topic 832), Disclosures by Business Entities about Government Assistance* (“ASU No. 2021-10”). ASU No. 2021-10 requires business entities to annually disclose information about certain government assistance they receive. The rule will be effective for public entities for annual periods beginning after December 15, 2021. The adoption of ASU No. 2021-10 is currently not expected to have a material impact on the Company’s financial statement disclosures.

Note 2 — Acquisition

On June 17, 2021, the Company acquired 100% of the outstanding capital stock of Pulse Q&A Inc. (“Pulse”), a privately-held company based in San Francisco, California, for an aggregate purchase price of \$29.9 million. Pulse is a technology-enabled community platform.

During 2021, the Company paid \$22.9 million in cash for Pulse after considering the cash acquired with the business, amounts held in escrow and certain other purchase price adjustments at closing. In addition to the purchase price, the Company may also be required to pay up to \$4.5 million in cash based on the continuing employment of certain key employees. Such amount will be recognized as compensation expense over three years and reported in Acquisition and integration charges in the Condensed Consolidated Statements of Operations.

The Company recorded \$31.0 million of goodwill and finite-lived intangible assets and \$1.1 million of liabilities on a net basis for the Pulse acquisition.

Note 3 — Goodwill and Intangible Assets

Goodwill

Goodwill represents the excess of the purchase price of acquired businesses over the estimated fair values of the tangible and identifiable intangible net assets acquired. Evaluations of the recoverability of goodwill are performed in accordance with FASB ASC Topic 350, which requires an annual assessment of potential goodwill impairment at the reporting unit level and whenever events or changes in circumstances indicate that the carrying value of goodwill may not be recoverable.

When performing the annual assessment of the recoverability of goodwill, the Company initially performs a qualitative analysis evaluating whether any events or circumstances occurred or exist that provide evidence that it is more likely than not that the fair value of any of the Company’s reporting units is less than the related carrying amount. If the Company does not believe that it is more likely than not that the fair value of any of the Company’s reporting units is less than the related carrying amount, then no quantitative impairment test is performed. However, if the results of the qualitative assessment indicate that it is more likely than not that the fair value of a reporting unit is less than its respective carrying amount, then a quantitative impairment test is performed. Evaluating the recoverability of goodwill requires judgments and assumptions regarding future trends and events. As a result, both the precision and reliability of the estimates are subject to uncertainty.

The Company’s most recent annual impairment test of goodwill was a qualitative analysis conducted during the quarter ended September 30, 2021 that indicated no impairment. Subsequent to completing the 2021 annual impairment test, there were no events or changes in circumstances noted that required an interim impairment test.

The table below presents changes to the carrying amount of goodwill by segment during the six months ended June 30, 2022 (in thousands).

	Research	Conferences	Consulting	Total
Balance at December 31, 2021 (1)	\$ 2,670,934	\$ 184,021	\$ 96,362	\$ 2,951,317
Foreign currency translation impact	(6,795)	(79)	(1,186)	(8,060)
Balance at June 30, 2022 (1)	<u>\$ 2,664,139</u>	<u>\$ 183,942</u>	<u>\$ 95,176</u>	<u>\$ 2,943,257</u>

(1) The Company does not have any accumulated goodwill impairment losses.

Finite-Lived Intangible Assets

The tables below present reconciliations of the carrying amounts of the Company's finite-lived intangible assets as of the dates indicated (in thousands).

June 30, 2022	Customer Relationships	Technology-related	Other	Total
Gross cost at December 31, 2021	\$ 1,096,358	\$ 61,216	\$ 10,436	\$ 1,168,010
Foreign currency translation impact	(31,141)	(458)	—	(31,599)
Gross cost	1,065,217	60,758	10,436	1,136,411
Accumulated amortization (1)	(445,119)	(40,823)	(5,101)	(491,043)
Balance at June 30, 2022	<u>\$ 620,098</u>	<u>\$ 19,935</u>	<u>\$ 5,335</u>	<u>\$ 645,368</u>

December 31, 2021	Customer Relationships	Technology-related	Other	Total
Gross cost	\$ 1,096,358	\$ 61,216	\$ 10,436	\$ 1,168,010
Accumulated amortization (1)	(413,266)	(35,727)	(4,599)	(453,592)
Balance at December 31, 2021	<u>\$ 683,092</u>	<u>\$ 25,489</u>	<u>\$ 5,837</u>	<u>\$ 714,418</u>

(1) Finite-lived intangible assets are amortized using the straight-line method over the following periods: Customer relationships—6 to 13 years; Technology-related—3 to 7 years; and Other—4 to 11 years.

Amortization expense related to finite-lived intangible assets was \$24.8 million and \$26.2 million during the three months ended June 30, 2022 and 2021, respectively, and \$49.9 million and \$56.7 million during the six months ended June 30, 2022 and 2021, respectively. The estimated future amortization expense by year for finite-lived intangible assets is presented in the table below (in thousands).

2022 (remaining six months)	\$ 49,113
2023	98,211
2024	91,066
2025	80,550
2026	77,876
Thereafter	248,552
	<u>\$ 645,368</u>

Note 4 — Revenue and Related Matters

Disaggregated Revenue — The Company's disaggregated revenue by reportable segment is presented in the tables below for the periods indicated (in thousands).

By Primary Geographic Market (1)

Three Months Ended June 30, 2022

Primary Geographic Market	Research	Conferences	Consulting	Total
United States and Canada	\$ 752,670	\$ 87,267	\$ 72,816	\$ 912,753
Europe, Middle East and Africa	255,417	21,036	34,047	310,500
Other International	134,242	5,222	13,804	153,268
Total revenues	\$ 1,142,329	\$ 113,525	\$ 120,667	\$ 1,376,521

Three Months Ended June 30, 2021

Primary Geographic Market	Research	Conferences	Consulting	Total
United States and Canada	\$ 646,432	\$ 40,328	\$ 59,605	\$ 746,365
Europe, Middle East and Africa	236,756	14,468	35,459	286,683
Other International	120,050	3,383	10,838	134,271
Total revenues	\$ 1,003,238	\$ 58,179	\$ 105,902	\$ 1,167,319

Six Months Ended June 30, 2022

Primary Geographic Market	Research	Conferences	Consulting	Total
United States and Canada	\$ 1,493,199	\$ 94,919	\$ 141,605	\$ 1,729,723
Europe, Middle East and Africa	518,546	22,274	66,491	607,311
Other International	266,964	6,686	28,577	302,227
Total revenues	\$ 2,278,709	\$ 123,879	\$ 236,673	\$ 2,639,261

Six Months Ended June 30, 2021

Primary Geographic Market	Research	Conferences	Consulting	Total
United States and Canada	\$ 1,277,765	\$ 59,927	\$ 117,091	\$ 1,454,783
Europe, Middle East and Africa	466,957	17,181	65,821	549,959
Other International	238,248	5,873	22,494	266,615
Total revenues	\$ 1,982,970	\$ 82,981	\$ 205,406	\$ 2,271,357

(1) Revenue is reported based on where the sale is fulfilled.

The Company's revenue is generated primarily through direct sales to clients by domestic and international sales forces and a network of independent international sales agents. Most of the Company's products and services are provided on an integrated worldwide basis and, because of this integrated delivery approach, it is not practical to precisely separate the Company's revenue by geographic location. Accordingly, revenue information presented in the above tables is based on internal allocations, which involve certain management estimates and judgments.

By Timing of Revenue Recognition

Three Months Ended June 30, 2022

Timing of Revenue Recognition	Research	Conferences	Consulting	Total
Transferred over time (1)	\$ 1,037,864	\$ —	\$ 95,201	\$ 1,133,065
Transferred at a point in time (2)	104,465	113,525	25,466	243,456
Total revenues	\$ 1,142,329	\$ 113,525	\$ 120,667	\$ 1,376,521

Three Months Ended June 30, 2021

Timing of Revenue Recognition	Research	Conferences	Consulting	Total
Transferred over time (1)	\$ 916,754	\$ —	\$ 85,989	\$ 1,002,743
Transferred at a point in time (2)	86,484	58,179	19,913	164,576
Total revenues	\$ 1,003,238	\$ 58,179	\$ 105,902	\$ 1,167,319

Six Months Ended June 30, 2022

Timing of Revenue Recognition	Research	Conferences	Consulting	Total
Transferred over time (1)	\$ 2,063,674	\$ —	\$ 191,637	\$ 2,255,311
Transferred at a point in time (2)	215,035	123,879	45,036	383,950
Total revenues	\$ 2,278,709	\$ 123,879	\$ 236,673	\$ 2,639,261

Six Months Ended June 30, 2021

Timing of Revenue Recognition	Research	Conferences	Consulting	Total
Transferred over time (1)	\$ 1,810,841	\$ —	\$ 170,331	\$ 1,981,172
Transferred at a point in time (2)	172,129	82,981	35,075	290,185
Total revenues	\$ 1,982,970	\$ 82,981	\$ 205,406	\$ 2,271,357

- (1) Research revenues are recognized in connection with performance obligations that are satisfied over time using a time-elapsed output method to measure progress. Consulting revenues are recognized over time using labor hours as an input measurement basis.
- (2) The revenues in this category are recognized in connection with performance obligations that are satisfied at the point in time that the contractual deliverables are provided to the customer.

Performance Obligations — For customer contracts that are greater than one year in duration, the aggregate amount of the transaction price allocated to performance obligations that were unsatisfied (or partially unsatisfied) as of June 30, 2022 was approximately \$4.7 billion. The Company expects to recognize \$1.5 billion, \$2.2 billion and \$942.2 million of this revenue (most of which pertains to Research) during the remainder of 2022, the year ending December 31, 2023 and thereafter, respectively. The Company applies a practical expedient that is permitted under ASC Topic 606 and, accordingly, it does not disclose such performance obligation information for customer contracts that have original durations of one year or less. The Company's performance obligations for contracts meeting this ASC Topic 606 disclosure exclusion primarily include: (i) stand-ready services under Research subscription contracts; (ii) holding conferences and meetings where attendees and exhibitors can participate; and (iii) providing customized Consulting solutions for clients under fixed fee and time and materials engagements. The remaining duration of these performance obligations is generally less than one year, which aligns with the period that the parties have enforceable rights and obligations under the affected contracts.

Customer Contract Assets and Liabilities — The timing of the recognition of revenue and the amount and timing of the Company's billings and cash collections, including upfront customer payments, result in the recognition of both assets and liabilities on the Company's Condensed Consolidated Balance Sheets. The table below provides information regarding certain of the Company's balance sheet accounts that pertain to its contracts with customers (in thousands).

	June 30, 2022	December 31, 2021
Assets:		
Fees receivable, gross (1)	\$ 1,181,496	\$ 1,371,680
Contract assets recorded in Prepaid expenses and other current assets (2)	\$ 26,666	\$ 20,054
Contract liabilities:		
Deferred revenues (current liability) (3)	\$ 2,396,143	\$ 2,238,035
Non-current deferred revenues recorded in Other liabilities (3)	35,656	48,176
Total contract liabilities	\$ 2,431,799	\$ 2,286,211

- (1) Fees receivable represent an unconditional right to payment from the Company's customers and include both billed and unbilled amounts.
- (2) Contract assets represent recognized revenue for which the Company does not have an unconditional right to payment as of the balance sheet date because the project may be subject to a progress billing milestone or some other billing restrictions.
- (3) Deferred revenues represent amounts (i) for which the Company has received an upfront customer payment or (ii) that pertain to recognized fees receivable. Both situations occur before the completion of the Company's performance obligation(s).

The Company recognized revenue of \$956.4 million and \$817.3 million during the three months ended June 30, 2022 and 2021, respectively, and \$1.4 billion and \$1.3 billion during the six months ended June 30, 2022 and 2021, respectively, that was attributable to deferred revenues that were recorded at the beginning of each such period. Those amounts primarily consisted of Research revenues that were recognized ratably as control of the goods or services passed to the customer during the reporting periods. During each of the three and six months ended June 30, 2022 and 2021, the Company did not record any material impairments related to its contract assets.

Note 5 — Computation of Earnings Per Share

Basic earnings per share ("EPS") is computed by dividing net income by the weighted average number of shares of Common Stock outstanding during the period. Diluted EPS reflects the potential dilution of securities that could share in earnings. Potential shares of common stock are excluded from the computation of diluted earnings per share when their effect would be anti-dilutive.

The table below sets forth the calculation of basic and diluted income per share for the periods indicated (in thousands, except per share data).

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Numerator:				
Net income used for calculating basic and diluted income per share	\$ 204,925	\$ 271,236	\$ 377,440	\$ 435,336
Denominator:				
Weighted average common shares used in the calculation of basic income per share	80,271	85,712	81,145	87,032
Dilutive effect of outstanding awards associated with stock-based compensation plans (1)	703	877	866	889
Shares used in the calculation of diluted income per share	80,974	86,589	82,011	87,921
Basic income per share	\$ 2.55	\$ 3.16	\$ 4.65	\$ 5.00
Diluted income per share	\$ 2.53	\$ 3.13	\$ 4.60	\$ 4.95

- (1) Certain outstanding awards associated with stock-based compensation plans were not included in the computation of diluted income per share because the effect would have been anti-dilutive. These anti-dilutive outstanding awards associated with stock-based compensation plans totaled approximately 0.4 million and 0.1 million for the three months ended June 30, 2022 and 2021, respectively, and 0.3 million and 0.1 million for the six months ended June 30, 2022 and 2021, respectively.

Note 6 — Stock-Based Compensation

The Company grants stock-based compensation awards as an incentive for employees and directors to contribute to the Company’s long-term success. The Company currently awards stock-settled stock appreciation rights, service-based and performance-based restricted stock units, and common stock equivalents. As of June 30, 2022, the Company had 3.9 million shares of its common stock, par value \$0.0005 per share, (the “Common Stock”) available for stock-based compensation awards under its current Long-Term Incentive Plan as amended and restated in January 2019 (the “Plan”).

The tables below summarize the Company’s stock-based compensation expense by award type and expense category line item during the periods indicated (in millions).

Award type	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2022	2021	2022	2021
Stock appreciation rights	\$ 2.5	\$ 2.0	\$ 4.4	\$ 4.0
Restricted stock units (2)	21.8	24.0	51.8	57.9
Common stock equivalents	0.2	0.2	0.4	0.4
Total (1)	\$ 24.5	\$ 26.2	\$ 56.6	\$ 62.3

Expense category line item	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2022	2021	2022	2021
Cost of services and product development	\$ 7.9	\$ 8.0	\$ 19.4	\$ 21.7
Selling, general and administrative	16.6	18.2	37.2	40.6
Total (1) (2)	\$ 24.5	\$ 26.2	\$ 56.6	\$ 62.3

(1) Includes costs of \$8.1 million and \$11.3 million during the three months ended June 30, 2022 and 2021, respectively, and \$27.3 million and \$32.8 million during the six months ended June 30, 2022 and 2021, respectively, for awards to retirement-eligible employees. Those awards vest on an accelerated basis.

(2) On February 5, 2020, prior to the COVID-19 related shutdown in the U.S., the Compensation Committee (“Committee”) of the Board of Directors of the Company established performance measures for the performance-based restricted stock units (the “PSUs”) awarded to the Company’s executive officers in 2020 under the Plan. Based on preliminary corporate performance results for the 2020 performance measures, the 2020 PSUs would have been earned at 50% of target. However, on February 3, 2021, the Committee determined to use its discretion under the Plan to approve a payout at 95% of target. In deciding to exercise this discretion to adjust the PSU payout, the Committee considered the Company’s strong overall performance in 2020 despite the significant negative impact of the COVID-19 pandemic. As a result of the modification, the Company recognized \$6.5 million of incremental compensation cost during the six months ended June 30, 2021.

Note 7 — Segment Information

The Company’s products and services are delivered through three segments – Research, Conferences and Consulting, as described below.

- **Research** equips executives and their teams from every function and across all industries with actionable, objective insight, guidance and tools. Our experienced experts deliver all this value informed by an unmatched combination of practitioner-sourced and data-driven research to help our clients address their mission critical priorities.
- **Conferences** provides executives and teams across an organization the opportunity to learn, share and network. From our Gartner Symposium/Xpo series, to industry-leading conferences focused on specific business roles and topics, to peer-driven sessions, our offerings enable attendees to experience the best of Gartner insight and guidance.
- **Consulting** serves senior executives leading technology-driven strategic initiatives leveraging the power of Gartner’s actionable, objective insight. Through custom analysis and on-the-ground support we enable optimized technology investments and stronger performance on our clients’ mission critical priorities.

The Company evaluates segment performance and allocates resources based on gross contribution margin. Gross contribution, as presented in the tables below, is defined as operating income or loss excluding certain Cost of services and product development expenses, Selling, general and administrative expenses, Depreciation, Amortization of intangibles, and Acquisition and integration charges. Certain bonus and fringe benefit costs included in consolidated Cost of services and product development are not allocated to segment expense. The accounting policies used by the reportable segments are the same as those used by the Company. There are no intersegment revenues. The Company does not identify or allocate assets, including capital expenditures, by reportable segment. Accordingly, assets are not reported by segment because the information is not available by segment and is not reviewed in the evaluation of segment performance or in making decisions regarding the allocation of resources.

The tables below present information about the Company's reportable segments for the periods indicated (in thousands).

Three Months Ended June 30, 2022	Research	Conferences	Consulting	Consolidated
Revenues	\$ 1,142,329	\$ 113,525	\$ 120,667	\$ 1,376,521
Gross contribution	843,965	73,526	50,223	967,714
Corporate and other expenses				(670,592)
Operating income				\$ 297,122

Three Months Ended June 30, 2021	Research	Conferences	Consulting	Consolidated
Revenues	\$ 1,003,238	\$ 58,179	\$ 105,902	\$ 1,167,319
Gross contribution	742,131	42,602	42,770	827,503
Corporate and other expenses				(552,789)
Operating income				\$ 274,714

Six Months Ended June 30, 2022	Research	Conferences	Consulting	Consolidated
Revenues	\$ 2,278,709	\$ 123,879	\$ 236,673	\$ 2,639,261
Gross contribution	1,693,344	70,650	101,235	1,865,229
Corporate and other expenses				(1,350,860)
Operating income				\$ 514,369

Six Months Ended June 30, 2021	Research	Conferences	Consulting	Consolidated
Revenues	\$ 1,982,970	\$ 82,981	\$ 205,406	\$ 2,271,357
Gross contribution	1,466,503	56,498	81,868	1,604,869
Corporate and other expenses				(1,104,743)
Operating income				\$ 500,126

The table below provides a reconciliation of total segment gross contribution to net income for the periods indicated (in thousands).

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2022	2021	2022	2021
Total segment gross contribution	\$ 967,714	\$ 827,503	\$ 1,865,229	\$ 1,604,869
Costs and expenses:				
Cost of services and product development - unallocated (1)	15,728	10,986	27,536	18,781
Selling, general and administrative	604,911	488,496	1,222,815	975,751
Depreciation and amortization	47,664	52,005	96,013	108,269
Acquisition and integration charges	2,289	1,302	4,496	1,942
Operating income	297,122	274,714	514,369	500,126
Interest expense and other, net	(21,171)	(31,072)	(23,359)	(41,731)
Gain on event cancellation insurance claims	—	135,545	—	135,545
Less: Provision for income taxes	71,026	107,951	113,570	158,604
Net income	\$ 204,925	\$ 271,236	\$ 377,440	\$ 435,336

(1) The unallocated amounts consist of certain bonus and fringe costs recorded in consolidated Cost of services and product development that are not allocated to segment expense. The Company's policy is to allocate bonuses to segments at 100% of a segment employee's target bonus. Amounts above or below 100% are absorbed by corporate.

Note 8 — Debt

The Company's total outstanding borrowings are summarized in the table below (in thousands).

Description	June 30, 2022	December 31, 2021
2020 Credit Agreement - Term loan facility (1)	\$ 285,200	\$ 287,600
2020 Credit Agreement - Revolving credit facility (1), (2)	—	—
Senior Notes due 2028 ("2028 Notes") (3)	800,000	800,000
Senior Notes due 2029 ("2029 Notes") (4)	600,000	600,000
Senior Notes due 2030 ("2030 Notes") (5)	800,000	800,000
Other (6)	5,268	5,531
Principal amount outstanding (7)	2,490,468	2,493,131
Less: deferred financing fees (8)	(28,094)	(30,367)
Net balance sheet carrying amount	\$ 2,462,374	\$ 2,462,764

- (1) The contractual annualized interest rate as of June 30, 2022 on the 2020 Credit Agreement Term loan facility and the Revolving credit facility was 3.06%, which consisted of a floating Eurodollar base rate of 1.688% plus a margin of 1.375%. However, the Company has interest rate swap contracts that effectively convert the floating Eurodollar base rates on outstanding amounts to a fixed base rate.
- (2) The Company had approximately \$1.0 billion of available borrowing capacity on the 2020 Credit Agreement revolver (not including the expansion feature) as of June 30, 2022.
- (3) Consists of \$800.0 million principal amount of 2028 Notes outstanding. The 2028 Notes bear interest at a fixed rate of 4.50% and mature on July 1, 2028.
- (4) Consists of \$600.0 million principal amount of 2029 Notes outstanding. The 2029 Notes bear interest at a fixed rate of 3.625% and mature on June 15, 2029.
- (5) Consists of \$800.0 million principal amount of 2030 Notes outstanding. The 2030 Notes bear interest at a fixed rate of 3.75% and mature on October 1, 2030.
- (6) Consists of two State of Connecticut economic development loans. One of the loans originated in 2012, has a 10-year maturity and the outstanding balance of \$0.3 million as of June 30, 2022 bears interest at a fixed rate of 3.00%. The second loan, originated in 2019, has a 10-year maturity and bears interest at a fixed rate of 1.75%. Both of these loans may be repaid at any time by the Company without penalty.

- (7) The weighted average annual effective rate on the Company's outstanding debt for the three and six months ended June 30, 2022, including the effects of its interest rate swaps discussed below, was 4.55% and 4.70%, respectively.
- (8) Deferred financing fees are being amortized to Interest expense, net over the term of the related debt obligation.

2029 Notes

On June 18, 2021, the Company issued \$600.0 million aggregate principal amount of 3.625% Senior Notes due 2029. The 2029 Notes were issued pursuant to an indenture, dated as of June 18, 2021 (the "2029 Note Indenture"), among the Company, the guarantors party thereto and U.S. Bank National Association, as trustee.

The 2029 Notes were issued at an issue price of 100.0% and bear interest at a rate of 3.625% per annum. Interest on the 2029 Notes is payable on June 15 and December 15 of each year, beginning on December 15, 2021. The 2029 Notes will mature on June 15, 2029.

The Company may redeem some or all of the 2029 Notes at any time on or after June 15, 2024 for cash at the redemption prices set forth in the 2029 Notes Indenture, plus accrued and unpaid interest to, but excluding, the redemption date. Prior to June 15, 2024, the Company may redeem up to 40% of the aggregate principal amount of the 2029 Notes in connection with certain equity offerings, or some or all of the 2029 Notes with a "make-whole" premium, in each case subject to the terms set forth in the 2029 Note Indenture.

2030 Notes

On September 28, 2020, the Company issued \$800.0 million aggregate principal amount of 3.75% Senior Notes due 2030. The 2030 Notes were issued pursuant to an indenture, dated as of September 28, 2020 (the "2030 Note Indenture"), among the Company, the guarantors party thereto and U.S. Bank National Association, as trustee.

The 2030 Notes were issued at an issue price of 100.0% and bear interest at a rate of 3.75% per annum. Interest on the 2030 Notes is payable on April 1 and October 1 of each year, beginning on April 1, 2021. The 2030 Notes will mature on October 1, 2030.

The Company may redeem some or all of the 2030 Notes at any time on or after October 1, 2025 for cash at the redemption prices set forth in the 2030 Note Indenture, plus accrued and unpaid interest to, but excluding, the redemption date. Prior to October 1, 2025, the Company may redeem up to 40% of the aggregate principal amount of the 2030 Notes in connection with certain equity offerings, or some or all of the 2030 Notes with a "make-whole" premium, in each case subject to the terms set forth in the 2030 Note Indenture.

2028 Notes

On June 22, 2020, the Company issued \$800.0 million aggregate principal amount of 4.50% Senior Notes due 2028. The 2028 Notes were issued pursuant to an indenture, dated as of June 22, 2020 (the "2028 Note Indenture"), among the Company, the guarantors party thereto and U.S. Bank National Association, as trustee.

The 2028 Notes were issued at an issue price of 100.0% and bear interest at a rate of 4.50% per annum. Interest on the 2028 Notes is payable on January 1 and July 1 of each year, beginning on January 1, 2021. The 2028 Notes will mature on July 1, 2028.

The Company may redeem some or all of the 2028 Notes at any time on or after July 1, 2023 for cash at the redemption prices set forth in the 2028 Note Indenture, plus accrued and unpaid interest to, but excluding, the redemption date. Prior to July 1, 2023, the Company may redeem up to 40% of the aggregate principal amount of the 2028 Notes in connection with certain equity offerings, or some or all of the 2028 Notes with a "make-whole" premium, in each case subject to the terms set forth in the 2028 Note Indenture.

2020 Credit Agreement

The Company has a credit facility that currently provides for a \$400.0 million Term loan facility and a \$1.0 billion Revolving credit facility (the "2020 Credit Agreement"). The 2020 Credit Agreement contains certain customary restrictive loan covenants, including, among others, financial covenants that apply a maximum consolidated leverage ratio and a minimum consolidated interest expense coverage ratio. The Company was in compliance with all financial covenants as of June 30, 2022.

The Term loan is being repaid in consecutive quarterly installments that commenced on December 31, 2020, plus a final payment to be made on September 28, 2025. The Revolving credit facility may be borrowed, repaid and re-borrowed through September 28, 2025, at which all then-outstanding amounts must be repaid.

Interest Rate Swaps

As of June 30, 2022, the Company had one fixed-for-floating interest rate swap contract with a notional value of \$350.0 million that matures in 2025. The Company pays a base fixed rate of 3.04% and in return receives a floating Eurodollar base rate on 30-day notional borrowings. In June 2022, the Company terminated a fixed-for-floating interest rate swap contract with a notional value of \$350.0 million, and received proceeds of \$0.5 million. The Company had two other fixed-for-floating interest rate swap contracts with a total notional value of \$700.0 million that matured during the three months ended March 31, 2022.

Effective June 30, 2020, the Company de-designated all of its interest rate swaps and discontinued hedge accounting. Accordingly, subsequent changes to the fair value of the interest rate swaps are recorded in Other income (expense), net. The amounts previously recorded in Accumulated other comprehensive loss are amortized into Interest expense, net over the terms of the hedged forecasted interest payments. As of June 30, 2022, \$62.6 million is remaining in Accumulated other comprehensive loss, net. The interest rate swaps had negative unrealized fair values (liabilities) of \$1.7 million and \$53.7 million as of June 30, 2022 and December 31, 2021, respectively, of which \$47.1 million and \$56.3 million were recorded in Accumulated other comprehensive loss, net of tax effect, as of June 30, 2022 and December 31, 2021, respectively. See Note 12 — Fair Value Disclosures for the determination of the fair values of Company's interest rate swaps.

Note 9 — Equity

Share Repurchase Authorization

In 2015, the Company's Board of Directors (the "Board") authorized a share repurchase program to repurchase up to \$1.2 billion of the Company's common stock. The Board authorized incremental share repurchases of up to an additional \$1.6 billion and \$1.0 billion of the Company's common stock during 2021 and the first half of 2022, respectively. As of June 30, 2022, \$704.4 million remained available under the share repurchase program. The Company may repurchase its common stock from time-to-time in amounts, at prices and in the manner that the Company deems appropriate, subject to the availability of stock, prevailing market conditions, the trading price of the stock, the Company's financial performance and other conditions. Repurchases may be made through open market purchases (which may include repurchase plans designed to comply with Rule 10b5-1 of the Securities Exchange Act of 1934, as amended), accelerated share repurchases, private transactions or other transactions and will be funded by cash on hand and borrowings. Repurchases may also be made from time-to-time in connection with the settlement of the Company's stock-based compensation awards.

The Company's share repurchase activity is presented in the table below for the periods indicated.

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2022	2021	2022	2021
Number of shares repurchased (1)	1,781,137	3,094,706	3,408,846	5,369,416
Cash paid for repurchased shares (in thousands) (2)	\$ 478,810	\$ 684,900	\$ 929,880	\$ 1,083,350

(1) The average purchase price for repurchased shares was \$265.98 and \$218.33 for the three months ended June 30, 2022 and 2021, respectively, and \$274.84 and \$202.28 for the six months ended June 30, 2022 and 2021, respectively. The repurchased shares during the three and six months ended June 30, 2022 and 2021 included purchases for both open market purchases and stock-based compensation award settlements.

(2) The cash paid for repurchased shares during the six months ended June 30, 2022 excluded \$7.0 million of open market purchases with trade dates in June 2022 that settled in July 2022. The cash paid for repurchased shares during the six months ended June 30, 2021 included \$8.0 million of open market purchases with trade dates in December 2020 that settled in January 2021 and excluded \$10.8 million of open market purchases with trade dates in June 2021 that settled in July 2021.

The cash paid for repurchased shares during the three months ended June 30, 2022 included \$12.1 million of open market purchases with trade dates in March 2022 that settled in April 2022, and excluded \$7.0 million of open market purchases with trade dates in June 2022 that settled in July 2022. The cash paid for repurchased shares during the three months ended

June 30, 2021 included \$20.0 million of open market purchases with trade dates in March 2021 that settled in April 2021, and excluded \$10.8 million of open market purchases with trade dates in June 2021 that settled in July 2021.
Accumulated Other Comprehensive Loss, net ("AOCL")

The tables below provide information about the changes in AOCL by component and the related amounts reclassified out of AOCL to income during the periods indicated (net of tax, in thousands) (1).

Three Months Ended June 30, 2022

	Interest Rate Swaps	Defined Benefit Pension Plans	Foreign Currency Translation Adjustments	Total
Balance – March 31, 2022	\$ (50,953)	\$ (6,624)	\$ (25,234)	\$ (82,811)
Other comprehensive income (loss) activity during the period:				
Change in AOCL before reclassifications to income	—	(189)	(25,431)	(25,620)
Reclassifications from AOCL to income (2), (3)	3,869	46	—	3,915
Other comprehensive income (loss), net	3,869	(143)	(25,431)	(21,705)
Balance – June 30, 2022	\$ (47,084)	\$ (6,767)	\$ (50,665)	\$ (104,516)

Three Months Ended June 30, 2021

	Interest Rate Swaps	Defined Benefit Pension Plans	Foreign Currency Translation Adjustments	Total
Balance – March 31, 2021	\$ (72,834)	\$ (9,206)	\$ (11,138)	\$ (93,178)
Other comprehensive income activity during the period:				
Change in AOCL before reclassifications to income	—	—	4,639	4,639
Reclassifications from AOCL to income (2), (3)	5,457	104	—	5,561
Other comprehensive income, net	5,457	104	4,639	10,200
Balance – June 30, 2021	\$ (67,377)	\$ (9,102)	\$ (6,499)	\$ (82,978)

Six Months Ended June 30, 2022

	Interest Rate Swaps	Defined Benefit Pension Plans	Foreign Currency Translation Adjustments	Total
Balance – December 31, 2021	\$ (56,323)	\$ (6,672)	\$ (18,436)	\$ (81,431)
Other comprehensive income (loss) activity during the period:				
Change in AOCL before reclassifications to income	—	(189)	(32,229)	(32,418)
Reclassifications from AOCL to income (2), (3)	9,239	94	—	9,333
Other comprehensive income (loss), net	9,239	(95)	(32,229)	(23,085)
Balance – June 30, 2022	\$ (47,084)	\$ (6,767)	\$ (50,665)	\$ (104,516)

Six Months Ended June 30, 2021

	Interest Rate Swaps	Defined Benefit Pension Plans	Foreign Currency Translation Adjustments	Total
Balance – December 31, 2020	\$ (78,104)	\$ (9,309)	\$ (11,815)	\$ (99,228)
Other comprehensive income activity during the period:				
Change in AOCL before reclassifications to income	—	—	5,316	5,316
Reclassifications from AOCL to income (2), (3)	10,727	207	—	10,934
Other comprehensive income, net	10,727	207	5,316	16,250
Balance – June 30, 2021	\$ (67,377)	\$ (9,102)	\$ (6,499)	\$ (82,978)

(1) Amounts in parentheses represent debits (deferred losses).

(2) \$5.1 million and \$7.3 million of the reclassifications related to interest rate swaps (cash flow hedges) were recorded in Interest expense, net, for the three months ended June 30, 2022 and 2021, respectively. \$12.3 million and \$14.3 million of the reclassifications related to interest rate swaps (cash flow hedges) were recorded in Interest expense, net, for the six months ended June 30, 2022 and 2021, respectively. See Note 8 — Debt and Note 11 — Derivatives and Hedging for information regarding the cash flow hedges.

(3) The reclassifications related to defined benefit pension plans were recorded in Other income (expense), net.

The estimated net amount of the existing losses on the Company's interest rate swaps that are reported in Accumulated other comprehensive loss, net at June 30, 2022 that is expected to be reclassified into earnings within the next 12 months is \$20.5 million.

Note 10 — Income Taxes

The provision for income taxes was \$71.0 million and \$108.0 million for the three months ended June 30, 2022 and 2021, respectively, and \$113.6 million and \$158.6 million for the six months ended June 30, 2022 and 2021, respectively.

The effective income tax rate was 25.7% and 28.5% for the three months ended June 30, 2022 and 2021, respectively, and 23.1% and 26.7% for the six months ended June 30, 2022 and 2021, respectively. During the second quarter of 2021, the United Kingdom enacted legislation raising its corporate tax rate from 19% to 25% effective April 2023, which led to a higher effective income tax rate for the three and six months ended June 30, 2021 as compared to the same periods in 2022.

The Company had gross unrecognized tax benefits of \$155.8 million on June 30, 2022 and \$150.0 million on December 31, 2021. It is reasonably possible that gross unrecognized tax benefits will decrease by approximately \$29.7 million within the next twelve months due to the anticipated closure of audits and the expiration of certain statutes of limitation.

Note 11 — Derivatives and Hedging

The Company enters into a limited number of derivative contracts to mitigate the cash flow risk associated with changes in interest rates on variable-rate debt and changes in foreign exchange rates on forecasted foreign currency transactions. The Company accounts for its outstanding derivative contracts in accordance with FASB ASC Topic 815, which requires all derivatives, including derivatives designated as accounting hedges, to be recorded on the balance sheet at fair value. The tables below provide information regarding the Company's outstanding derivative contracts as of the dates indicated (in thousands, except for number of contracts).

June 30, 2022

Derivative Contract Type	Number of Contracts	Notional Amounts	Fair Value Asset (Liability), Net (3)	Balance Sheet Line Item	Unrealized Loss Recorded in AOCL, net of tax
Interest rate swaps (1)	1	\$ 350,000	\$ (1,684)	Other liabilities	\$ (47,084)
Foreign currency forwards (2)	41	436,190	(272)	Accrued liabilities	—
Total	42	\$ 786,190	\$ (1,956)		\$ (47,084)

December 31, 2021

Derivative Contract Type	Number of Contracts	Notional Amounts	Fair Value Asset (Liability), Net (3)	Balance Sheet Line Item	Unrealized Loss Recorded in AOCL, net of tax
Interest rate swaps (1)	4	\$ 1,400,000	\$ (31,942)	Other liabilities	\$ (56,323)
			(21,795)	Accrued liabilities	
Foreign currency forwards (2)	138	533,506	(91)	Accrued liabilities	—
Total	142	\$ 1,933,506	\$ (53,828)		\$ (56,323)

- Effective June 30, 2020, the Company de-designated all of its interest rate swaps and discontinued hedge accounting. Accordingly, subsequent changes to fair value of the interest rate swaps are recorded in Other income (expense), net. The amounts previously recorded in Accumulated other comprehensive loss are amortized into Interest expense, net over the terms of the hedged forecasted interest payments. See Note 8 — Debt for additional information regarding the Company's interest rate swap contracts.
- The Company has foreign exchange transaction risk because it typically enters into transactions in the normal course of business that are denominated in foreign currencies that differ from the local functional currency. The Company enters into short-term foreign currency forward exchange contracts to mitigate the cash flow risk associated with changes in foreign currency rates on forecasted foreign currency transactions. These contracts are accounted for at fair value with realized and unrealized gains and losses recognized in Other income (expense), net because the Company does not designate these contracts as hedges for accounting purposes. All of the outstanding foreign currency forward exchange contracts at June 30, 2022 matured before July 31, 2022.
- See Note 12 — Fair Value Disclosures for the determination of the fair values of these instruments.

At June 30, 2022, all of the Company's derivative counterparties were investment grade financial institutions. The Company did not have any collateral arrangements with its derivative counterparties and none of the derivative contracts contained credit-risk related contingent features. The table below provides information regarding amounts recognized in the accompanying Condensed Consolidated Statements of Operations for derivative contracts for the periods indicated (in thousands).

Amount recorded in:	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2022	2021	2022	2021
Interest expense, net (1)	\$ 5,164	\$ 7,283	\$ 12,330	\$ 14,315
Other expense (income), net (2)	8,149	1,494	(18,751)	(14,329)
Total expense (income), net	\$ 13,313	\$ 8,777	\$ (6,421)	\$ (14)

- Consists of interest expense from interest rate swap contracts.
- Consists of net realized and unrealized gains and losses on foreign currency forward contracts and gains and losses on de-designated interest rate swaps.

Note 12 — Fair Value Disclosures

The Company's financial instruments include cash equivalents, fees receivable from customers, accounts payable and accrued liabilities, all of which are normally short-term in nature. The Company believes that the carrying amounts of these financial instruments reasonably approximate their fair values due to their short-term nature. The Company's financial instruments also include its outstanding variable-rate borrowings under the 2020 Credit Agreement. The Company believes that the carrying

amounts of its variable-rate borrowings reasonably approximate their fair values because the rates of interest on those borrowings reflect current market rates of interest for similar instruments with comparable maturities.

The Company enters into a limited number of derivatives transactions but does not enter into repurchase agreements, securities lending transactions or master netting arrangements. Receivables or payables that result from derivatives transactions are recorded gross in the Company's Condensed Consolidated Balance Sheets.

FASB ASC Topic 820 provides a framework for the measurement of fair value and a valuation hierarchy based on the transparency of inputs used in the valuation of assets and liabilities. Classification within the valuation hierarchy is based on the lowest level of input that is significant to the resulting fair value measurement. The valuation hierarchy contains three levels. Level 1 measurements consist of quoted prices in active markets for identical assets or liabilities. Level 2 measurements include significant other observable inputs such as quoted prices for similar assets or liabilities in active markets; identical assets or liabilities in inactive markets; observable inputs such as interest rates and yield curves; and other market-corroborated inputs. Level 3 measurements include significant unobservable inputs such as internally-created valuation models. Generally, the Company does not utilize Level 3 valuation inputs to remeasure any of its assets or liabilities. However, Level 3 inputs may be used by the Company when certain long-lived assets, including identifiable intangible assets, goodwill, and right-of-use assets are measured at fair value on a nonrecurring basis when there are indicators of impairment. Additionally, Level 3 inputs may be used by the Company in its required annual impairment review of goodwill. Information regarding the periodic assessment of the Company's goodwill is included in Note 3 — Goodwill and Intangible Assets. The Company does not typically transfer assets or liabilities between different levels of the valuation hierarchy.

The table below presents the fair values of certain financial assets and liabilities that are measured at fair value on a recurring basis in the Company's financial statements (in thousands).

Description	June 30, 2022	December 31, 2021
Assets:		
Values based on Level 1 inputs:		
Deferred compensation plan assets (1)	\$ 8,599	\$ 7,428
Total Level 1 inputs	8,599	7,428
Values based on Level 2 inputs:		
Deferred compensation plan assets (1)	79,776	96,627
Foreign currency forward contracts (2)	245	1,122
Total Level 2 inputs	80,021	97,749
Total Assets	\$ 88,620	\$ 105,177
Liabilities:		
Values based on Level 2 inputs:		
Deferred compensation plan liabilities (1)	\$ 93,884	\$ 110,861
Foreign currency forward contracts (2)	517	1,213
Interest rate swap contracts (3)	1,684	53,737
Total Level 2 inputs	96,085	165,811
Total Liabilities	\$ 96,085	\$ 165,811

- (1) The Company has a deferred compensation plan for the benefit of certain highly compensated officers, managers and other key employees. The assets consist of investments in money market funds, mutual funds and company-owned life insurance contracts, which are valued based on Level 1 or Level 2 inputs. The related deferred compensation plan liabilities are recorded at fair value, or the estimated amount needed to settle the liability, which the Company considers to be a Level 2 input.
- (2) The Company enters into foreign currency forward exchange contracts to hedge the effects of adverse fluctuations in foreign currency exchange rates (see Note 11 — Derivatives and Hedging). Valuation of these contracts is based on observable foreign currency exchange rates in active markets, which the Company considers to be a Level 2 input.
- (3) The Company has interest rate swap contracts that hedge the risk of variability from interest payments on its borrowings (see Note 8 — Debt). The fair values of interest rate swaps are based on mark-to-market valuations prepared by a third-party broker. Those valuations are based on observable interest rates from recently executed market transactions and other observable market data, which the Company considers to be Level 2 inputs. The Company independently corroborates the reasonableness of the valuations prepared by the third-party broker by using an electronic quotation service.

The table below presents the carrying amounts (net of deferred financing costs) and fair values of financial instruments that are not recorded at fair value in the Company's Condensed Consolidated Balance Sheets (in thousands). The estimated fair value of the financial instruments was derived from quoted market prices provided by an independent dealer, which the Company considers to be a Level 2 input.

Description	Carrying Amount		Fair Value	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
2028 Notes	\$ 792,377	\$ 791,833	\$ 733,840	\$ 836,632
2029 Notes	593,541	593,139	521,304	608,346
2030 Notes	791,903	791,491	692,288	816,208
Total	\$ 2,177,821	\$ 2,176,463	\$ 1,947,432	\$ 2,261,186

Assets and liabilities measured at fair value on a non-recurring basis

The Company's certain long-lived assets, including identifiable intangible assets, goodwill, right-of-use assets and other long-lived assets, are measured at fair value on a nonrecurring basis when there are indicators of impairment. During the three and six months ended June 30, 2022, the Company recorded impairment charges of \$11.6 million and \$35.5 million, respectively, on right-of-use assets and other long-lived assets primarily related to certain office leases that the Company determined will no longer be used. The impairments were derived by comparing the fair value of the impacted assets to the carrying value of those assets as of the impairment measurement date, as required under ASC Topic 360 using Level 3 inputs. See Note 14 — Leases for additional discussion related to these impairment charges.

Note 13 — Contingencies

Legal Matters. The Company is involved in legal proceedings and litigation arising in the ordinary course of business. A provision is recorded for pending litigation in the Company's consolidated financial statements when it is determined that an unfavorable outcome is probable and the amount of the loss can be reasonably estimated. The Company believes that the potential liability, if any, in excess of amounts already accrued from all proceedings, claims and litigation will not have a material effect on its financial position, cash flows or results of operations when resolved in a future period.

Indemnifications. The Company has various agreements that may obligate it to indemnify the other party with respect to certain matters. Generally, these indemnification clauses are included in contracts arising in the normal course of business under which the Company customarily agrees to hold the other party harmless against losses arising from a breach of representations related to matters such as title to assets sold and licensed or certain intellectual property rights. It is not possible to predict the maximum potential amount of future payments under these indemnification agreements due to the conditional nature of the Company's obligations and the unique facts of each particular agreement. Historically, payments made by the Company under these agreements have not been material. As of June 30, 2022, the Company did not have any material payment obligations under any such indemnification agreements.

Note 14 — Leases

The Company's leasing activities are primarily for facilities under cancelable and non-cancelable lease agreements expiring during 2022 and through 2038. These facilities support our executive and administrative activities, sales, systems support, operations, and other functions. The Company also has leases for office equipment and other assets, which are not significant. Certain of these lease agreements include (i) renewal options to extend the lease term for up to ten years and/or (ii) options to terminate the agreement within one year. Additionally, certain of the Company's lease agreements provide standard recurring escalations of lease payments for, among other things, increases in a lessor's maintenance costs and taxes. Under some lease agreements, the Company may be entitled to allowances, free rent, lessor-financed tenant improvements and other incentives. The Company's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

The Company subleases certain office space that it does not intend to occupy. Such sublease arrangements expire during 2022 and through 2032 and primarily relate to facilities in Arlington, Virginia. Certain of the Company's sublease agreements: (i) include renewal and termination options; (ii) provide for customary escalations of lease payments in the normal course of business; and (iii) grant the subtenant certain allowances, free rent, Gartner-financed tenant improvements and other incentives.

All of the Company's leasing and subleasing activity is recognized in Selling, general and administrative expense in the accompanying Condensed Consolidated Statements of Operations. The table below presents the Company's net lease cost and certain other information related to the Company's leasing activities as of and for the periods indicated (dollars in thousands).

Description:	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Operating lease cost (1)	\$ 29,532	\$ 32,620	\$ 59,896	\$ 65,485
Lease cost (2)	2,783	4,121	7,051	8,423
Sublease income	(11,812)	(10,584)	(22,737)	(20,923)
Total lease cost, net (3) (4)	\$ 20,503	\$ 26,157	\$ 44,210	\$ 52,985
Cash paid for amounts included in the measurement of operating lease liabilities	\$ 34,042	\$ 35,324	\$ 68,859	\$ 70,251
Cash receipts from sublease arrangements	\$ 11,466	\$ 10,364	\$ 22,630	\$ 20,459
Right-of-use assets obtained in exchange for new operating lease liabilities	\$ 4,752	\$ 2,248	\$ 11,682	\$ 9,294

- (1) Included in operating lease cost was \$10.4 million and \$10.7 million for the three months ended June 30, 2022 and 2021, respectively, and \$20.9 million and \$21.1 million for the six months ended June 30, 2022 and 2021, respectively for costs related to subleasing activities.
- (2) These amounts are primarily variable lease and nonlease costs that are not fixed at the lease commencement date or are dependent on something other than an index or a rate.
- (3) The Company did not capitalize any operating lease costs during any of the periods presented.
- (4) Amount excludes an impairment charge of lease related assets totaling \$11.6 million and \$35.5 million, for the three and six months ended June 30, 2022, as discussed below.

The table below indicates where the discounted operating lease payments from the above table are classified in the accompanying Condensed Consolidated Balance Sheets (in thousands).

Description:	June 30, 2022	December 31, 2021
Accounts payable and accrued liabilities	\$ 91,417	\$ 89,754
Operating lease liabilities	646,677	697,766
Total operating lease liabilities included in the Condensed Consolidated Balance Sheets	\$ 738,094	\$ 787,520

During the six months ended June 30, 2022, as a result and in consideration of the changing nature of the Company's use of office space for its workforce and the impacts of the COVID-19 pandemic, the Company continued to evaluate its existing real estate lease portfolio. This evaluation included the decision to abandon a portion of one leased office space and the cease-use of certain other leased office spaces that the Company intends to sublease. In connection with this evaluation, the Company reviewed certain of its right-of-use assets and related other long-lived assets for impairment under ASC 360.

As a result of the evaluation, the Company recognized impairment losses during the three and six months ended June 30, 2022 of \$11.6 million and \$35.5 million, respectively, which is included as a component of Selling, general and administrative expenses in the accompanying Condensed Consolidated Statements of Operations. The impairment losses recorded include \$7.6 million and \$25.3 million related to right-of-use assets for the three and six months ended June 30, 2022, respectively. The impairment losses also include \$4.0 million and \$10.2 million related to other long-lived assets, primarily leasehold improvements, for the three and six months ended June 30, 2022, respectively.

The fair values for the asset groups relating to the impaired long-lived assets were estimated primarily using discounted cash flow models (income approach) with Level 3 inputs. The significant assumptions used in estimating fair values include the expected downtime prior to the commencement of future subleases, projected sublease income over the remaining lease periods and discount rates that reflect the level of risk associated with receiving future cash flows.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The purpose of this Management’s Discussion and Analysis (“MD&A”) is to facilitate an understanding of significant factors influencing the quarterly operating results, financial condition and cash flows of Gartner, Inc. Additionally, the MD&A conveys our expectations of the potential impact of known trends, events or uncertainties that may impact future results. You should read this discussion in conjunction with our Condensed Consolidated Financial Statements and related notes included in this Quarterly Report on Form 10-Q and our Annual Report on Form 10-K for the year ended December 31, 2021 (the “2021 Form 10-K”). Historical results and percentage relationships are not necessarily indicative of operating results for future periods. References to “Gartner,” the “Company,” “we,” “our” and “us” in this MD&A are to Gartner, Inc. and its consolidated subsidiaries.

FORWARD-LOOKING STATEMENTS

In addition to historical information, this Quarterly Report on Form 10-Q contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are any statements other than statements of historical fact, including statements regarding our expectations, beliefs, hopes, intentions, projections or strategies regarding the future. In some cases, forward-looking statements can be identified by the use of words such as “may,” “will,” “expect,” “should,” “could,” “believe,” “plan,” “anticipate,” “estimate,” “predict,” “potential,” “continue” or other words of similar meaning.

We operate in a very competitive and rapidly changing environment that involves numerous known and unknown risks and uncertainties, some of which are beyond our control. Although we believe that the expectations reflected in any of our forward-looking statements are reasonable, actual results could differ materially from those projected or assumed in any of our forward-looking statements. Our future quarterly and annual revenues, operating income, results of operations and cash flows, as well as any forward-looking statement, are subject to change and to inherent risks and uncertainties, such as those disclosed or incorporated by reference in our filings with the Securities and Exchange Commission. Important factors that could cause our actual results, performance and achievements, or industry results to differ materially from estimates or projections contained in our forward-looking statements include, among others, the following: the impact of the COVID-19 pandemic and related disruptions on our business and on the global economy; the adequacy or effectiveness of steps we take to respond to the pandemic; the impact of general economic conditions, including inflation, on economic activity and our operations; changes in macroeconomic and market conditions and market volatility, including interest rates and the effect on the credit markets and access to capital; our ability to carry out our strategic initiatives and manage associated costs; our ability to recover potential claims under our event cancellation insurance; the timing of conferences and meetings, in particular our Gartner Symposium/Xpo series that normally occurs during the fourth quarter, as well as the timing of our return to in-person conferences and meetings and willingness of participants to attend; our ability to achieve and effectively manage growth, including our ability to integrate our acquisitions and consummate and integrate future acquisitions; our ability to pay our debt obligations; our ability to maintain and expand our products and services; our ability to expand or retain our customer base; our ability to grow or sustain revenue from individual customers; our ability to attract and retain a professional staff of research analysts and consultants as well as experienced sales personnel upon whom we are dependent, especially in light of recent labor shortages; our ability to achieve continued customer renewals and achieve new contract value, backlog and deferred revenue growth in light of competitive pressures; our ability to successfully compete with existing competitors and potential new competitors; our ability to enforce and protect our intellectual property rights; additional risks associated with international operations, including foreign currency fluctuations; the impact on our business of the war in Ukraine and current and future sanctions imposed by governments or other authorities; the U.K.’s exit from the European Union and its impact on our results; the impact of restructuring and other charges on our businesses and operations; cybersecurity incidents; risks associated with the creditworthiness, budget cuts, and shutdown of governments and agencies; the impact of changes in tax policy and heightened scrutiny from various taxing authorities globally; changes to laws and regulations; and other risks and uncertainties detailed in this Form 10-Q, our most recent Form 10-K and other filings we make with the SEC. The potential fluctuations in our operating income could cause period-to-period comparisons of operating results not to be meaningful and could provide an unreliable indication of future operating results. A description of the risk factors associated with our business is included under “Risk Factors” in Item 1A. of the 2021 Form 10-K, which is incorporated herein by reference.

Forward-looking statements are subject to risks, estimates and uncertainties that could cause actual results to differ materially from those discussed in, or implied by, the forward-looking statements. Factors that might cause such a difference include, but are not limited to, those listed above or described under “Risk Factors” in Item 1A of the 2021 Form 10-K. Readers should not place undue reliance on these forward-looking statements, which reflect management’s opinion only as of the date on which they were made. Forward-looking statements in this Quarterly Report on Form 10-Q speak only as of the date hereof, and forward-looking statements in documents attached that are incorporated by reference speak only as of the date of those documents. Except as required by law, we disclaim any obligation to review or update these forward-looking statements to reflect events or circumstances as they occur.

BUSINESS OVERVIEW

Gartner, Inc. (NYSE: IT) delivers actionable, objective insight to executives and their teams. Our expert guidance and tools enable faster, smarter decisions and stronger performance on an organization's mission critical priorities.

We deliver our products and services globally through three segments – Research, Conferences and Consulting, as described below.

- **Research** equips executives and their teams from every function and across all industries with actionable, objective insight, guidance and tools. Our experienced experts deliver all this value informed by an unmatched combination of practitioner-sourced and data-driven research to help our clients address their mission critical priorities.
- **Conferences** provides executives and teams across an organization the opportunity to learn, share and network. From our Gartner Symposium/Xpo series, to industry-leading conferences focused on specific business roles and topics, to peer-driven sessions, our offerings enable attendees to experience the best of Gartner insight and guidance.
- **Consulting** serves senior executives leading technology-driven strategic initiatives leveraging the power of Gartner's actionable, objective insight. Through custom analysis and on-the-ground support we enable optimized technology investments and stronger performance on our clients' mission critical priorities.

Recent Global Events

The invasion of Ukraine by Russia and the sanctions and other measures being imposed in response to this conflict have increased the level of economic and political uncertainty. In March 2022, we began winding down our business in Russia. Russia has not composed a material portion of our consolidated revenues, net income, net assets or workforce. We do not have a business in Ukraine. Other impacts due to this evolving situation are currently unknown and could subject our business to materially adverse consequences should the situation escalate or cause an expansion of economic disruption beyond its current scope to the rest of Europe, where a material portion of our business is carried out. A prolonged disruption may adversely affect our business operations, financial performance and results of operations.

Inflation rates, particularly in North America and Europe, have increased significantly in the past year. Inflation has not had a material effect on our business operations, financial performance and results of operations, other than its impact on the general economy. However, if our costs, in particular personnel-related costs, were to become subject to significant inflationary pressures, we may not be able to fully offset such higher costs through price increases in future periods. Our inability or failure to realize these offsets could adversely affect our business operations, financial performance and results of operations.

COVID-19 Impact

As a result of the COVID-19 pandemic, we temporarily closed Gartner offices around the world and implemented significant travel restrictions. Although all Gartner offices have reopened, the vast majority of our employees have been working from home. In early 2022, we began to operate under a hybrid virtual-first working environment, meaning that most of our employees will have the option to work remotely, at least some of the time, for the foreseeable future. As a result, in the fourth quarter of 2021 we evaluated our real estate footprint globally, and determined that certain of our leased locations are no longer necessary for our operations. This evaluation resulted in the impairment of right-of-use assets and other long-lived assets, net of a reduction in lease liabilities, of \$49.5 million during the fourth quarter of 2021 related to certain office locations we no longer intend to use. We continued our evaluation during 2022, which resulted in additional impairment charges of \$11.6 million and \$35.5 million during three and six months ended June 30, 2022, respectively. We expect to continue to evaluate our real estate footprint globally. If we determine there is any additional excess property, there is no assurance that we will be able to sublease any such excess properties or that we will not incur costs in connection with such exit activities, which may be material. As of the date of this filing, we do not believe our hybrid virtual-first working arrangement has affected our internal controls over financial reporting.

Of the three business segments in which we operate, Research and Consulting have returned to growth levels that were in line with our growth prior to the pandemic. However, Conferences revenue and gross contribution continue to be negatively impacted. We cancelled in-person conferences scheduled for 2020 beginning in late February/early March 2020 with the remainder being cancelled after the World Health Organization's declaration of the COVID-19 pandemic later in March 2020. We began holding virtual conferences during the second half of 2020 and have continued to hold virtual conferences. These

virtual conferences have resulted in significantly less revenue and gross contribution than in-person conferences, but we believe they aid in client retention and engagement. We re-launched in-person destination conferences during the second quarter of 2022 and expect to hold in-person destination conferences in future periods as conditions permit. We also expect to continue to deliver some conferences virtually during the remainder of the year.

For cancelled conferences, our event cancellation insurance enables us to receive an amount up to expected revenues, plus incurred expenses minus saved expense. Our event cancellation insurance provides up to \$170 million in coverage for 2020 with the right to reinstate that amount one time if those limits are utilized. The insurer has contested our right to reinstate limits. Gartner also has event cancellation insurance for 2021, covering events that were planned for 2021 but cancelled, of up to \$150 million with the right to reinstate up to that amount one time if the initial limits are inadequate. The insurer has contested all coverage for events planned for 2021 but cancelled due to COVID-19. We are in litigation with the insurer on these issues. In 2021, we received \$166.9 million of proceeds related to 2020 insurance claims and recorded a gain of \$152.3 million. The timing and ability to receive the remaining proceeds from 2020 and 2021 insurance claims is uncertain so we will not record any insurance claims in excess of expenses incurred related to the remaining claims until the receipt of the insurance proceeds is deemed to be realizable. Our insurance coverage for 2022 (and likely beyond) excludes cancellation due to communicable diseases.

BUSINESS MEASUREMENTS

We believe that the following business measurements are important performance indicators for our business segments:

BUSINESS SEGMENT	BUSINESS MEASUREMENT
Research	<p>Contract value represents the dollar value attributable to all of our subscription-related contracts. It is calculated as the annualized value of all contracts in effect at a specific point in time, without regard to the duration of the contract. Contract value primarily includes Research deliverables for which revenue is recognized on a ratable basis, as well as other deliverables (primarily Conferences tickets) for which revenue is recognized when the deliverable is utilized. Comparing contract value year-over-year not only measures the short-term growth of our business, but also signals the long-term health of our Research subscription business since it measures revenue that is highly likely to recur over a multi-year period. Our contract value consists of Global Technology Sales contract value, which includes sales to users and providers of technology, and Global Business Sales contract value, which includes sales to all other functional leaders.</p> <p>Client retention rate represents a measure of client satisfaction and renewed business relationships at a specific point in time. Client retention is calculated on a percentage basis by dividing our current clients, who were also clients a year ago, by all clients from a year ago. Client retention is calculated at an enterprise level, which represents a single company or customer.</p> <p>Wallet retention rate represents a measure of the amount of contract value we have retained with clients over a twelve-month period. Wallet retention is calculated on a percentage basis by dividing the contract value of our current clients, who were also clients a year ago, by the contract value from a year ago, excluding the impact of foreign currency exchange. When wallet retention exceeds client retention, it is an indication of retention of higher-spending clients, or increased spending by retained clients, or both. Wallet retention is calculated at an enterprise level, which represents a single company or customer.</p>
Conferences	<p>Number of destination conferences represents the total number of hosted virtual or in-person conferences completed during the period. Single day, local meetings are excluded.</p> <p>Number of destination conferences attendees represents the total number of people who attend virtual or in-person conferences. Single day, local meetings are excluded.</p>
Consulting	<p>Consulting backlog represents future revenue to be derived from in-process consulting and benchmark analytics engagements.</p> <p>Utilization rate represents a measure of productivity of our consultants. Utilization rates are calculated for billable headcount on a percentage basis by dividing total hours billed by total hours available to bill.</p> <p>Billing rate represents earned billable revenue divided by total billable hours.</p>

EXECUTIVE SUMMARY OF OPERATIONS AND FINANCIAL POSITION

The fundamentals of our strategy include a focus on creating actionable insights for executive leaders and their teams, delivering innovative and highly differentiated product offerings, building a strong sales capability, providing world class client service with a focus on client engagement and retention, and continuously improving our operational effectiveness.

We had total revenues of \$1.4 billion during the second quarter of 2022, an increase of 18% compared to the second quarter of 2021. During the second quarter of 2022, revenues for Research increased by 14%, Conferences revenue increased by \$55.3 million, and Consulting revenues increased by 14%, compared to the second quarter of 2021. For a more complete discussion of our results by segment, see Segment Results below.

For the second quarter of 2022 and 2021, we had net income of \$204.9 million and \$271.2 million, respectively, and diluted income per share of \$2.53 and \$3.13, respectively. Cash provided by operating activities was \$583.4 million and \$732.6 million during the six months ended June 30, 2022 and 2021, respectively. As of June 30, 2022, we had \$360.5 million of cash and cash equivalents and approximately \$1.0 billion of available borrowing capacity on our revolving credit facility. For a more complete discussion of our cash flows and financial position, see the Liquidity and Capital Resources section below.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

For information regarding our critical accounting policies and estimates, please refer to Part II, Item 7, “Critical Accounting Policies and Estimates” contained in our Annual Report on Form 10-K for the fiscal year ended December 31, 2021. There have been no material changes to the critical accounting policies previously disclosed in that report.

RECENTLY ISSUED ACCOUNTING STANDARDS

The FASB has issued accounting standards that have not yet become effective and that may impact the Company’s consolidated financial statements or its disclosures in future periods. Note 1 — Business and Basis of Presentation in the Notes to Condensed Consolidated Financial Statements provides information regarding those accounting standards.

RESULTS OF OPERATIONS

Consolidated Results

In addition to GAAP results, we provide foreign currency neutral dollar amounts and percentages for our revenues, certain expenses, contract values and other metrics. These foreign currency neutral dollar amounts and percentages eliminate the effects of exchange rate fluctuations and thus provide a more accurate and meaningful trend in the underlying business performance being measured. We calculate foreign currency neutral dollar amounts by converting the underlying amounts in local currency for different periods into U.S. dollars by applying the same foreign exchange rates to all periods presented.

The table below presents an analysis of selected line items and period-over-period changes in our interim Condensed Consolidated Statements of Operations for the periods indicated (in thousands).

	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021	Increase (Decrease)	Increase (Decrease) %
Total revenues	\$ 1,376,521	\$ 1,167,319	\$ 209,202	18 %
Costs and expenses:				
Cost of services and product development	424,535	350,802	73,733	21
Selling, general and administrative	604,911	488,496	116,415	24
Depreciation	22,910	25,851	(2,941)	(11)
Amortization of intangibles	24,754	26,154	(1,400)	(5)
Acquisition and integration charges	2,289	1,302	987	76
Operating income	297,122	274,714	22,408	8
Interest expense, net	(29,719)	(27,390)	2,329	9
Gain on event cancellation insurance claims	—	135,545	(135,545)	nm
Other income (expense), net	8,548	(3,682)	12,230	nm
Less: Provision for income taxes	71,026	107,951	(36,925)	(34)
Net income	<u>\$ 204,925</u>	<u>\$ 271,236</u>	<u>\$ (66,311)</u>	<u>(24)%</u>
	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021	Increase (Decrease)	Increase (Decrease) %
Total revenues	\$ 2,639,261	\$ 2,271,357	\$ 367,904	16 %
Costs and expenses:				
Cost of services and product development	801,568	685,269	116,299	17
Selling, general and administrative	1,222,815	975,751	247,064	25
Depreciation	46,111	51,601	(5,490)	(11)
Amortization of intangibles	49,902	56,668	(6,766)	(12)
Acquisition and integration charges	4,496	1,942	2,554	132
Operating income	514,369	500,126	14,243	3
Interest expense, net	(61,113)	(53,539)	7,574	14
Gain on event cancellation insurance claims	—	135,545	(135,545)	nm
Other income, net	37,754	11,808	25,946	220
Less: Provision for income taxes	113,570	158,604	(45,034)	(28)
Net income	<u>\$ 377,440</u>	<u>\$ 435,336</u>	<u>\$ (57,896)</u>	<u>(13)%</u>

nm = not meaningful

Total revenues for the three months ended June 30, 2022 were \$1.4 billion, an increase of \$209.2 million, or 18% compared to the same period in 2021 on a reported basis and 22% excluding the foreign currency impact. Total revenues for the six months ended June 30, 2022 were \$2.6 billion, an increase of \$367.9 million, or 16% compared to the same period in 2021 on a reported basis and 19% excluding the foreign currency impact. Refer to the section of this MD&A below entitled “Segment Results” for a discussion of revenues and results by segment.

Cost of services and product development was \$424.5 million during the three months ended June 30, 2022, an increase of \$73.7 million compared to the same period in 2021, or 21% on a reported basis and 25% excluding the foreign currency impact. The increase in Cost of services and product development was primarily due to increased compensation costs, research program expenses and conference related expenses. Cost of services and product development as a percent of revenues was 31% and 30% for the three months ended June 30, 2022 and 2021, respectively. Cost of services and product development was \$801.6 million during the six months ended June 30, 2022, an increase of \$116.3 million compared to the same period in 2021, or 17% on a reported basis and 20% excluding the foreign currency impact. The increase was primarily due to the same factors that caused the year-over-year quarterly increase. Cost of services and product development as a percent of revenues was 30% during both the six months ended June 30, 2022 and 2021.

Selling, general and administrative (“SG&A”) expense was \$604.9 million during the three months ended June 30, 2022, an increase of \$116.4 million compared to the same period in 2021, or 24% on a reported basis and 27% excluding the foreign currency impact. SG&A expense was \$1,222.8 million during the six months ended June 30, 2022, an increase of \$247.1 million compared to the same period in 2021, or 25% on a reported basis and 28% excluding the foreign currency impact. The increase in SG&A expense during both the three and six months ended June 30, 2022 was primarily due to higher personnel costs in the current year, including higher commission expense, following strong contract value growth in 2021, which is amortized as the related revenue is recognized, as well as higher salary expense due to increased headcount. The increase in SG&A, as compared to the prior fiscal year, was also due to charges associated with the impairment of right-of-use assets and other long-lived assets of \$11.6 million and \$35.5 million for the three and six months ended June 30, 2022, respectively, related to certain office locations we no longer intend to use. The number of quota-bearing sales associates in Global Technology Sales increased by 9% to 3,237 and in Global Business Sales increased by 17% to 1,036 compared to June 30, 2021. On a combined basis, the total number of quota-bearing sales associates increased by 11% when compared to June 30, 2021. SG&A expense as a percent of revenues was 44% and 42% during the three months ended June 30, 2022 and 2021, respectively. SG&A expense as a percent of revenues was 46% and 43% during the six months ended June 30, 2022 and 2021, respectively. We expect SG&A expense as a percentage of revenue to increase over the near-term as our hiring continues.

Depreciation decreased by 11% during both the three and six months ended June 30, 2022, compared to the same periods in 2021. The decreases for the three and six months ended June 30, 2022 were primarily due to a reduction in leasehold improvements depreciation as a result of the impairment losses recorded in the fourth quarter of 2021 and the six months ended June 30, 2022.

Amortization of intangibles decreased by 5% and 12% during the three and six months ended June 30, 2022, respectively, compared to the same periods in 2021 due to certain intangible assets becoming fully amortized in 2021.

Acquisition and integration charges increased by \$1.0 million and \$2.6 million during the three and six months ended June 30, 2022 compared to the same period in 2021.

Operating income was \$297.1 million and \$274.7 million during the three months ended June 30, 2022 and 2021, respectively. Operating income was \$514.4 million and \$500.1 million during the six months ended June 30, 2022 and 2021, respectively. The increase in operating income for both the three and six months ended June 30, 2022 as compared to the prior year periods was due to increased revenue, partially offset by an increase in cost of services and product development and selling, general and administrative expenses.

Interest expense, net increased by \$2.3 million and \$7.6 million during the three and six months ended June 30, 2022, respectively, compared to the same periods in 2021. The increase was primarily due to an increase in outstanding debt as a result of the issuance of the 2029 Notes in June 2021.

Gain on event cancellation insurance claims of \$135.5 million during the three and six months ended June 30, 2021 reflected proceeds, net of expense recoveries, related to the 2020 conference cancellation insurance claims.

Other income (expense), net for the periods presented herein included the net impact of foreign currency gains and losses from our hedging activities. Other income (expense), net for the three and six months ended June 30, 2022 also included gains of \$10.7 million and \$40.5 million, respectively, on de-designated interest rate swaps. Other income (expense), net for the three and six months ended June 30, 2021 also included a \$4.0 million loss and \$11.8 million gain, respectively, on de-designated interest rate swaps.

The provision for income taxes was \$71.0 million and \$108.0 million for the three months ended June 30, 2022 and 2021, respectively, and \$113.6 million and \$158.6 million for the six months ended June 30, 2022 and 2021, respectively.

The effective income tax rate was 25.7% and 28.5% for the three months ended June 30, 2022 and 2021, respectively, and 23.1% and 26.7% for the six months ended June 30, 2022 and 2021, respectively. During the second quarter of 2021, the United Kingdom enacted legislation raising its corporate tax rate from 19% to 25% effective April 2023, which led to a higher effective income tax rate for the three and six months ended June 30, 2021 as compared to the same periods in 2022.

Net income for the three months ended June 30, 2022 and 2021 was \$204.9 million and \$271.2 million, respectively, while net income for the six months ended June 30, 2022 and 2021 was \$377.4 million and \$435.3 million, respectively. Our diluted net income per share during the three and six months ended June 30, 2022 decreased by \$0.60 and \$0.35, respectively, compared to the same period in 2021. The decrease in net income during the three and six months ended June 30, 2022 was primarily the result of the gain on event cancellation insurance recognized in the prior year, as well as increased operating expenses, partially offset by increased revenues and the gain from de-designated interest rate swaps.

SEGMENT RESULTS

We evaluate reportable segment performance and allocate resources based on gross contribution margin. Gross contribution is defined as operating income or loss excluding certain Cost of services and product development expenses, SG&A expenses, Depreciation, Amortization of intangibles, and Acquisition and integration charges. Gross contribution margin is defined as gross contribution as a percent of revenues.

Reportable Segments

The sections below present the results of the Company's three reportable business segments: Research, Conferences and Consulting.

Research

	As Of And For The Three Months Ended June 30, 2022	As Of And For The Three Months Ended June 30, 2021	Increase (Decrease)	Percentage Increase (Decrease)	As Of And For The Six Months Ended June 30, 2022	As Of And For The Six Months Ended June 30, 2021	Increase (Decrease)	Percentage Increase (Decrease)
Financial Measurements:								
Revenues (1)	\$ 1,142,329	\$ 1,003,238	\$ 139,091	14 %	\$ 2,278,709	\$ 1,982,970	\$ 295,739	15 %
Gross contribution (1)	\$ 843,965	\$ 742,131	\$ 101,834	14 %	\$ 1,693,344	\$ 1,466,503	\$ 226,841	15 %
Gross contribution margin	74 %	74 %	0 point	—	74 %	74 %	0 point	—
Business Measurements:								
Global Technology Sales (2):								
Contract value (1), (3)	\$ 3,406,000	\$ 3,000,000	\$ 406,000	14 %				
Client retention	86 %	85 %	1 point	—				
Wallet retention	107 %	101 %	6 points	—				
Global Business Sales (2):								
Contract value (1), (3)	\$ 936,000	\$ 761,000	\$ 175,000	23 %				
Client retention	88 %	85 %	3 points	—				
Wallet retention	115 %	110 %	5 points	—				

(1) Dollars in thousands.

(2) Global Technology Sales includes sales to users and providers of technology. Global Business Sales includes sales to all other functional leaders.

(3) Contract values are on a foreign exchange neutral basis. Contract values as of June 30, 2021 have been calculated using the same foreign currency rates as 2022.

Research revenues increased by \$139.1 million during the three months ended June 30, 2022 compared to the same period in 2021, or 14% on a reported basis and 17% excluding the foreign currency impact. For the six months ended June 30, 2022, research revenues increased by \$295.7 million compared to the same period in 2021, or 15% on a reported basis and 18% excluding the foreign currency impact. The segment gross contribution margin was 74% for all the periods presented herein. The increase in revenues during 2022 was primarily due to the same factors driving the trend in our Research contract value, which are discussed below.

Contract value increased to \$4.3 billion at June 30, 2022, or 15% compared to June 30, 2021 excluding the foreign currency impact. Global Technology Sales (“GTS”) contract value increased by 14% at June 30, 2022 when compared to June 30, 2021. The increase in GTS contract value was primarily due to new business from new and existing clients, as well as improved client retention. GTS contract value increased by double-digits for all enterprise sizes and almost all sectors. Global Business Sales (“GBS”) contract value increased by 23% year-over-year, also primarily driven by new business from new and existing clients, and improved client retention. All of our GBS practices achieved double-digit growth rates, with the majority growing more than 20% year-over-year.

GTS client retention was 86% and 85% as of June 30, 2022 and 2021, respectively, while wallet retention was 107% and 101%, respectively. GBS client retention was 88% and 85% as of June 30, 2022 and 2021, respectively, while wallet retention was 115% and 110%, respectively. The increase in GTS and GBS wallet retention was largely due to increased spending by existing clients, as well as improved client retention of larger clients. The number of GTS client enterprises increased by 4.2% at June 30, 2022 when compared to prior year, while GBS client enterprises increased by 4.7% at June 30, 2022 when compared to the prior year.

Conferences

	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021	Increase (Decrease)	Percentage Increase (Decrease)	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021	Increase (Decrease)	Percentage Increase (Decrease)
Financial Measurements:								
Revenues (1)	\$ 113,525	\$ 58,179	\$ 55,346	95 %	\$ 123,879	\$ 82,981	\$ 40,898	49 %
Gross contribution (1)	\$ 73,526	\$ 42,602	\$ 30,924	73 %	\$ 70,650	\$ 56,498	\$ 14,152	25 %
Gross contribution margin	65 %	73 %	(8) points	—	57 %	68 %	(11) points	—
Business Measurements:								
Number of destination conferences (2)	14	13	1	8 %	19	18	1	6 %
Number of destination conferences attendees (2)	14,467	15,269	(802)	(5)%	18,371	20,651	(2,280)	(11)%

(1) Dollars in thousands.

(2) Includes both virtual and in-person conferences. Single day, local meetings are excluded.

Conferences revenues increased by \$55.3 million during the three months ended June 30, 2022 compared to the same period in 2021. Conferences revenues increased by \$40.9 million during the six months ended June 30, 2022 compared to the same period in 2021. The increase in revenues for the three and six months ended June 30, 2022 was primarily due to the return to in-person destination conferences. We re-launched in-person destination conferences during the second quarter of 2022 and expect to hold in-person destination conferences in future periods as conditions permit. We also expect to continue to deliver some conferences virtually during the remainder of the year. We held 6 in-person destination conferences during the three months ended June 30, 2022. We held 8 and 13 virtual conferences during each of the three months ended June 30, 2022 and 2021, respectively. Gross contribution increased to \$73.5 million during the three months ended June 30, 2022 compared to \$42.6 million in the same period last year. Gross contribution increased to \$70.7 million during the six months ended June 30, 2022 compared to \$56.5 million in the same period last year. The increase in gross contribution was primarily the result of the return to in-person destination conferences noted above. We expect Conferences gross contribution margin to decrease from 2021 levels as the mix of in-person destination conferences increases.

Consulting

	As Of And For The Three Months Ended June 30, 2022	As Of And For The Three Months Ended June 30, 2021	Increase (Decrease)	Percentage Increase (Decrease)	As Of And For The Six Months Ended June 30, 2022	As Of And For The Six Months Ended June 30, 2021	Increase (Decrease)	Percentage Increase (Decrease)
Financial Measurements:								
Revenues (1)	\$ 120,667	\$ 105,902	\$ 14,765	14 %	\$ 236,673	\$ 205,406	\$ 31,267	15 %
Gross contribution (1)	\$ 50,223	\$ 42,770	\$ 7,453	17 %	\$ 101,235	\$ 81,868	\$ 19,367	24 %
Gross contribution margin	42 %	40 %	2 points	—	43 %	40 %	3 points	—
Business Measurements:								
Backlog (1), (2)	\$ 152,300	\$ 104,900	\$ 47,400	45 %				
Billable headcount	799	740	59	8 %				
Consultant utilization	71 %	70 %	1 point	—	72 %	69 %	3 points	—

(1) Dollars in thousands.

(2) Backlog is on a foreign exchange neutral basis. Backlog as of June 30, 2021 has been calculated using the same foreign currency rates as 2022. We changed our method of calculating backlog beginning in 2022 to include multi-year contracts.

Consulting revenues increased by 14% during the three months ended June 30, 2022 compared to the same period in 2021 on a reported basis and 20% excluding the foreign currency impact, with an increase in labor-based consulting revenue of 11% and an increase in contract optimization revenue of 28%, each on a reported basis. Contract optimization revenue may vary significantly and, as such, revenues for the second quarter of 2022 may not be indicative of results for the remainder of 2022 or beyond. The segment gross contribution margin was 42% and 40% for the three months ended June 30, 2022 and 2021, respectively. The increase in gross contribution margin during the second quarter of 2022 was primarily due to the increase in revenue.

For the six months ended June 30, 2022, Consulting revenues increased 15% compared to the same period in 2021 on a reported basis and 20% excluding the foreign currency impact, with an increase in labor-based consulting revenue of 13% and an increase in contract optimization revenue of 28%, each on a reported basis. The segment gross contribution margin for the six months ended June 30, 2022 increased by 3 points compared to the same period in 2021. The increase in gross contribution margin for the six months ended June 30, 2022 was also primarily due to the increase in revenue.

Backlog increased by \$47.4 million, or 45%, from June 30, 2021 to June 30, 2022 excluding the foreign currency impact. The change in our method of calculating backlog noted above contributed approximately 12 percentage points to the backlog growth rate.

LIQUIDITY AND CAPITAL RESOURCES

We finance our operations through cash generated from our operating activities and borrowings. Note 8 — Debt in the Notes to Condensed Consolidated Financial Statements provides additional information regarding the Company's outstanding debt obligations. At June 30, 2022, we had \$360.5 million of cash and cash equivalents and approximately \$1.0 billion of available borrowing capacity on the revolving credit facility under our 2020 Credit Agreement. We believe that the Company has adequate liquidity to meet its currently anticipated needs for both the next twelve months and the foreseeable future.

We have historically generated significant cash flows from our operating activities, benefiting from the favorable working capital dynamics of our subscription-based business model in our Research segment, which is our largest business segment and historically has constituted a significant portion of our total revenues. The majority of our Research customer contracts are paid in advance and, combined with a strong customer retention rate and high incremental margins, our subscription-based business model has resulted in continuously strong operating cash flow. Cash flow generation has also benefited from our ongoing efforts to improve the operating efficiencies of our businesses as well as a focus on the optimal management of our working capital as we increase sales.

Our cash and cash equivalents are held in numerous locations throughout the world with 82% held outside the U.S. at June 30, 2022. We intend to reinvest substantially all of our accumulated undistributed foreign earnings, except in instances where repatriation would result in minimal additional tax. As a result of the U.S. Tax Cuts and Jobs Act of 2017, we believe that the income tax impact if such earnings were repatriated would be minimal.

The table below summarizes the changes in the Company's cash balances for the periods indicated (in thousands).

	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021	Increase (Decrease)
Cash provided by operating activities	\$ 583,392	\$ 732,645	\$ (149,253)
Cash used in investing activities	(38,385)	(47,253)	8,868
Cash used in financing activities	(920,548)	(590,237)	(330,311)
Net (decrease) increase in cash and cash equivalents and restricted cash	(375,541)	95,155	(470,696)
Effects of exchange rates	(20,479)	(7,281)	(13,198)
Beginning cash and cash equivalents and restricted cash	760,602	712,583	48,019
Ending cash and cash equivalents and restricted cash	\$ 364,582	\$ 800,457	\$ (435,875)

Operating

Cash provided by operating activities was \$583.4 million and \$732.6 million during the six months ended June 30, 2022 and 2021, respectively. The year-over-year decrease was primarily due to \$150.0 million of insurance proceeds received in the 2021 period related to 2020 event cancellation claims, as well as higher commission and interest payments in 2022, partially offset by reduced income tax payments.

Investing

Cash used in investing activities was \$38.4 million and \$47.3 million during the six months ended June 30, 2022 and 2021, respectively. The decrease from 2021 to 2022 was the result of the 2021 acquisition of Pulse Q&A Inc., partially offset by increased capital expenditures due primarily to higher capitalized software additions.

Financing

Cash used in financing activities was \$920.5 million and \$590.2 million during the six months ended June 30, 2022 and 2021, respectively. During the 2022 period, we used \$929.9 million of cash for share repurchases and paid a net \$2.7 million in debt principal repayments. During the 2021 period, we used \$1,083.4 million of cash for share repurchases, issued \$600.0 million of 3.625% Senior Notes due 2029, and repaid \$100.0 million on our term loan facility under the 2020 Credit Agreement. During the 2021 period, we also repaid a net \$5.0 million on our revolving credit facility under the 2020 Credit Agreement and paid a net \$5.3 million in debt principal repayments, exclusive of the \$100.0 million term loan repayment.

Debt

As of June 30, 2022, the Company had \$2.5 billion of principal amount of debt outstanding, of which \$3.3 million is to be repaid in the remainder of fiscal year 2022. Note 8 — Debt in the Notes to Condensed Consolidated Financial Statements provides additional information regarding the Company's outstanding debt obligations. From time to time, the Company may seek to retire or repurchase its outstanding debt through various methods including open market repurchases, negotiated block transactions, or otherwise, all or some of which may be effected through Rule 10b5-1 plans. Such transactions, if any, depend on prevailing market conditions, our liquidity and capital requirements, contractual restrictions, and other factors, and may involve material amounts.

OFF BALANCE SHEET ARRANGEMENTS

From January 1, 2022 through June 30, 2022, the Company has not entered into any material off-balance sheet arrangements or transactions with unconsolidated entities or other persons.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

INTEREST RATE RISK

As of June 30, 2022, the Company had \$2.5 billion in total debt principal outstanding. Note 8 — Debt in the Notes to Condensed Consolidated Financial Statements provides additional information regarding the Company's outstanding debt obligations.

Approximately \$0.3 billion of the Company's total debt outstanding as of June 30, 2022 was based on a floating base rate of interest, which potentially exposes the Company to increases in interest rates. However, we reduce our overall exposure to interest rate increases through our interest rate swap contracts, which effectively convert the floating base interest rates on all of our variable rate borrowings to fixed rates.

FOREIGN CURRENCY RISK

A significant portion of our revenues are typically derived from sales outside of the United States. Among the major foreign currencies in which we conduct business are the Euro, the British Pound, the Japanese Yen, the Australian dollar and the Canadian dollar. The reporting currency of our Condensed Consolidated Financial Statements is the U.S. dollar. As the values of the foreign currencies in which we operate fluctuate over time relative to the U.S. dollar, the Company is exposed to both foreign currency translation and transaction risk.

Translation risk arises as our foreign currency assets and liabilities are translated into U.S. dollars because the functional currencies of our foreign operations are generally denominated in the local currency. Adjustments resulting from the translation of these assets and liabilities are deferred and recorded as a component of stockholders' equity. A measure of the potential impact of foreign currency translation can be determined through a sensitivity analysis of our cash and cash equivalents. At June 30, 2022, we had \$360.5 million of cash and cash equivalents, with a substantial portion denominated in foreign currencies. If the exchange rates of the foreign currencies we hold all changed in comparison to the U.S. dollar by 10%, the amount of cash and cash equivalents we would have reported on June 30, 2022 could have increased or decreased by approximately \$33.6 million. The translation of our foreign currency revenues and expenses historically has not had a material impact on our consolidated earnings because movements in and among the major currencies in which we operate tend to impact our revenues and expenses fairly equally. However, our earnings could be impacted during periods of significant exchange rate volatility, or when some or all of the major currencies in which we operate move in the same direction against the U.S. dollar.

Transaction risk arises when we enter into a transaction that is denominated in a currency that may differ from the local functional currency. As these transactions are translated into the local functional currency, a gain or loss may result, which is recorded in current period earnings. We typically enter into foreign currency forward exchange contracts to mitigate the effects of some of this foreign currency transaction risk. Our outstanding foreign currency forward exchange contracts as of June 30, 2022 had an immaterial net unrealized loss.

CREDIT RISK

Financial instruments that potentially subject the Company to concentration of credit risk consist primarily of short-term, highly liquid investments classified as cash equivalents, fees receivable, interest rate swap contracts and foreign currency forward exchange contracts. The majority of the Company's cash and cash equivalents, interest rate swap contracts and foreign currency forward exchange contracts are with large investment grade commercial banks. Fees receivable balances deemed to be collectible from customers have limited concentration of credit risk due to our diverse customer base and geographic dispersion.

ITEM 4. CONTROLS AND PROCEDURES

We have established disclosure controls and procedures that are designed to ensure that the information we are required to disclose in our reports filed under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), is recorded, processed, summarized and reported in a timely manner. Specifically, these controls and procedures ensure that the information is accumulated and communicated to our executive management team, including our chief executive officer and our chief financial officer, to allow timely decisions regarding required disclosure.

Management conducted an evaluation, as of June 30, 2022, of the effectiveness of the design and operation of our disclosure controls and procedures, under the supervision and with the participation of our chief executive officer and chief financial officer. Based upon that evaluation, our chief executive officer and chief financial officer have concluded that the Company’s disclosure controls and procedures are effective in alerting them in a timely manner to material Company information required to be disclosed by us in reports filed under the Exchange Act.

There have been no changes in the Company’s internal control over financial reporting during the period covered by this report that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are involved in legal and administrative proceedings and litigation arising in the ordinary course of business. We believe that the potential liability, if any, in excess of amounts already accrued from all proceedings, claims and litigation will not have a material effect on our financial position, cash flows or results of operations when resolved in a future period.

ITEM 1A. RISK FACTORS

There were no material changes to the risk factors disclosed in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2021.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

There were no unregistered sales of equity securities during the period covered by this report.

Issuer Purchases of Equity Securities

In May 2015, the Company's Board of Directors (the "Board") authorized a share repurchase program to repurchase up to \$1.2 billion of the Company's common stock. The Board authorized incremental share repurchases of up to an additional \$1.6 billion, and \$1.0 billion of the Company's common stock during 2021 and the first half of 2022, respectively. The Company may repurchase its common stock from time-to-time in amounts, at prices and in the manner that the Company deems appropriate, subject to the availability of stock, prevailing market conditions, the trading price of the stock, the Company's financial performance and other conditions. Repurchases may be made through open market purchases (which may include repurchase plans designed to comply with Rule 10b5-1 of the Securities Exchange Act of 1934, as amended), accelerated share repurchases, private transactions or other transactions and will be funded by cash on hand and borrowings. Repurchases may also be made from time-to-time in connection with the settlement of the Company's stock-based compensation awards. The table below summarizes the repurchases of our common stock during the three months ended June 30, 2022.

Period	Total Number of Shares Purchased (#)	Average Price Paid Per Share (\$)	Total Number of Shares Purchased Under Announced Programs (#)	Maximum Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs (in thousands)
April 1, 2022 to April 30, 2022	586,747	\$ 295.68	586,187	\$ 1,004,428
May 1, 2022 to May 31, 2022	895,804	253.07	895,002	777,931
June 1, 2022 to June 30, 2022	298,586	246.37	298,326	\$ 704,434
Total for the quarter (1)	<u>1,781,137</u>	<u>\$ 265.98</u>	<u>1,779,515</u>	

(1) The repurchased shares during the three months ended June 30, 2022 included purchases for both the settlement of stock-based compensation awards and open market purchases.

ITEM 6. EXHIBITS

EXHIBIT NUMBER

DESCRIPTION OF DOCUMENT

10.1+*	Separation Agreement and Release of Claims, dated July 13, 2022, between the Company and Jules Kaufman
31.1*	Certification of chief executive officer under Rule 13a — 14(a)/15d — 14(a).
31.2*	Certification of chief financial officer under Rule 13a — 14(a)/15d — 14(a).
32*	Certification under 18 U.S.C. 1350.
101.INS*	Inline XBRL Instance Document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104*	Cover Page Interactive Data File, formatted in Inline XBRL (included as Exhibit 101).

+ Management compensation plan or arrangement.

* Filed with this report.

Items 3 and 4 of Part II are not applicable and have been omitted.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Gartner, Inc.

Date: August 2, 2022

/s/ Craig W. Safian

Craig W. Safian
Executive Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

SEPARATION AGREEMENT AND RELEASE OF CLAIMS

THIS SEPARATION AGREEMENT AND RELEASE OF CLAIMS (the "Agreement"), provided as of July 13, 2022, is made between Gartner, Inc., a Delaware corporation having an office located at 56 Top Gallant Road, Stamford, Connecticut ("Gartner" or the "Company") and Jules Kaufman (the "Employee").

In consideration of the covenants and promises set forth below, Gartner and the Employee, intending to be bound legally, agree as follows:

1. Separation. As it was announced that Employee will be stepping down from his role with the Company, Gartner and the Employee have agreed to sever the employment relationship effective at the close of business on February 15, 2023 (the "Separation Date"), subject to the terms and conditions below.

2. Consideration. Contingent upon full execution and delivery of this Agreement and the expiration of the Revocation Period set forth in Section 7 with no revocation having occurred:

- a) From the Effective Date of this Agreement through August 31, 2022, Employee will continue to serve as General Counsel and be eligible to receive such benefits associated with his position.
- b) From September 1, 2022, through the Separation Date, Gartner will employ Employee in an "on call" capacity in order to ensure an orderly transition of business (the "On Call Period"). During this On Call Period: (i) Employee will work with Robin Kranich on the transition. Employee will not otherwise perform any work unless specifically requested to do so by Gene Hall, Robin Kranich or their designees; (ii) Gartner shall continue to pay Employee's existing salary in accordance with Gartner's normal payroll cycles, less applicable taxes and withholdings required by law; and (iii) Gartner shall continue to provide any benefits in which Employee is presently enrolled as of the date of this Agreement, including the deferred compensation plan and any company matching formula that is provided to other executive officers.
- c) Gartner shall, following the Separation Date, provide Employee with the payments and benefits set forth on Schedule 1. In the event of a material breach of this Agreement by Employee from the effective date of this Agreement through one year following his Separation Date any and all remaining payments or benefits called for by this Agreement will stop, and any right to such payments or benefits claimed by Employee shall be extinguished.
- d) Notwithstanding the foregoing, Employee and Gartner agree that Gartner reserves the right to change Employee's title and officer status prior to August 31, 2022, in the case of Employee's resignation, Employee's material breach of the agreement, or Gartner's hiring of a replacement.

3. Benefits. Except as specifically set forth in Section 2 above, Gartner and the Employee agree that, commencing on the Separation Date, Employee will not be eligible to receive or participate in any of the benefits or perquisites offered by Gartner to its employees, including, without limitation, medical welfare benefits, the employee stock purchase plan, bonus plans, profit sharing plans, 401(k) plans, deferred compensation plan, stock appreciation rights, performance stock units, vacation, disability insurance, life insurance and severance, except as required by applicable law. Employee further agrees that he is not entitled to any compensation or benefits from Gartner other than what is described in Section 2 above.

4. Continuing Obligations.

- a) The Employee acknowledges that the payments and benefits provided herein constitute substantial consideration to him and that he adopts and restates his commitment to adhere to the post-employment obligations set forth in any existing agreements Employee has previously entered into with Gartner or its respective parents, subsidiaries or affiliates, whether such agreements would otherwise be found to be enforceable, without expressly adopting and restating them in this Agreement, including but not limited to his Agreement Regarding Certain Conditions of Employment, Restricted Stock Unit Award Agreement, Performance Stock Unit Agreement, Stock Appreciation Right Agreement, or any other post-termination restrictions he may have regarding intellectual property, confidential information, non-competition and non-solicitation. Such agreements and conditions remain in full force and effect, and are not amended in any way by this Agreement. Employee agrees that in the event he breaches any such agreement or this Agreement, Gartner may change the Separation Date to a date sooner than February 15, 2023 (in which case, the Employee's compensation and benefits would cease as of new Separation Date) and withhold any amounts otherwise payable to Employee under this Agreement in addition to pursuing all other remedies available.
- b) Notwithstanding the foregoing, pursuant to the Defend Trade Secrets Act of 2016: (1) an individual shall not be liable for disclosing a trade secret that: (A) is made (i) in confidence to a federal, state, or local government official, or to an attorney; and (ii) solely for purposes of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if made under seal; and (2) an individual who files a lawsuit for retaliation for reporting a suspected violation of law may disclose the employer's trade secret to his attorney and use the trade secret in the court proceeding if the individual (A) files documents containing the trade secret under seal; and (B) does not disclose the trade secret except pursuant to court order.
- c) Employee agrees to notify any subsequent employer of the restrictive covenants referenced in this Agreement. In addition, Employee authorizes the Company to provide a copy of the restrictive covenants referenced in this Agreement to third parties, including but not limited to, the Employee's subsequent, anticipated, or possible future employer.

5. Anti-Disparagement. The Employee agrees not to make any statement, written or verbal, to any third party that may be harmful to Gartner or its parents, subsidiaries or affiliates, or injurious to the goodwill, reputation or business standing of Gartner or its parents, subsidiaries or

affiliates at any time in the future. Gartner's Chief Executive Officer will provide a reference upon request.

6. Release of Claims. The Employee, on behalf of Employee and his heirs, executors, administrators, representatives, successors and assigns, and in consideration of the terms and conditions set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, remises, releases and forever discharges Gartner and its parent, subsidiaries, affiliated corporations, successors and assigns, and their respective officers, directors, shareholders, employees and agents (collectively, the "Releasees") from any and all claims, damages, actions, causes of action, losses, liabilities, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, judgments, extents, executions, costs and expenses of any nature whatsoever, including, without limitation, court costs and attorneys' fees, whether or not now known, claimed or suspected, fixed or contingent, in law or in equity (collectively, the "Claims") which the Employee now has, has ever had, has ever claimed to have had or may have against Releasees from the beginning of the world to the date of Employee's execution of this Agreement, including: any and all Claims for violation of the common law, including, but not limited to, wrongful discharge of employment, breach of contract (express or implied), negligent or intentional infliction of emotional distress, negligent or intentional misrepresentations, negligence, slander, defamation or self-defamation; any and all Claims for violation of any federal, state, local or municipal rule, regulation or statute, including, but not limited to, alleged violations of the **Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. S621 et seq. (the "ADEA")**, National Labor Relations Act, as amended; Title VII of the Civil Rights Act of 1964, as amended; Sections 1981 through 1988 of Title 42 of the United States Code; the Employee Retirement Income Security Act of 1974, as amended; the Immigration Reform Control Act, as amended; the Americans With Disabilities Act of 1990, as amended; the Family and Medical Leave Act of 1993; the Occupational Safety and Health Act, as amended; the Consolidated Omnibus Budget Reconciliation Act, as amended; the Connecticut Fair Employment Practices Act, Conn. Gen. Stat. §§ 46a-60 et seq.; the Connecticut whistleblower law, Conn. Gen. Stat. § 31-51m; Connecticut's free speech law, Conn. Gen. Stat. § 31-51q; the Connecticut Family and Medical Leave Act, Conn. Gen. Stat. §§ 31-51kk et seq.; and any other applicable federal, state or local anti-discrimination, anti-retaliation, equal opportunity, and/or other employment laws; any and all Claims for violation of any public policy having any bearing whatsoever on the terms or conditions of Employee's employment or cessation of employment with Gartner; any and all Claims arising directly or indirectly out of Employee's employment by Gartner; and any and all Claims for attorneys' fees and costs.

This Release of Claims does not impair the express obligations of Gartner that are set forth in this Agreement.

The Employee covenants and agrees that Employee will not assert any claim or initiate any legal or other action against any of the Releasees with respect to any matter covered by the foregoing release. Employee acknowledges and agrees that if Employee or any of his representatives, heirs, executors or administrators should hereafter make against the Releasees any claim or demand or commence or threaten to commence any action, claim or proceeding otherwise prohibited by this

Agreement, this Section may be raised as a complete bar to any such action, claim or proceeding and the applicable Releasees may recover from Employee all costs incurred in connection with such action, claim or proceeding, including attorneys' fees as allowed pursuant to applicable law, if it is determined that any such action, claim or proceedings is prohibited by this Agreement.

The Employee further covenants and agrees: (i) the consideration provided under this Separation Agreement is more than he is already entitled to receive by law, contract, policy, practice, or otherwise; (ii) he is not owed any wages, commissions, bonuses, sick pay, personal leave pay, severance pay, termination benefits, vacation pay or other compensation or payments or forms of remuneration of any kind or nature, except as expressly provided herein; and (iii) he has not filed a claim with any federal or state Department of Labor concerning his wages, and knows of no basis for asserting a wage and hour claim.

This Agreement does not prevent Employee or Employee's attorney from filing a charge with the Equal Employment Opportunity Commission ("EEOC") or other similar federal, state or local administrative agency concerning claims of discrimination, nor does it prevent Employee from participating in an EEOC or other similar federal, state or local administrative agency investigation, hearing or proceeding, although Employee specifically waives the right to recover any damages or other relief in any such claim or suit, except where prohibited by law. In addition, this Agreement does not prevent Employee or Employee's attorney from (a) filing a charge, complaint, or report with, or otherwise communicating with, cooperating with or participating in any investigation or proceeding that may be conducted by, any federal, state or local government agency or commission, including the Securities and Exchange Commission, the Occupational Safety and Health Administration, and the National Labor Relations Board ("Government Agencies") or (b) disclosing documents or information when required by law, court order, subpoena, or other legal requirement promulgated by a Government Agency.

Employee acknowledges that certain states provide that a general release of claims does not extend to claims which the Employee does not know or suspect to exist in his favor at the time of executing the release which, if known by the Employee may have materially affected his entering into the release of claims. Being aware that such statutory protection may be available to him, Employee expressly, voluntarily and knowingly waives any arguable benefit or protection of any such statute in executing this Release, known or unknown.

Nothing in this Agreement shall be deemed to interfere with any obligation of Gartner to indemnify officers of Gartner as required by law or by Gartner's Articles of Incorporation or Bylaws.

7. Revocation Period. a) The Employee acknowledges that he has seven days after execution of this Agreement to revoke it.

b) IF THE EMPLOYEE DESIRES TO REVOKE THIS AGREEMENT AFTER EXECUTION, HE MUST NOTIFY GARTNER IN WRITING, WHICH WRITING MUST BE RECEIVED BY **ROBIN KRANICH**, AT 88 GATEHOUSE ROAD, STAMFORD, CT 06902 ON OR BEFORE 11:59 P.M. ON THE SEVENTH DAY AFTER EXECUTION OF THIS AGREEMENT. IF THE

LAST DAY OF THE REVOCATION PERIOD IS A SATURDAY, SUNDAY OR LEGAL HOLIDAY IN CONNECTICUT, THEN THE REVOCATION PERIOD SHALL NOT EXPIRE UNTIL THE NEXT FOLLOWING DAY WHICH IS NOT A SATURDAY, SUNDAY OR LEGAL HOLIDAY. THIS AGREEMENT SHALL NOT BECOME EFFECTIVE OR ENFORCEABLE, AND THE CONSIDERATION DESCRIBED ABOVE SHALL NOT BE PAYABLE, UNTIL THE REVOCATION PERIOD HAS EXPIRED WITHOUT SUCH REVOCATION HAVING BEEN GIVEN.

8. No Admission of Liability. Nothing in this Agreement shall be construed as an admission by the Company of any wrongdoing, liability, or noncompliance with any federal, state, city, or local rule, ordinance, statute, common law, or other legal obligation. The Company specifically disclaims and denies any wrongdoing or liability to Employee.

9. Merger and Integration. Except with respect to any existing agreements referenced in Section 4 above, all prior understandings and agreements between the parties are merged into and superseded by this Agreement, which together with applicable stock option plans and this Separation Agreement and Release of Claims, collectively, express the complete understanding and agreement between the parties. Any Gartner policies regarding confidentiality of Gartner or client information remain in full force and effect and are not altered in any way by this Agreement.

10. Headings. The section headings contained in this Agreement are for convenience of reference only, are not intended to be a part of this Agreement and shall not be construed to define, modify, alter or describe the scope or intent of any of the terms, covenants or conditions of this Agreement.

11. Severability. If any term or provision of this Agreement or the application thereof to any person, entity or circumstance shall to any extent be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement, or the application of such terms or provisions to such person, entity or circumstance other than those that are held invalid or unenforceable, shall not be affected thereby, and each other term and provision shall be valid and enforced to the fullest extent permitted by law. The parties authorize the court to reduce in scope or modify, if possible, all invalid or unenforceable provisions, so that they become valid or enforceable.

12. Successors. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

13. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the state of Connecticut, without regard to its conflict of laws principles.

14. Waiver of Rights. The Employee understands that there are various state, federal and local laws that prohibit employment discrimination on the basis of, among other things, age, sex, race, national origin, religion and disability and that these laws are enforced by various government agencies. The Employee intends to waive and hereby does waive any right that he may have to

bring a claim against Gartner or its parent or affiliates under the Age Discrimination in Employment Act of 1967 as amended, and under any other laws regarding employment discrimination with respect to his employment with Gartner or its parent or affiliates.

The Employee specifically acknowledges the following:

- a) the Employee has read this Agreement including the full release of claims and fully understands its terms;**
- b) the Employee is voluntarily entering into this Agreement knowingly of his own free will and without undue influence or stress;**
- c) the waiver specifically refers to rights or claims arising under the Age Discrimination in Employment Act of 1967 as amended;**
- d) the Employee has not waived any rights arising after the date that he executes this Agreement;**
- e) the payments and benefits and other considerations provided by this Agreement are in addition to anything of value to which the Employee is already entitled;**
- f) the Employee has been advised in writing to consult with an attorney prior to executing this Agreement and has had an opportunity to review this Agreement with an attorney;**
- g) the Employee has been given a period of 21 days to consider this Agreement;**
- h) the Agreement provides the Employee with a period of 7 days following the execution of this Agreement to revoke it; and**
- i) the Agreement will not become effective until the eighth day following execution by the Employee.**

If the Employee signs the Agreement prior to the expiration of the period given to Employee within which to consider this Agreement, he does so voluntarily and of his own free will.

15. Arbitration. The parties agree that, to the extent permitted by applicable law, any dispute arising under this Agreement that is not resolved shall be decided by arbitration under the JAMS Employment Arbitration Rules and Procedures, either by JAMS or such other private arbitration service agreed upon by the parties. Such arbitration shall take place before one arbitrator in Stamford, Connecticut, unless the parties mutually agree upon a different location. The cost of the arbitration shall be paid by the non-prevailing party, as allowed pursuant to applicable law.

Notwithstanding anything in this Agreement to the contrary, in the event of a breach or threatened breach by Employee of Section 4 of this Agreement, the Company shall also be entitled to commence an action in a state or federal court in Connecticut, seeking temporary, preliminary and permanent injunctive relief and a decree for specific performance of the terms

and provisions of this Agreement without the necessity of the Company showing any actual damage or irreparable harm or the posting of any bond or furnishing of any other security. Employee specifically consents to the jurisdiction of such Connecticut court for such action and agrees not to contest jurisdiction or such venue.

16. Amounts Owed to Gartner. Employee acknowledges and agrees that this Separation Agreement and Release of Claims does not operate as a waiver by Gartner of any sums owed by Employee to Gartner, including but not limited to those resulting from duplicative or erroneous payments, commissions paid but not earned (including business takedowns and overdraws), unaccrued PTO days taken, unpaid loan balances, unreturned Company property, or any other reason. Employee reaffirms his obligation to repay any such sums determined to be owed to Gartner and to return any Company property in his possession, and acknowledges that Gartner may withhold and offset such sums (including but not limited to the value of any unreturned Company property) from any amounts otherwise payable to Employee under this Agreement.

17. Tax Consequences. (a) The Company makes no representations or warranties with respect to the tax consequences of the payments and any other consideration provided to Employee or made on Employee's behalf under the terms of this Agreement. Employee agrees and understands that he is responsible for payment, if any, of local, state, and/or federal taxes on the payments and any other consideration provided hereunder, and any penalties or assessments thereon.

(b) It is intended that this Agreement comply with, or be exempt from, Section 409A of the Internal Revenue Code of 1986, as amended, and the final regulations and official guidance thereunder ("Section 409A"), and any ambiguities herein will be interpreted to so comply and/or be exempt from Section 409A. Each payment and benefit to be paid or provided under this Agreement is intended to constitute a series of separate payments for purposes of Section 1.409A-2(b)(2) of the Treasury Regulations. Payments provided under this Agreement may only be made upon an event and in a manner that complies with Section 409A or an applicable exemption, and any payments under this Agreement that may be excluded from Section 409A either as separation pay due to an involuntary separation from service or as a short-term deferral shall be excluded from Section 409A to the maximum extent possible. The Company makes no representations that the payments and benefits provided under this Agreement comply with Section 409A. In no event will any of the Releasees be liable for or reimburse Employee for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by Employee as a result of Section 409A.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

For EMPLOYEE:

/s/ Jules Kaufman

Jules Kaufman

Date: July 14, 2022

For GARTNER, INC.:

/s/ Craig W. Safian

Date: July 14, 2022

BY: Craig W. Safian

Executive Vice President and Chief Financial
Title: Officer

Schedule 1

Severance Package

Name: Jules Kaufman

Separation Date: February 15, 2023

Severance Pay: 52 weeks of salary continuation at current base salary (which is \$535,600 per year) less applicable taxes and withholdings, to be paid in accordance with Gartner's normal payroll cycles (the "Severance Period"). The Severance Period shall commence after the Separation Date.

Insurance Continuation: Subject to (i) Employee's completion and submission of the appropriate COBRA election forms electing to continue Employee's and/or Employee's dependents' current group health insurance coverage under Gartner's group plan, and (ii) Employee's payment of his share of the premium for such coverage at the active employee rate, Gartner will pay the employer's share of the premium for such COBRA coverage for 12 months; provided Gartner's payments will be reduced or cease as of the date on which the Employee (or, as applicable, his qualified beneficiaries) receive health coverage from another employer.

Special Payments: Employee shall receive no less than a total of \$321,360 (less applicable taxes and withholdings), payable no later than February 2023, when bonuses are paid to Gartner associates, with such timing and amount to otherwise be determined by Gartner in its absolute discretion.

PTO payable: Accrued but unused PTO (up to 25 days) as of the Separation Date shall be paid following the Separation Date.

Outplacement Services: Upon request, Gartner will provide up to 6 months of Right Management Executive Outplacement Services.

Equipment: Employee will keep his Gartner issued iPhone, iPad and Laptop, which will be wiped of all Gartner data on September 1, 2022. To the extent that Employee has personal documents or other personal data on the equipment, Employee should transfer such documents prior to September 1, 2022 to a Google Drive. Employee is not authorized to transfer any Gartner documents or data without prior approval from Sallie Stelter.

Vesting of Equity: Any equity that is unvested as of February 15, 2023 (or such earlier Separation Date in the case of a violation of Paragraph 4(a)) shall be forfeited. Employee has the right to exercise all stock appreciation rights and other exercisable rights that are vested as of the Separation Date for a period of 90 days following the Separation Date. For purposes of what might otherwise vest

before February 15, 2023, the 2022 PSU grant will be determined to vest at target and be subject to a proration equal to 8/12ths. Of this amount, 25% of the determined 2022 PSU would be scheduled to vest before Feb 15, 2023.

Reference by Gene Hall: Gene Hall will provide an oral reference to prospective employers, upon reasonable notice.

CERTIFICATION

I, Eugene A. Hall, certify that:

- (1) I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2022, of Gartner, Inc.;
- (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.

/s/ Eugene A. Hall

Eugene A. Hall
Chief Executive Officer
Date: August 2, 2022

CERTIFICATION

I, Craig W. Safian, certify that:

- (1) I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2022, of Gartner, Inc.;
- (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.

/s/ Craig W. Safian

Craig W. Safian
Chief Financial

Officer

Date: August 2, 2022

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

In connection with the Quarterly Report of Gartner, Inc. (the “Company”) on Form 10-Q for the quarter ended June 30, 2022, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), Eugene A. Hall, Chief Executive Officer of the Company, and Craig W. Safian, Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Eugene A. Hall

Name: Eugene A. Hall

Title: Chief Executive Officer

Date: August 2, 2022

/s/ Craig W. Safian

Name: Craig W. Safian

Title: Chief Financial Officer

Date: August 2, 2022

A signed original of this written 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.