Moody's Corporation
2022 CDP Response

MOODY'S

Welcome to your CDP Climate Change Questionnaire 2022

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Moody's is a global integrated risk assessment firm that empowers organizations to make better decisions. Our data, analytical solutions and insights help decision-makers identify opportunities and manage the risks of doing business with others. Moody's Corporation (NYSE: MCO) is the parent company of Moody's Investors Service, which provides credit ratings and research covering debt instruments and securities, and Moody's Analytics, which offers leading-edge software, advisory services and research for credit and economic analysis and financial risk management. The corporation, which reported revenue of $6.2 billion in 2021, employs more than 13,000 people worldwide and maintains a presence in more than 40 countries. Further information is available at www.moodys.com.

Moody's Investors Service (MIS), a subsidiary of Moody's Corporation, publishes credit ratings and provides assessment services on a wide range of debt obligations, programs and facilities, and the entities that issue such obligations in markets worldwide, including various corporate, financial institution and governmental obligations, and structured finance securities. MIS provides credit ratings in more than 140 countries. As of December 31, 2021, MIS had credit rating relationships with more than 5,300 non-financial corporate issuers, 3,500 financial institution issuers, 15,500 public finance issuers (including sovereign, sub sovereign and supranational issuers), 9,000 structured finance transactions and 1,000 infrastructure and project finance issuers.

Moody's Analytics (MA), a global provider of data and analytic solutions, helps companies make better and faster decisions. MA's analytic models, industry insights, software tools and proprietary data assets allow companies to inform and perform many critical business activities with trust and confidence. MA customers operate worldwide in over 165 countries and include approximately 1,800 asset managers, 3,600 corporations, 900 insurance companies, 800 real estate entities, 2,300 commercial banks, 200 securities dealers & investment banks, and 5,300 government and other entities. During 2021, Moody's research website was accessed by over 244,000 individuals, including 29,000 customers.

Our ESG offering delivers the highest standard of data quality, transparency and adaptability. Complimented by a longstanding record in financial risk modeling, we provide trusted ESG data, insights and analytic capabilities to present an all-encompassing view of ESG risks and opportunities. We help debt issuers and other companies, investors and financial institutions address an unrivaled range of ESG challenges and opportunities, championing meaningful change and preventing greenwashing. These

capabilities include sustainable debt issuance, climate risk management, public and private company analysis, financial and sustainability impact and regulatory considerations. Throughout 2021, we continued to expand our ESG offering and integrate ESG into existing capabilities. We also continued to make strategic investments so that our offering provides the depth and breadth necessary to respond to the diverse and evolving requirements of ESG market participants.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1, 2021	December 31, 2021	Yes	2 years

C0.3

(C0.3) Select the countries/areas in which you operate.

Argentina
Australia
Austria
Belgium
Bermuda
Brazil
Canada
Chile
China
Costa Rica
Cyprus
Czechia
Denmark
France
Germany
India
Israel
Italy
Japan
Lithuania
Mexico
Morocco
Nepal
Netherlands
Panama
Peru
Poland
Portugal

Republic of Korea
Russian Federation
Saudi Arabia
Singapore
Slovakia
South Africa
Spain
Sri Lanka
Sweden
Switzerland
Taiwan, China
United Arab Emirates
United Kingdom of Great Britain and Northern Ireland
United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Financial control

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	XS0552790049

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	Moody's Board of Directors is responsible for the Company's effective management and strategy for ESG-related risks and opportunities. The Board reviews its long-term strategic plan at least annually to assess the Company's approach, including for climate-related concerns. The Board is responsible for setting, maintaining and regularly reviewing policies and processes to manage Moody's exposure to risk, including climate-related risk. This includes reviewing and approving Moody's Environmental Sustainability Policy, which was updated in 2021 and reflects our efforts to minimize the impact of our operations and services on the environment. The Board is assisted by three committees that inform our approach to ESG issues: The Audit Committee reviews the Company's risk factors, including the risk of business continuity disruption due to climate-related incidents, and exposure to reputational and credibility concerns attributed to climate-related matters. It oversees financial, accounting and risk disclosure in Moody's annual and quarterly reports related to sustainability. Additionally, it supports the Board in its duties related to risk assessment and management processes. An example of a climate-related decision made by the Committee is proposing the Company expand its voluntary sustainability disclosures, such as, in the 10-K and 10-Q. The Governance & Nominating Committee is responsible for overseeing sustainability matters related to the business and long-term value creation, including significant issues of corporate social and environmental responsibility, and makes recommendations to the Board regarding these issues. For instance, the Committee reviews the division of oversight responsibilities amount the Board committees, including with respect to sustainability and climate-related issues. The Compensation & Human Resources Committee reviews sustainability-related performance goals for determining compensation of certain senior executives. For example, senior management is held accountable with clearly defined climate and sustainability metrics linked to their compensation. In 2021, these efforts were expanded with sustainability-related performance metrics becoming more fully integrated into the Strategic & Operational metrics used to determine annual cash incentive payments for all senior executives. These metrics were reviewed by the Committee.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action	This is done through direct interaction by the Audit Committee, the Governance & Nominating Committee and the Compensation & Human Resources Committee with management, including periodic reporting.

	Reviewing and guiding risk management policies Reviewing and guiding annual budgets Reviewing and guiding business plans Setting performance objectives Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures Monitoring and overseeing progress against goals and targets for addressing climate-related issues	As part of its risk oversight, the Audit Committee reviews key risk factors, such as those disclosed in the Annual Report, including the risk of business continuity disruption due to climate-related incidents. Risk factors also include exposure to reputational and credibility concerns attributed to climate-related matters. For example, MIS's reputation could be affected with respect to its practices relating to the incorporation of climate-related risks into its methodologies and credit ratings. The Governance & Nominating Committee is responsible for overseeing sustainability matters, including significant corporate social and environmental responsibility issues, reviewing matters and making recommendations to the Board. For instance, the Governance & Nominating Committee regularly considers whether the Company is following best governance practices. It also reviews the division of oversight responsibilities amount the Board committees, including with respect to sustainability and climate-related issues. The Compensation & Human Resources Committee reviews sustainability-related performance metrics to determine compensation for the senior management. In 2021, these efforts were expanded with sustainability-related performance metrics becoming more fully integrated into the Strategic & Operational metrics used to determine annual cash incentive payments for all senior executives.

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues
Row 1	Yes	Our Board of Directors have a wide range of experience in ESG and climate-related issues. Competence is assessed based on previous experience. For example, the Chairman of the Audit Committee, who also serves as a member of our Governance & Nominating Committee and Compensation & HR Committee, was recently certified in ESG oversight (GCB.D, 2021). The Board continues to enhance its collective knowledge of sustainability topics through ongoing education. Therefore, directors' competence on climate-related issues is also assessed by the attendance to these trainings. The Board receives regular presentations from management on climate and other environmental issues. For example, in 2021, they received a training from a third party on oversight considerations related to ESG trends and developments.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Chief Executive Officer (CEO)	Both assessing and managing climate-related risks and opportunities	Quarterly
Chief Financial Officer (CFO)	Both assessing and managing climate-related risks and opportunities	Quarterly
Chief Risks Officer (CRO)	Both assessing and managing climate-related risks and opportunities	Quarterly
Chief Procurement Officer (CPO)	Managing climate-related risks and opportunities	As important matters arise

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

Moody's is advancing its Sustainability efforts with support from its most senior leaders and with input from employees at all levels. The Company has created a governance structure around Moody's corporate sustainability strategy and its implementation that aims to closely align with Moody's business strategy and to create opportunities for innovative collaboration across the company. Because climate-related issues are integrated into Moody's business strategy, responsibilities related to climate were assigned at the most senior level of the organization.

The CEO, who also serves on the Board, is responsible for overseeing management's assessment and mitigation of material risks and opportunities, including those related to climate. Under the oversight of the Board and its committees, the CEO has established an Enterprise-Wide Risk Committee, composed of the CEO and his direct reports, which include the Chief Risk Officer. The Enterprise-Wide Risk Committee reviews the work of the Enterprise Risk Management (ERM) function that is managed by the Chief Risk Officer. Among other things, the ERM function is responsible for identifying and monitoring existing and emerging risks that may impede the achievement of Moody's strategic and operational objectives.

The Chief Risk Officer reports to the President and CEO and provides oversight and monitoring of material risks that have the potential to impact the company, including climate-related risks if they were to be material. The Chief Risk Officer of Moody's Corporation serves as the Company's representative on the Task Force on Climate-related Financial Disclosures (TCFD) along with MIS's Chief Credit Officer.

The CRO is responsible for the risk management across Moody's, which is structurally independent from the company's business lines, and oversees risk identification and monitoring. Physical climate events are managed through ERM, as well as the Crisis Management and Global Business Continuity teams. Any material climate-related risks and mitigating actions identified by ERM are also presented to the Audit Committee.

The CFO provides leadership in innovation, implementation and influence to facilitate long-term sustainable growth. In doing so, the CFO aims to embed sustainability and ESG into business-as-usual financial processes and company-wide operations, products and solutions. The CFO is also the head of Moody's Stakeholder Sustainability Group (SSG), with managerial oversight for Moody's Stakeholder Sustainability activities and the ESG-related business, and reports directly to the President and CEO. Climate and environmental risk is managed primarily within Finance because it enables the incorporation of climate outlook into financial risk considerations, providing a straight integration into the corporate strategy. For example, Moody's climate-related financial disclosures were expanded under the CFO's leadership. In the 2021 TCFD report, Moody's is leveraging a climate-related scenario analysis, including an advanced physical risk analysis powered by RMS, acquired by Moody's in 2021, an evolved financial risk profile in the face of climate considerations, a physical risk assessment on remote work, among other enhancements to further understand the financial and risk-related implications of climate change on Moody's business model and operations. The CFO's compensation is tied to the advancement of the company's sustainability programs, including progress on Moody's Decarbonization Plan and best-in-class sustainability-related disclosures and reporting.

The Stakeholder Sustainability team evaluates Moody's progress on sustainability issues and generates recommendations to enhance the company's approach to sustainability. The head of Stakeholder Sustainability oversees the design and implementation of Moody's corporate sustainability strategy, including climate-related risks, and reports to the CFO. The President of Moody's Analytics (MA) oversees Moody's climate offerings, including RMS, and identifies
opportunities that align with our sustainability mission. The General Manager (GM) of RMS identifies and generates recommendations on climate-related strategic opportunities in Moody's products and services and reports to the President of MA.

The Chief Procurement Officer (CPO) oversees Moody's Supply Chain in line with the Supplier Code of Conduct. Since 2020, the CPO oversees the execution of strategies to engage suppliers on climate action as set forth in the Company's science-based targets.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	N/A

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment

Chief Executive Officer (CEO)	Monetary reward	Emissions reduction target	The individual performance goals evaluated for determining the CEO's 2021 annual incentive award payout included ESG and climate business coordination and strategic development.
Chief Financial Officer (CFO)	Monetary reward	Emissions reduction target	The CFO's compensation is tied to the advancement of the company's sustainability programs, including progress on Moody's Decarbonization Plan and best-in-class sustainability-related disclosures and reporting.
Chief Procurement Officer (CPO)	Monetary reward	Supply chain engagement	Incentives are provided to Moody's CPO to engage with key suppliers that do not have science-based targets in place as part of an effort to achieve the target to have 60% of our top suppliers by spend set science-based targets by 2025.
Buyers/purchasers	Monetary reward	Supply chain engagement	To engage in our journey to achieve 60% of our top suppliers by spend set science-based targets by 2025, key purchasers within Procurement were also assigned monetary incentives to actively communicate and invite suppliers to participate in activities that Moody's is hosting with the goal to educate them on CDP climate disclosure and target setting.
Other, please specify **Senior Executives**	Monetary reward	Emissions reduction target	In 2020, our management team introduced sustainability-related performance metrics for determining the compensation of certain senior executives. In 2021, these efforts were expanded with sustainability-related performance metrics becoming more fully integrated into the Strategic & Operational metrics used to determine annual cash incentive payments for all senior executives. These metrics are aligned to Moody's pre-existing sustainability targets, including emissions reductions targets.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	5	N/A
Medium-term	5	10	N/A
Long-term	10	20	N/A

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Substantive financial impact is defined as a risk or opportunity that poses a change of over 10% of Moody's earnings before interest and tax (EBIT), or if there is a significant impact on business financial sustainability; this also includes the evaluation of uncertainties and untapped opportunities in effective utilization of financial resources.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

The process we apply to determine which risks and opportunities could have a substantive financial or strategic impact is integrated across several tiers of our business units and positions.

Business units are responsible for undertaking due diligence more than once a year and reporting any risks and opportunities associated with their activities to the Enterprise Risk Management (ERM) function.

ERM, managed by Moody's Chief Risk Officer, is responsible for establishing and maintaining a company-wide risk management culture and framework embedded within the business for the timely identification, management and reporting of our business-wide risks, including climate-related risks. ERM is designed to establish a standard, organization-wide understanding of risk management and define roles and responsibilities based on the 2017 COSO framework. ERM maintains a register of all existing risks which is continually monitored and reviewed. ERM identifies potential untracked risks by conducting regular exploratory exercises to assess our

performance and strategy against the external business environment, emerging research and trends.

The ERM function and the Stakeholder Sustainability team track and evaluate climate risks across current and emerging regulations, technology, legal, reputational as well as acute and chronic physical risk. Risks are assessed in terms of size, the boundary of impact, financial or operational implications for Moody's offerings and across all time horizons including short-, medium- and long-term. Business continuity runs annual site surveys across our entire real estate portfolio to evaluate both existing and emerging risks from our direct operations, with a dedicated categorization for climate-related risks. Our climate-related physical and transition risks and opportunities are assessed across the business using quantitative and qualitative scenario analysis. Climate-related risks are then reviewed by the Stakeholder Sustainability Group, who develop recommendations and plans to be implemented.

The CEO, who also serves on the Board, provides an additional tier of risk identification and submits any newly identified risks or opportunities to ERM. Under the oversight of the Board and its committees, the CEO has established an Enterprise-Wide Risk Committee, composed of the CEO and his direct reports, including the Chief Risk Officer. The Enterprise-Wide Risk Committee reviews the work of ERM and undertakes regular independent reviews of currently tracked risks with the aim to identify potential new risks and opportunities for further exploration.

The Chief Risk Officer reports to the CEO and provides oversight and monitoring of material risks that have the potential to impact the company, including climate-related risks. Physical climate risks are actively managed through ERM and mitigated through the Crisis Management and Business Continuity Plan and teams. Any material climate-related risks and mitigating actions identified by ERM are also presented to the Audit Committee.

Moody's risk identification, assessment and management approaches are constantly evolving in line with best practices and the emergence of new capabilities. Our recent business continuity planning provides guidance to employees on issues that may impact their ability to work remotely, such as physical climate risks. In addition, we apply an assessment of physical risk based on employee addresses to capture the real risk of business continuity from a climate event due to remote work.

Our climate risk identification and management process is applied across our value chain, including upstream and downstream. In 2021, we further extended our climate risk analysis to suppliers and customers. We analyzed the indirect climate risks in our supply chain by scoring critical suppliers against several climate-related metrics, including CDP and TCFD climate disclosures and science-based targets. We also analyzed customer risk exposure to high-emitting sectors. Tracking and disclosing this data enables a better understanding of climate and environmental risk exposure in our value chain, which can be used to inform engagement strategies.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Although not a substantive risk as defined in C2.1b, current climate regulation is always relevant to ensure we avoid damage to reputation and / or financial loss arising from the failure to comply with applicable climate-related laws and regulations. Risks resulting from non-compliance with current regulation are managed internally by a wide range of experts in Moody's corporate governance model (Legal, Internal Audit, Compliance, Government Public and Regulatory Affairs (GPRA), Stakeholder Sustainability, Finance and Regional Businesses). These functions work together, when appropriate, to discuss the business implications of current regulation and contribute to Moody's ongoing compliance with current regulation. For example, the UK Streamlined Energy and Carbon Reporting regulation (UK SECR) is being monitored for compliance by Accounting with support from the Stakeholder Sustainability Group. The first effective reporting cycle for the Company was calendar year 2020, with the second cycle occurring in 2022 for calendar year 2021. In addition, the UK government announced new climate legislation in 2021 and formally approved it in January 2022. This included updating its Companies Act to require certain companies to include TCFD recommendations in the directors' report for financial reports beginning in April 2022. We are preparing to comply with the regulation's requirements in the applicable UK businesses.
Emerging regulation	Relevant, always included	GPRA is responsible for monitoring emerging laws and regulations and for engaging with policymakers and regulators as required. It is important that we track relevant emerging regulation to stay abreast of external regulatory developments that may have an impact on our business or operations, and we engage with external stakeholders to provide input where appropriate on such emerging regulation. For example, in 2021, Moody's released a public statement supporting ESG and climate disclosure following the SEC's request for comment. In addition, the Stakeholder Sustainability Group is responsible for conducting regulation-related climate scenario analysis and assessing emerging regulatory risk that the scenarios could pose to Moody's. The annual undertaking of transition scenario analysis assists us to understand the implications of potential carbon tax policy advancements in our operations. For example, in our 2021 TCFD report, we quantified the possible impacts to Moody's from potential changes to mandatory carbon pricing using three of the latest low-emissions scenarios by NGFS: Net-Zero 2050, Divergent Net-Zero and Delayed Transition. The results show that, the incorporation of carbon pricing, while relevant to us due to our climate strategy and commitments, is deemed to be of low significance since it would have an impact of under 1.2% of our 2021 EBIT in all three scenario and time frames.
Technology	Relevant, always included	Technology risks are relevant to our direct operations particularly relating to the energy and fuels consumed to serve the buildings in our operational control and employees. Technology risks are managed throughout portfolio-wide monitoring of energy and utility usage and costs, including scenario analysis to understand the implications of potential increases in

		cost. Technology risks were explored and evaluated in the transition risk component of our 2021 scenario analysis against three of the latest low-emissions scenarios described by NGFS (Net-Zero 2050, Divergent Net-Zero and Delayed Transition). As energy markets and regulations change, we see the potential for a near-term increase in operating costs, including costs to transition to lower-emission technology. For example, climate change regulation may result in energy price increases. In 2021, utility expenses represented over $2 million or 0.1% of operating costs. A hypothetical 10% rise in utility, including energy prices across the board, could raise electricity spend by approximately $200,000 annually. While this would have a minimal effect on our financial results, failure to adapt to technological advances, such as upgrading to low-carbon and energy efficient technology, could increase our operational costs. Therefore, it is part of our business strategy to manage this potential exposure. We work with relevant internal partners to assist in calculating our global footprint and devise recommendations to reduce emissions and energy consumption and implement technological enhancements in our offices and buildings. These efforts include ensuring appropriate terms and conditions are in place to plan for potential disruptions and build in redundancy where needed. Our voluntary commitment to 100% renewable electricity across our operations reduces our exposure to costs related to the transition to lower-emission technology. In addition, our internal pricing of emissions and ambitious science-based targets help to keep energy and fuel switching costs and transition to lower-emission technology costs within budget and plan.
Legal	Relevant, always included	Together with monitoring the risk of current and emerging regulation, our legal department is responsible for evaluating the risk of climate-related litigation. Legal risks that are material to the Company are disclosed in the Form 10-K. Although our exposure to litigation risks is limited since our direct operations are not a large contributor to GHG emissions, evolving expectations on ESG disclosures and reporting could result in new regulatory actions at a corporate and business unit level. An example of a current risk includes but is not limited to reporting requirements from the UK Streamlined Energy and Carbon Reporting regulation (UK SECR) and crescent risk of reporting requirements from the EU Corporate Sustainability Reporting Directive (CSRD) or the SEC. An additional example of legal risk is potential exposure to litigation from customers or third parties in connection with their use of our data, products and/or solutions. To mitigate and manage this risk, we work to ensure that our products and solutions are based on the best available information and data. Possible data coverage gaps or data quality issues are addressed via a suite of solutions, including proxy comparisons on climate data and continued updates of our methodologies using the best available science and research. Our ongoing focus on the quality of our data, combined with our dedication to remediating any gaps and continually improving our data quality, mitigates litigation exposure risk relating to our data. In addition, we are enhancing the rigor of our climate reporting processes through a recently implemented Environmental Management System. The system includes full accounting and disclosure of our GHG inventory, attainment of third-party assurance, and new internal systems and controls to track climate data.

		We also understand the importance of providing comprehensive credit assessments that fully encompass all risks. Our revised product offerings and climate-related analytical initiatives incorporate legal considerations relating to transition risks.
Market	Relevant, always included	We are not a large contributor to GHG emissions; however, we constantly monitor current and emerging market dynamics so that we can work to provide products and solutions that meet our customers' changing demands for low carbon services. For example, a potential market risk may arise from the failure to embed climate considerations and emerging market trends across our products and solutions and could reduce the attraction and retention of customers, as well as market share. Therefore, as a company of credit and enterprise risk, we recognize the importance of remaining attuned to changing customer behavior with regards to climate impact. Moody's newest climate offering, such as RMS acquisition, and the integration of climate considerations into our products and services are intended to address market risks and opportunities. For example, climate was further integrated into Moody's Analytics flagship solutions, such as, EDF™ (Expected Default Frequency) model providing climate-adjusted Probability of Default for public and private companies. We also continue to build and expand our Second Party Opinion (SPO) capabilities, including green bond assessments, to better meet market needs, scale our operations and ensure our analysts are close to local customers across regions.
Reputation	Relevant, always included	We are highly visible within the capital markets and attract many diverse stakeholders, including individuals, organizations and indirect stakeholders concerned with corporate behavior and action. This visibility heightens the potential impact of climate-related risks on our operations and product offerings. Potential risks to our reputation are managed through efforts to embed our climate strategy throughout our operations and working to provide transparency on our progress. The results of our most recently conducted materiality assessment confirmed that the threat of climate change is held as relevant and important by our stakeholders; therefore, our action on climate, or lack thereof, could create reputational risk. If we are not transparent in our environmental impact and strategy or do not adequately explain our actions to stakeholders, they could conclude that we are not environmentally responsible. An additional example of potential risk may arise from the failure to effectively incorporate climate-related risks into MIS credit methodologies and ratings which could potentially impact rating performance and business reputation. Though any one incident is unlikely to weaken our reputation, a cumulative lack of support and transparency for sustainability goals could detract from our brand value. As part of our risk management approach to minimize reputational risks and avoid incremental costs associated with negative brand perception, Moody's addresses stakeholder expectations through ongoing climate advocacy, transparency and stakeholder engagement on climate-related issues. In 2021, Moody's Decarbonization Plan was put to a shareholder vote with 93% votes in favor, demonstrating our ongoing effort to consider and implement input from our investors. Additionally, the implementation of net-zero goals demonstrates Moody's commitment to driving climate progress, which includes publishing a full GHG emissions inventory, committing to (i) science-based targets and achieving net-zero emissions by 2040 from a 2019 base year, (ii) offsetting our emissions

		annually and since September 2000, when the company became public, and (iii) procuring 100% renewable electricity annually beginning 2020. Our ambitious sustainability strategy and commitment to ongoing voluntary disclosure of our impact positions us well with respect to reputational concerns. These risks are tracked and monitored on an ongoing basis, ensuring stakeholder expectations are continually met.
Acute physical	Relevant, always included	Acute physical risk is continually relevant and included in our risk analysis due to potential disruption to operations from climate-related incidents. Physical risks for our global portfolio are low for acute climate events. 2021 analysis showed that 16% of our offices and 29% of data centers are classified by a risk score of "red flag" or "high" risk for flood, and 11% of offices and 12% of data centers for hurricanes and typhoons. Sites and data centers at higher risk are evaluated and tracked for resilience investment and potential relocation. Our analysis also shows that approximately a quarter of both offices and data centers are in "red flag" or "high" risk areas of wildfire. Therefore, air quality and downtime due to wildfire will be monitored at high exposure sites. We enhanced our physical acute risk analysis to assess downtime and remote working implications to our office locations with the highest occupancy. The analysis shows that there is an 80% probability that at least one of Moody's offices will be directly impacted by a climate-related catastrophe for at least a day in a given year and a 23% probability for data centers. We regularly assess physical risks to these locations to put in place appropriate mitigation measures, which includes providing guidance to employees on issues that could impact their ability to work remotely. We also provide remote connectivity and collaboration tools to enable employees to work from home in case of a disruption to normal business operations. For example, our Business Continuity Plan was tested during the Covid-19 pandemic because all our offices globally shut down. No business interruption took place given a successful and timely remote work adaptation. This Plan is referenced for any climate-related interruption. We are also in the process of implementing enhanced risk management tools to enable the mapping of operational resiliency and business interruption risk assessments. These innovative and new systems will allow us to reduce recovery and interruption times further. The results from our analysis inform our ongoing management and mitigation of acute physical risks, with material risks logged in our ERM registry when applicable. The acute climate-related risks to our supply chain form part of our supplier screening, selection and due diligence processes. Redundancy in these services safeguards our ongoing operations, should a severe weather event affect our operations.
Chronic physical	Relevant, always included	Chronic climate-related risks arising from the long-term alteration of climate and weather patterns were thoroughly identified and evaluated during our completion of scenario analysis against a high emissions pathway. A global assessment of Moody's offices and data centers was conducted to assess the exposure to chronic climate-related risks – heat stress, water stress and sea level rise – under the RCP 8.5 at 2040 scenario. The results show 17% of offices and 12% of data centers are classified by a risk score of "red flag" or "high" risk of heat stress due to climate change. We expect increased operating costs to provide comfort cooling, and will monitor such sites so that we can continue to source 100% renewable electricity. 27% of offices and 6% of data centers are classified by a risk score of "red flag" or "high" risk of water stress due to climate change. Each

		site identified at risk of water stress is evaluated for resilience investments and monitored, along with its water levels. A small percentage of offices (3%) and no data centers are classified by a risk score of "red flag" or "high" risk of sea level rise. Overall, impacted sites and data centers are monitored in terms of contingency planning and adaptation measures installed at the citywide level. High risk sites are logged on our ERM registry to be monitored if needed, and key metrics are reviewed by our Real Estate team to give an early indication of rising consumption or costs.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

No

C2.3b

(C2.3b) Why do you not consider your organization to be exposed to climate-related risks with the potential to have a substantive financial or strategic impact on your business?

	Primary reason	Please explain
Row 1	Risks exist, but none with potential to have a substantive financial or strategic impact on business	Based on input from Moody's ERM function, consultants, risk assessments and our scenario analysis results, climate-related risks do not present substantive financial or strategic impact on our operations. These results were reviewed by ERM, which prioritizes, tracks and monitors company-wide risks. Our operations are exposed to climate physical risks and we have assessed their impact by evaluating several factors, including hazard exposure, timing onset, lease and contract terms, utility costs and consumption, and insurance estimates. We conducted a climate risk assessment for chronic and acute physical risks of all offices and data centers. Results showed that physical risks for our global portfolio are low for acute climate events and for chronic risks most sites face no long-term risk from sea level rise, but 27% of offices have a "high" risk for water stress. We also explored the possible impacts of physical climate perils on our global remote working capacity and used new internal capabilities to quantify the potential business disruptions of these risks. The analysis showed that physical risks do not meet Moody's threshold to be considered a substantive financial or strategic impact, although serves to inform our real-estate adaptation and mitigation capital allocation planning. We quantitatively evaluated the transition risk of potential mandatory carbon pricing via financial modelling of our residual emissions against the latest low-emissions scenarios from NGFS. We applied the scenario carbon prices to determine the annual cost of our Scope 1, 2 and 3 emissions considering the expected trajectory of our reduction targets. The results show that, a mandatory carbon pricing is deemed to be of low significance since it would have an impact of under 1.2% of our 2021 EBIT in all three scenario and timeframes. Also, technology risks are relevant to our direct operations relating to the energy and fuels

		consumed to serve the buildings in our operational control. As energy markets and regulations change, we see the potential for a near-term increase in operating costs, including costs to transition to lower-emission technology. In 2021, utility expenses represented over $2 million or 0.1% of operating costs. A hypothetical 10% rise in utility and energy prices could raise electricity spend by approximately $200,000 annually. These results confirmed these risks do not meet Moody's threshold to be considered a substantive financial or strategic impact.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resilience

Primary climate-related opportunity driver

Other, please specify

Memberships and climate change commitments

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

Although we are not major emitters, we continue to play a central role in the capital markets. We conduct outreach and engagement with a multitude of ESG bodies and pursue membership across industry associations and supranational organizations. Through our actions, commitments and memberships, we have an opportunity in the short-term to inspire good corporate practices that drive systemic change and advance dialogue on sustainable finance and climate implications. Participation in these memberships allow us to attain market insights that facilitate the ongoing development of our ESG and climate risk products and solutions, which provides us with access to new and emerging markets. For example, in 2021, we launched a climate solution product suite dedicated to climate risk identification, quantification, monitoring, and integration into financial decision making. Additional benefits include opportunities to solidify our brand reputation as a

leader in corporate climate action and sustainable business practices, and to advance sustainability within our Company. Our memberships and climate change commitments include:

In 2021, we became a founding member of the Net-Zero Financial Services Provider Alliance part of the Glasgow Financial Alliance for Net-Zero, and committed to align all our relevant products and services to net-zero, in addition to reducing our own operational emissions.

We were one of the first financial service companies to endorse and report our progress on mitigating climate-related financial risk in line with TCFD. In 2021, we released our fourth TCFD report with an enhanced climate scenario analysis.

We became the first S&P 500 company to join the "Say on Climate" campaign, which seeks to implement sustainable business plans and advocates for corporate climate action. Moody's support for the campaign was announced in 2020 and in 2021.

We are a member of the UN Global Compact's (UNGC) CFO Taskforce for the SDGs. In 2021, we joined the UNGC's Action Platform on Climate Ambition and became sponsors of UNGC Climate in 2022 to further bolster our exposure as an early mover in advancing responsible business operations.

In 2021, we participated in the road test for SBTi's Net-Zero Standard, the objective of which is to provide a standardized and robust approach for corporates to set net-zero targets. We are one of the first companies to have our near- and long-term targets validated by SBTi.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

170,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Because the opportunity that comes from memberships has a non-financial aspect to the business (enablers of change at scale) and a financial aspect (reputational benefits and market sense to

develop new products), this opportunity is perceived as an "enabler" for the ESG and Climate business to take place. Therefore, potential financial impact figure of $170 million represents the ESG and Climate-related revenue for pro-forma full year 2021. This is comprised of Moody's ESG revenue and RMS (Risk Management Solutions) climate-related revenue, acquired by Moody's in 2021.

Cost to realize opportunity

400,000

Strategy to realize opportunity and explanation of cost calculation

Our participation in the Net-Zero Financial Services Provider Alliance (NZFSPA), part of the Glasgow Financial Alliance for Net-Zero (GFANZ), is an example of how our partnerships with influential sustainability bodies enable us to advance our sustainability efforts in the short-term. Our role in the race to net-zero is to bring clarity to the complex and interrelated macroeconomic, financial, and social impacts of climate change. A collective effort is required to solve climate challenges. Therefore, in September 2021, we announced our participation in NZFSPA - a global group of financial service providers committed to supporting the goal of global net-zero greenhouse emissions. As a founding member, we committed to align all of our relevant products and services to net-zero. Through the alliance, we aim to accelerate the flow of capital to support the transition to net-zero by providing financial institutions and other decision-makers with net-zero-aligned data, products, and services to identify climate risks and investments in emerging opportunities. The membership facilitates an opportunity for outreach and engagement, allowing us to collaborate with peers across the financial sector and further accelerating the transformation of capital markets to incorporate climate and broader ESG considerations. For example, through GFANZ, we are part of the Climate Data Steering Committee, collaborating on the creation and design of an open-data public platform that will collect, aggregate, and standardize net-zero climate transition data based on private sector climate commitments. The creation of an open-data platform will bring transparency and accountability to the commitments that companies and financial institutions have. In September, we will participate on delivering a collective design and roadmap for a global open climate data platform to consolidate, standardize and open net zero data. In return, our engagement with GFANZ provides us with insights that help us set our own targets, advance our product development, and deliver on our commitment to provide tools that help the market to reach net-zero.

The reported $400,000 cost is the estimated dollar amount spent on memberships in 2021. This figure represents the aggregate cost of each membership from Moody's Investor Service (MIS), Moody's Analytics (MA) and the Sustainability team, since we are not able to share individual membership costs publicly.

Comment

N/A

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a transition plan that aligns with a 1.5°C world?

Row 1

Transition plan

Yes, we have a transition plan which aligns with a 1.5°C world

Publicly available transition plan

Yes

Mechanism by which feedback is collected from shareholders on your transition plan

Our transition plan is voted on at Annual General Meetings (AGMs)

Attach any relevant documents which detail your transition plan (optional)

Moody's Decarbonization Plan

moodys_decarbonization_plan.pdf

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy
Row 1	Yes, qualitative and quantitative

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios Customized publicly available transition scenario	Company-wide	1.5ºC	Parameters: To quantify the possible impacts to Moody's from potential changes to mandatory carbon pricing and to renewable and non-renewable electricity prices, we applied quantitative and qualitative analysis using three of the latest low-emissions scenarios described by NGFS scenarios Framework: Net-Zero 2050: This is an ambitious scenario that limits global warming to 1.5°C through stringent climate policies and innovation, reaching net-zero CO_2 emissions around 2050. Divergent Net-Zero: It reaches net-zero by 2050 but with higher costs due to divergent policies introduced across sectors and a quicker phase out of fossil fuels. This scenario differentiates itself from the Net-Zero 2050 by assuming that climate policies are more stringent in the transportation and buildings sectors. Delayed Transition: Assumes global annual emissions do not decrease until 2030. Strong policies are then needed to limit warming to below 2°C. A key criterion to select these scenarios was the ability to assess a range of evolutions considering both the magnitude and timing of action to meet global climate goals. The multiple climate scenarios we selected allow an enhanced understanding and stress test against possible future states of the world. The results allow us to (i) understand and explore exposure and impacts across a variety of transition risk scenarios; and (ii) assess the long-term resilience of our business strategy, and strengthen the risk identification processes and investment planning.

			Assumptions: The carbon prices from these scenarios were applied to Moody's direct (Scope 1) and indirect (Scope 2 and 3) GHG emissions. Costs under each NGFS scenario were modeled assuming Moody's achieves its near-term net-zero targets and long-term net-zero target by 2040. The modeling included the expected costs to continue to procure 100% renewable electricity for global operations, based on Moody's Analytics' price predictions. Analytical choices: Moody's transition analysis explores its application of a range of the latest Network for Greening the Financial System (NGFS) scenarios, including net-zero aligned futures, to assess the possible costs of mandatory carbon pricing and renewable electricity pricing, as well as the overall impacts to the company. We conducted our analysis across three timeframes: short, medium, and long-term. These timeframes are relevant as they match our investment planning and other internal strategy horizons.
Physical climate scenarios RCP 8.5	Company-wide		Parameters: Our main reason for choosing IPCC's RCP models is that we have internal capabilities in physical risk assessments through our climate offerings, where our models rely on IPCC's climate scenarios. We selected IPCC's RCP 8.5 to explore physical risks to Moody's offices, data centers and employees working remotely since it is a very high GHG emissions scenario with emissions continuing to rise to the end of century making the analysis more accurate in the relatively long-term. We applied a quantitative and qualitative analysis considering both acute risks (flood, wildfires, hurricanes and typhoons) and chronic physical risks (heat stress, sea level rise and water stress). The model allocated hazard risk scores for 100% facilities and data centers based on science-driven indicators capturing dimensions of relative and absolute business risk. It also included a more in-depth case study into Moody's Headquarters at 7 World Trade Center in New York City analyzing downtime. Assumptions: IPCC's RCP 8.5 is used under the assumption that there will be few policy changes, resulting in high levels of GHG emissions by the end of the century and significant physical impact, allowing us to assess our exposure under a pathway indicating failure of our globally agreed climate goals. Analytical choices: Given the nature of our office portfolio as multi-

			tenant building leases, downtime and associated disruption were analyzed. To enable the integration of mitigation strategies into financial planning, the high-emissions scenario, RCP 8.5, was used at a 20-year horizon, including present day and future-looking time horizons. The RCP 8.5 is a very high GHG emissions scenario with emissions continuing to rise to the end of century and temperature alignment of 3.7ºC. Our physical risk analysis relies on IPCC's climate models, which capture trends that emerge on the mid- to late-century time scale, making them more accurate in the relatively long-term. Understanding climate risk exposure in the next several decades provides an indication of the direction and degree of change over time for climate risk exposure, helping to inform preparedness efforts that can be implemented in the near-term to effectively build resilience for changing conditions ahead of time.
Physical climate scenarios RCP 6.0	Facility		Parameters: Our climate offerings includes the ability to model all four of the IPCC RCP Scenarios – 2.6, 4.5, 6.0 and 8.5 – for acute physical risks. Therefore, a more in-depth case study into Moody's Headquarters at 7 World Trade Center in New York City was conducted, modelling all four RCP scenarios across the century to analyze downtime. We selected the Representative Concentration Pathway 6.0 (RCP 6.0) as part of the analysis since it is an intermediate GHG emissions scenario with little additional effort to constrain emissions and temperature alignment of 2.2ºC. Assumptions: We chose to conduct an in-depth modelling into Moody's Headquarters at 7 World Trade Center in New York City because it is the location with the highest occupancy and level of potential disruption from acute climate-related catastrophes under both present day and forward-looking time horizons. Analytical choices: Moody's analysis included conducting an in-depth consideration of how the risk at this site is likely to change over time, up to 2060. Increased risk from a change in hurricane frequency and size, combined with the impacts of sea level rise on associated storm surges during the century were considered following the four RCP scenarios as defined by the IPCC's 5th report. The enhanced physical risk analysis over time allowed us to further assess downtime and remote working implications to Moody's headquarters, which is our location with the highest occupancy.

Physical climate scenarios RCP 4.5	Facility		Parameters: Our climate offerings includes the ability to model all four of the IPCC RCP Scenarios – 2.6, 4.5, 6.0 and 8.5 – for acute physical risks. Therefore, a more in-depth case study into Moody's Headquarters at 7 World Trade Center in New York City was conducted, modelling all four RCP scenarios across the century to analyze downtime. We selected the Representative Concentration Pathway 4.5 (RCP 4.5) as part of the analysis since it is an intermediate emissions scenario with moderate additional effort to constrain emissions and temperature alignment of 1.8ºC. Assumptions: We chose to conduct an in-depth modelling into Moody's Headquarters at 7 World Trade Center in New York City because it is the location with the highest occupancy and level of potential disruption from acute climate-related catastrophes under both present day and forward-looking time horizons. Analytical choices: Moody's analysis included conducting an in-depth consideration of how the risk at this site is likely to change over time, up to 2060. Increased risk from a change in hurricane frequency and size, combined with the impacts of sea level rise on associated storm surges during the century were considered following the four RCP scenarios as defined by the IPCC's 5th report. The enhanced physical risk analysis over time allowed us to further assess downtime and remote working implications to Moody's headquarters, which is our location with the highest occupancy.
Physical climate scenarios RCP 2.6	Facility		Parameters: Our climate offerings includes the ability to model all four of the IPCC RCP Scenarios – 2.6, 4.5, 6.0 and 8.5 – for acute physical risks. Therefore, a more in-depth case study into Moody's Headquarters at 7 World Trade Center in New York City was conducted, modelling all four RCP scenarios across the century to analyze downtime. We selected the Representative Concentration Pathway 2.6 (RCP 2.6) as part of the analysis since it is a stringent mitigation scenario and has a temperature alignment of 1.0ºC Assumptions: We chose to conduct an in-depth modelling into Moody's Headquarters at 7 World Trade Center in New York City because it is the location with the highest occupancy and level of potential disruption from acute climate-related catastrophes under both present day and forward-looking time horizons.

			Analytical choices: Moody's analysis included conducting an in-depth consideration of how the risk at this site is likely to change over time, up to 2060. Increased risk from a change in hurricane frequency and size, combined with the impacts of sea level rise on associated storm surges during the century were considered following the four RCP scenarios as defined by the IPCC's 5th report. The enhanced physical risk analysis over time allowed us to further assess downtime and remote working implications to Moody's headquarters, which is our location with the highest occupancy.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

What are the physical impacts of climate change to Moody's operations?

What is the financial impact of a potential increase in GHG emissions pricing and electricity costs could have on Moody's operations?

Results of the climate-related scenario analysis with respect to the focal questions

Data from physical climate events are tracked, providing the company with further insights into the possible impacts of physical climate risks to its business. The physical analysis conducted applies a IPCC's RCP 8.5 scenario to explore physical risks, both acute and chronic, to our offices and data centers. The main reason for choosing this scenario is our internal capabilities in physical risk assessments through our climate offering, where our models rely on IPCC's climate scenarios. 2021 analysis showed that 16% of offices and 29% of data centers are classified by a risk score of "red flag" or "high" risk for flood, 11% of offices and 12% of data centers for hurricanes and typhoons, and approximately a quarter of offices and data centers for wildfire. Regarding chronic climate-related risks, the results show 17% of offices and 12% of data centers classified by a risk score of "red flag" or "high" risk of heat stress due to climate change and 27% of offices and 6% of data centers of water stress due to climate change. A small percentage of offices (3%) and no data centers are classified by a risk score of "red flag" or "high" risk of sea level rise. These results are monitored in terms of contingency planning and adaptation measures installed at the citywide level. Where appropriate, the data is used internally to refine relevant risk management plans and procedures that enhance Moody's resilience.

Carbon pricing on power generation has the potential to increase total energy costs, directly for carbon-intensive sources and indirectly by causing increased demand for renewable sources. We applied the latest low-emissions scenarios described by NGFS (Net-Zero 2050, Divergent Net-Zero and Delayed Transition) to quantify the possible impacts to Moody's from potential changes

to mandatory carbon pricing and to renewable and non-renewable electricity prices. A key criterion to select these scenarios was the ability to assess a range of evolutions considering the magnitude and timing of action to meet global climate goals. The carbon prices from these scenarios were applied to Moody's direct and indirect GHG emissions. Costs under each NGFS scenario were modeled assuming Moody's achieves its near and long-term targets by 2040 and continues to procure 100% renewable electricity for global operations. Considering these scenario-based costs of carbon pricing and electricity, it was found that under each scenario, the possible financial impacts varied over time frames. However, the gross annual cost never exceeded Moody's materiality threshold. These results have reinforced the importance of taking early, ambitious action on reducing emissions and the benefits of its ongoing renewable electricity commitment and maintaining long-term progress towards net-zero. The modeling output continues to guide the company's climate action strategy.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Changing customer behavior was identified as an opportunity when analyzing market risk in the transition risk scenario analysis. We are unlikely to experience reduced demand for goods and services due to increased input prices, but the opportunities from the growth of our ESG-related products and solutions have influenced our long-term strategy with regards to our product offerings. To materialize these market opportunities as part of our long-term time horizon strategy that transforms our business, investments were needed. Moody's has recently made a series of ESG-related investments, including Four Twenty Seven and V.E, and, in 2021, Moody's acquired RMS, a leading global provider of climate and natural disaster risk modeling and analytics, to further demonstrate the strategic importance of ESG to Moody's business. The RMS acquisition significantly expands the climate-related support offered to our existing customers as well as our in-house capabilities for understanding our own climate risks. The acquisition builds on Moody's strategy to invest in companies focused on providing ESG data, research or services for market participants, These investments reflect our recognition that ESG considerations are increasingly relevant to issuers, investors, counterparties and other market participants who seek to understand and measure these factors, both with respect to potential financial risk as well as self-standing assessment criteria.
Supply chain and/or value chain	Yes	Overall, climate-related risks pose a low-level impact to Moody's given that our direct operations are not emission-intensive. However, approximately 85% of our 2020 GHG emissions and 90% of our 2021 GHG emissions were generated

		from purchased goods and services and capital goods. Since our suppliers are responsible for a significant portion of our emissions, we established a science-based target which requires having 60% of our suppliers by spend to set science-based targets by 2025, covering our mid-term time horizon strategy. To achieve this goal, we needed to engage directly with our suppliers. Moody's joined CDP's supply chain program and organized webinars to encourage suppliers to respond to the 2021 CDP questionnaire and eventually set science-based targets. Further, Moody's now provides monetary incentives to the CPO to achieve these milestones, as well as additional incentives to key purchasers with responsibilities for supplier engagement. In addition, our updated Supplier Code of Conduct encourages suppliers to disclose their GHG inventory and set their own science-based targets. As a result of these initiatives, the number of suppliers with SBTs increased to 28% in 2021. 63% of our top 500 suppliers by spend submitted a response to the CDP questionnaire in the 2021 cycle. Having vendors respond to the CDP questionnaire allows us to provide a more accurate measurement of our Scope 3 emissions and we are able to engage our vendors on the journey to reduce them in the coming years.
Investment in R&D	Yes	Our commitment to investment in R&D is integral to our operations across all time horizons. The observed changes in customer requirements have influenced our long-term R&D business strategy through the decision to further integrate climate considerations into financial analysis. The decision was supported by MA findings that warming above a 2◦C threshold could inflict $69T in damage on the global economy by 2100. As a result of this landscape, we identified an opportunity in the short-term to leverage our well-known capabilities developing research reports and white papers on finance, and to further integrate climate change considerations in our products and solutions. R&D is an integral part of our product development process and together with thought leadership it is a strategic means to transform the capital markets through the development of sustainable finance. There was a need to coordinate between our ESG research, product development and other activities within Moody's ESG business. To lead this effort, we formed the ESG Outreach and Research (O&R) team to lead the production of market-leading research focused on ESG trends and issues. O&R's goal is to best meet evolving market needs and promote the market shift towards stakeholder capitalism through targeted editorials, events, consultations, and the promotion of research activities and thought leadership. It hosts quarterly ESG Content Councils and convenes targeted working groups on specific priority areas to define engagement and research strategies and ensure coordination across business lines. As a result, our ESG research and analytics have been critical in building internal knowledge and capacity on ESG issues. In 2021, we hosted 13 ESG events, sponsored 38 others, and submitted 23 consultations. We offer insights and research papers on climate

		risk, sustainable finance, and other strategic ESG topics on a dedicated Insights & Analysis page on Moody's ESG hub. Our coordinated ESG research and thought leadership supports our product development and directly contributes to the growth in demand for Moody's ESG products and solutions by educating the market about the importance of incorporating ESG, including climate, considerations into capital allocation decisions. For example, in 2021 Moody's issued approximately 40% more sustainability ratings compared to the previous year.
Operations	Yes	Changes and extreme variability in weather patterns could potentially cause a reduction in revenue from decreased delivery of goods and services and/or increased costs associated with operations over a long-term time horizon. For example, in 2021, we noted increased chronic risk scores for wildfire, heat stress and water stress. We also identified the driving acute risk to disruption at our offices to be North Atlantic windstorm, followed by European floods and windstorm. This could lead to temporary or, in the event of severe damage, permanent closure of offices. One such instance occurred in 2012, when our headquarters at 7 World Trade Center in New York City was temporarily closed due to storm surge flooding that resulted in a loss of power in Lower Manhattan. In 2021, we further analyzed our headquarters by conducting an in-depth consideration of how the risk at this site is likely to change over time. Results show that, today, there is less than a 1% probability that our headquarters would be closed for at least a day due to direct damage, accounting for approximately 2,600 people-days. Our most substantial strategic decision is to integrate the risk of operational disruption due to climate related risk into our business continuity and disaster recovery strategic planning. Most recently, Moody's business continuity planning has included providing guidance to employees on issues that could impact their ability to work remotely, such as physical climate risks. When evaluating physical impacts, we determined strategies, such as telecommuting and the transfer of work to other locations, are feasible and can be implemented with modest productivity disruptions. To mitigate against increases in operating costs due to heightened exposure to heat stress, our real estate strategy includes the continued prioritization of energy efficiency and reduction initiatives. This strategic response to risk mitigation is a long-term goal, although progress and action towards its achievement will be undertaken across all time horizons. As a result of emissions mitigation, we set ambitious reduction targets aligned with 1.5C or below. This commitment addresses potential operating cost increases and transition risks such as mandatory GHG pricing. Our SBTs cover our global operations and include a 50% reduction of Scope 1 & 2 emissions by 2025 and additional Scope 3 targets.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Capital allocation	We made the decision to apply an internal carbon price on business travel, with the first transaction taking place in 2020 (based on 2019 emissions) and continued to apply it in the subsequent years. This decision was based on our goal of reducing Scope 3 emissions from business travel, fuel and energy-related activities, and employee commuting by 15% by 2025 with a 2019 baseline. The internal carbon price is designed to (i) secure capital for mitigation funding across the long-term time horizon to achieve our climate-related goals, and (ii) reduce emissions from business travel. We conducted a benchmark study and set the price at the industry average, $15/mtCO2e for 2019 emissions, but have since increased the price to $50/mtCO2e for 2020 and 2021 emissions. As a direct result of the internal carbon price, we were able to allocate these funds towards procuring 100% renewable electricity for our global operations, which we achieved for the second time in 2021. We continue to offset the remainder of our emissions from our operations, business travel and employee commuting on an annual basis.

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's transition to a 1.5°C world?

Yes

C3.5a

(C3.5a) Quantify the percentage share of your spending/revenue that is aligned with your organization's transition to a 1.5°C world.

Financial Metric

OPEX

Percentage share of selected financial metric aligned with a 1.5°C world in the reporting year (%)

0.04

Percentage share of selected financial metric planned to align with a 1.5°C world in 2025 (%)

Percentage share of selected financial metric planned to align with a 1.5°C world in 2030 (%)

Describe the methodology used to identify spending/revenue that is aligned with a 1.5°C world

The methodology used is calculating the expenses related to the implementation of Moody's Decarbonization Plan, climate reporting, partnerships, and other activities that contribute to our transition to a 1.5C world. The estimation of expenses does not include staff costs, since climate responsibilities are assigned transversally within the company's different departments. Therefore, many employees that contribute to climate efforts have other responsibilities, which makes it difficult to calculate exact staff cost allocated aligned with a 1.5C world.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2019

Target coverage

Company-wide

Scope(s)

Scope 1
Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Base year

2019

Base year Scope 1 emissions covered by target (metric tons CO2e)

1,744

Base year Scope 2 emissions covered by target (metric tons CO2e)

13,591

Base year Scope 3 emissions covered by target (metric tons CO2e)

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

15,335

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2030

Targeted reduction from base year (%)

50

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

7,667.5

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

851

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

432

Scope 3 emissions in reporting year covered by target (metric tons CO2e)

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

1,283

% of target achieved relative to base year [auto-calculated]

183.2670361917

Target status in reporting year

Achieved

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

1.5°C aligned

Please explain target coverage and identify any exclusions

We formally committed to reduce absolute Scope 1 and Scope 2 GHG emissions 50% by 2030 from a 2019 base year. The coverage of this target extends fully across the global operations of our organization. Our strategy to achieve this target is based on the commitment to procure 100% of our electricity from renewable sources and on our ongoing energy efficiency initiatives. This target has been set at a level with the goal of aligning our direct operations with an emissions trajectory of 1.5 degrees Celsius and achieving net-zero emissions no later than 2040. Base year Scope 1 and Scope 2 GHG emissions were retroactively recalculated due to M&A activity and improvement in data quality. As a result, our science-based targets for reducing our GHG emissions were re-submitted to the Science Based Targets initiative (SBTi) and coverage was re-validated, in line with our commitment to the UN's Business Ambition for 1.5C.

Plan for achieving target, and progress made to the end of the reporting year

List the emissions reduction initiatives which contributed most to achieving this target

- Procured 100% renewable electricity
- Implemented various projects to promote energy efficiency, including:

a. Increased temperature set-point in technology rooms;

b. Promoted participation in the Daylight Hour campaign, organized by the Building Energy Exchange to raise awareness about using natural light instead of electric light;

c. Installed light saving mechanisms in some offices, such as sensor motion lights and energy saving LED lights.

- Implemented quarterly meetings among our global office representatives to share best practices on reducing emissions from our operations.
- Launched an updated company-wide environmental sustainability policy reflecting our latest efforts to enhance our environmental performance and reach net-zero by 2040. The updated policy describes our goals and initiatives to reduce emissions and other environmental impacts, and was reviewed and approved by our Board of Directors.

Target reference number

Abs 2

Year target was set

2019

Target coverage

Company-wide

Scope(s)

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)
Category 6: Business travel
Category 7: Employee commuting

Base year

2019

Base year Scope 1 emissions covered by target (metric tons CO2e)

Base year Scope 2 emissions covered by target (metric tons CO2e)

Base year Scope 3 emissions covered by target (metric tons CO2e)

38,100

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

38,100

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

100

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2025

Targeted reduction from base year (%)

15

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

32,385

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

Scope 3 emissions in reporting year covered by target (metric tons CO2e)

1,908

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

1,908

% of target achieved relative to base year [auto-calculated]

633.280839895

Target status in reporting year

Achieved

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

1.5°C aligned

Please explain target coverage and identify any exclusions

We are committed to reduce absolute scope 3 GHG emissions from fuel- and energy-related activities, business travel and employee commuting 15% by 2025 from a 2019 base year. The coverage of this target extends globally across our operations and addresses 100% of the emissions reported under these categories. Our strategy to achieve this target is via our ongoing sourcing of renewable electricity, reducing the carbon intensity of the fuels we use, switching to alternative technologies that enable low-carbon fuels, and via an enhanced travel policy favoring teleconferencing, lower carbon modes of travel and a flexible working policy. Base year Scope 3 GHG emissions were retroactively recalculated due to M&A activity and improvement in data quality. In addition, business travel and employee commuting emissions were restated to include well-to-wheel emissions to ensure alignment to the SBTi Target Validation Protocol and Transport Guidance. Consequently, our science-based targets for reducing our GHG emissions were re-submitted to SBTi and coverage was re-validated.

Plan for achieving target, and progress made to the end of the reporting year

List the emissions reduction initiatives which contributed most to achieving this target

-Continued applying an Internal Carbon Fee of $50 / mtCO2e on business travel.
-Maintained business travel and employee commuting low in light of COVID-19 through the Workplace of the Future program focused on more technology enabled work.
-Promoted sustainable commuting options and limited business travel through employee engagement.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Target(s) to increase low-carbon energy consumption or production
Net-zero target(s)
Other climate-related target(s)

C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

Target reference number

Low 1

Year target was set

2019

Target coverage

Company-wide

Target type: energy carrier

Electricity

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Base year

2019

Consumption or production of selected energy carrier in base year (MWh)

36,477

% share of low-carbon or renewable energy in base year

11

Target year

2021

% share of low-carbon or renewable energy in target year

100

% share of low-carbon or renewable energy in reporting year

100

% of target achieved relative to base year [auto-calculated]

100

Target status in reporting year

Achieved

Is this target part of an emissions target?

The achieving of this renewable electricity target ties into achieving our Scope 1 and Scope 2 (market-based) absolute target, which was formally validated as a science-based target aligned with 1.5C scenario by the Science Based Target initiative.

Is this target part of an overarching initiative?

Other, please specify

This target is part of our emissions reductions efforts consistent with our Decarbonization Plan.

Please explain target coverage and identify any exclusions

The renewable electricity target covers 100% of our global electricity purchases which we aim to secure on an annual basis. Where possible, we aim to select utility contracts that originate from a renewable source. Given that our offices are multi-tenant office space, we rely on unbundled renewable energy certificates for all cases where utility contracts are not feasible.

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

-Procurement of renewable energy attribute certificates
-Increasing the proportion of electricity consumption originated from renewable sources against nonrenewable sources by 1% compared to last year

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2019

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Engagement with suppliers

Percentage of suppliers (by procurement spend) disclosing their GHG emissions

Target denominator (intensity targets only)

Base year

2019

Figure or percentage in base year

25

Target year

2025

Figure or percentage in target year

60

Figure or percentage in reporting year

28

% of target achieved relative to base year [auto-calculated]

8.5714285714

Target status in reporting year

Underway

Is this target part of an emissions target?

Emissions from our purchased goods and services and capital goods is a major contributor to our overall emissions footprint, therefore, as part of our commitment to set science-based targets, we

have set a target for these Scope 3 categories. The target was formally validated as a science-based target by the Science Based Targets initiative.

Is this target part of an overarching initiative?

Science Based Targets initiative – approved supplier engagement target

Please explain target coverage and identify any exclusions

Emissions from purchased goods and services (category 1) and capital goods (category 2) made up 91% of scope 3 emissions in 2021, and 87% in 2020. Our engagement target covers our key supplier spend data and will require 60% of our suppliers by spend to set science-based targets by 2025. Our 2019 and 2020 emissions from categories 1 and 2 were retroactively recalculated due to M&A activity and improvement in data quality. As a result, our science-based target for engagement with suppliers was re-submitted to SBTi and coverage was re-validated.

Plan for achieving target, and progress made to the end of the reporting year

Plan for achieving target:
Our strategy to achieve this target is focused on implementing targeted outreach to our top suppliers and requesting that they participate in the annual CDP disclosure. We also strongly encourage suppliers to disclose their carbon footprint and set science-based targets to achieve emissions reductions through the expectations laid out in our updated Supplier Code of Conduct.
2021 progress:
In 2021, we increased our suppliers by spend covering purchased goods and services and capital goods to have science-based targets to 28%. We continue to seek opportunities to engage with and encourage existing suppliers to set science-based targets. For example, we engaged nearly 500 suppliers in partnership with CDP's supply chain membership, and conducted targeted engagement with approximately 75 key suppliers. In addition, starting in 2022, Sourcing Managers are receiving a Responsible Sourcing training module with a focus on factoring responsible sourcing metrics into award decisions - including science-based targets and supplier diversity metrics.

List the actions which contributed most to achieving this target

---

Target reference number

Oth 2

Year target was set

2021

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Resource consumption or efficiency

Other, please specify

Percentage reduction of office paper consumption

Target denominator (intensity targets only)

Base year

2019

Figure or percentage in base year

0

Target year

2025

Figure or percentage in target year

50

Figure or percentage in reporting year

99

% of target achieved relative to base year [auto-calculated]

198

Target status in reporting year

Achieved

Is this target part of an emissions target?

No

Is this target part of an overarching initiative?

Other, please specify

Through Moody's Environmental Sustainability Policy we are committed to reduce, reuse and recycle waste. By 2025, we aim to reduce office paper by 50% from 2019 levels.

Please explain target coverage and identify any exclusions

Our target covers office paper from our global operations and will require a 50% reduction by 2025. The 99% reduction of office paper currently represents our offices in the U.S. We are working to collect actual data globally.

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

-We updated our Environmental Sustainability Policy to reflect our latest efforts to enhance our environmental performance and reach net-zero by 2040. The updated policy describes our goals and initiatives to reduce emissions and other environmental impacts, including the introduction of waste targets and resource efficiency.

-We implemented the Workplace of the Future program which enables a robust hybrid work

model and allows us to reduce impact from office operations the long-term. The program established more technology enabled work and enhanced our digital capabilities and IT infrastructure to implement work-from-home solutions that ensure productivity and reduced impact from operations, such as increasing digitization of work, reducing unnecessary printing and office paper consumption.

Target reference number

Oth 3

Year target was set

2021

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

R&D investments

Other, please specify

Number of entities available on Moody's ESG 360

Target denominator (intensity targets only)

Base year

2021

Figure or percentage in base year

5,000

Target year

2022

Figure or percentage in target year

10,000

Figure or percentage in reporting year

5,000

% of target achieved relative to base year [auto-calculated]

0

Target status in reporting year

New

Is this target part of an emissions target?

No

Is this target part of an overarching initiative?

Other, please specify

Our target to increase Moody's ESG 360 coverage is part of our commitment to provide granular and clearly defined data, scores, and assessments.

Please explain target coverage and identify any exclusions

Moody's ESG 360 is an easy-to-use platform that provides portfolio managers with ESG analyst-verified scores and modelled ESG and climate intelligence on private and public companies to bring clarity and confidence to investment decisions on ESG issues. Our target covers all ESG 360 datasets, including ESG controversies, climate physical and transition risk, temperature data alignment, ESG assessments, ESG Modelled Scores, negative and positive screening datasets and regulatory datasets. The coverage of 5,000 entities in the reporting year represents our climate datasets (climate physical and transition risk, and temperature data alignment) by the end of 2021.

Plan for achieving target, and progress made to the end of the reporting year

Plan for achieving target:
We plan to achieve this target through significant investment in data extraction, data modelling and machine learning to not only increase our coverage, but enhance quality.

Progress:
Through significant investment in R&D during the reporting year and early 2022, we are on track to reach 10,000 by the end of 2022. Additionally, our participation in the Net-Zero Financial Services Provider Alliance (NZFSPA) and commitment to align all of our relevant products and services to net-zero will help further integrate ESG in our offerings.

List the actions which contributed most to achieving this target

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number

NZ1

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Abs1
Abs2

Target year for achieving net zero

2040

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Please explain target coverage and identify any exclusions

In 2021, Moody's accelerated our ambition to reach net-zero emissions by 2040, a decade earlier than the previous commitment to the UNGC Business Ambition for 1.5C. This target comprises our full GHG inventory across our global operations. We road-tested the SBTi net-zero corporate standard, and we were one of the first companies to set a validated long-term net-zero target - 90% emissions reductions in Scope 1, 2 and 3 absolute emissions by 2040, from a 2019 base year.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?

Yes

Planned milestones and/or near-term investments for neutralization at target year

We will follow best guidance once published and available on neutralization. In the near-term we are committed to offsetting our emissions from operations, business travel and employee commuting on an annual basis. The carbon offset projects we select include removal projects, for instance in 2021 we selected a forestation project in Canada.

Planned actions to mitigate emissions beyond your value chain (optional)

We are committed to offsetting our emissions from operations, business travel and employee commuting on an annual basis. In 2021, we continued to offset our carbon footprint for that year and we have also done this retroactively to the year 2000, when we became a public company. This includes retrospective offsetting to account for the company's re-baselined emissions footprint.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	0	0
Implementation commenced*	1	9

Implemented*	1	6,694
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Low-carbon energy consumption

Low-carbon electricity mix

Estimated annual CO2e savings (metric tonnes CO2e)

6,694

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

93,638

Payback period

No payback

Estimated lifetime of the initiative

Ongoing

Comment

Investment is for the procurement of renewable electricity for our global operations through energy attribute certificates (EAC), where renewable electricity is not purchased for buildings in which our offices operate. This allows us to achieve our goal of 100% renewable electricity across our operations.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Internal price on carbon	In 2021 we continued to apply an internal carbon price on business travel. This decision was based on our goal of reducing Scope 3 emissions from business travel, fuel and energy, and employee commuting by 15% by 2025 with a 2019 baseline. The internal carbon price is designed to (i) secure capital for mitigation funding across the long-term time horizon to achieve our climate-

	related goals, and (ii) reduce emissions from business travel. We conducted a benchmark study and set the price at the industry average, $15/mtCO2e for 2019 emissions, but have since increased the price to $50/mtCO2e for 2020 and 2021 emissions.
Internal price on carbon	We continue to use a budget tool to account for the shadow price on carbon in real estate and business travel decisions. The shadow price remains a theoretical construct to build the cost impact of emissions from energy consumption into our lease procurement and business travel decisions.
Internal incentives/recognition programs	To secure the achievement of Moody's climate and sustainability-related goals, Executive Leadership Team members are held accountable with clearly defined metrics linked to their compensation. In particular, the CFO's compensation is tied to the advancement of the company's sustainability programs, including progress on Moody's Decarbonization Plan and best-in-class sustainability-related disclosures and reporting. In 2021, these efforts were expanded with sustainability-related performance metrics becoming more fully integrated into the Strategic & Operational metrics used to determine annual cash incentive payments for all senior executives. These metrics are aligned to Moody's pre-existing sustainability targets, including emissions reductions targets.
Employee engagement	We implemented employee engagement programs aimed at emissions reduction: -Held quarterly meetings across Moody's global offices, where representatives shared best practices on reducing emissions from operations. -Promoted participation in the Daylight Hour campaign, organized by the Building Energy Exchange, to raise awareness about using natural light instead of electric light. -Partnered with Moody's Impact Leaders, a global network of employees who help to shape our strategy and implement local environmental initiatives.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

The EU Taxonomy for environmentally sustainable economic activities

Type of product(s) or service(s)

Other

Other, please specify

Analytical tools to assess climate risk

Description of product(s) or service(s)

Moody's offers a comprehensive product suite dedicated to the identification, quantification and monitoring of climate risks. The product suite includes:
-Temperature Alignment Data: Provides a net-zero solution that assesses how individual companies' emissions targets align with global temperature benchmarks.
-CreditLens: Enables Lenders to assess and integrate the impact of climate on a customer's credit quality for more informed lending decisions.
-Climate Pathways Scenario Service: Helps insurers with their asset and liability projections and stress testing.
-Expected Default Frequency model: Provides climate-adjusted probabilities of default for over 40,000 public companies and enables similar analysis of private companies.
-Supply Chain Catalyst: Enables the assessment of climate risk throughout the supply chain.
-ESG assessments: Evaluate green involvement based on the share of revenues derived from the sale of green products and services.
-Carbon footprint assessment: When emissions data is not publicly disclosed, Scope 1 and Scope 2 emissions are estimated using Moody's proprietary models.
-Climate change assessments: Includes a variety of assessments in climate risk management such as, energy transition, physical risks management, TCFD climate strategy , climate controversies and brown share.

In addition to our climate offerings, we provide Second Party Opinion (SPO), a climate risk analysis and sector-specific research on carbon transition risks.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Functional unit used

Reference product/service or baseline scenario used

Life cycle stage(s) covered for the reference product/service or baseline scenario

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

Explain your calculation of avoided emissions, including any assumptions

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

2

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

Yes, an acquisition

Name of organization(s) acquired, divested from, or merged with

RMS
Cortera
BitSight
RealXData
Bogard
Passfort

Details of structural change(s), including completion dates

We acquired RMS in September 2021. With over 400 risk models covering 120 countries, RMS provides extensive and quantitative climate and catastrophe risk modeling solutions for P&C insurers and reinsurers, enabling them to better understand, measure and manage risk.

Other 2021 acquisitions:
Cortera (March)
BitSight (October)
RealXData (September)
Bogard (November)
Passfort (November)

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	Yes, a change in methodology Yes, a change in boundary	Business travel and employee commuting emissions were restated to include well-to-wheel emissions and emissions from investments were retroactively calculated to align to the SBTi Target Validation Protocol and Transport Guidance. We also updated our boundary from operational to financial in order to align to our financial reporting.

C5.1c

(C5.1c) Have your organization's base year emissions been recalculated as result of the changes or errors reported in C5.1a and C5.1b?

	Base year recalculation	Base year emissions recalculation policy, including significance threshold
Row 1	Yes	Our 2019 (base year emissions) and 2020 GHG emissions were retroactively recalculated due to changes in methodologies, improved access to vendor spend data and M&A activity that triggered a cumulative change larger than 5% from Moody's total base year revenue.

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

1,744

Comment

Baseline emissions were retroactively recalculated due to M&A activity.

Scope 2 (location-based)

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

14,035

Comment

Baseline emissions were retroactively recalculated due to M&A activity.

Scope 2 (market-based)

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

13,591

Comment

Baseline emissions were retroactively recalculated due to M&A activity.

Scope 3 category 1: Purchased goods and services

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

123,000

Comment

Baseline emissions were retroactively recalculated due to improved access to vendor spend data and M&A activity.

Scope 3 category 2: Capital goods

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

4,700

Comment

Baseline emissions were retroactively recalculated due to improved access to vendor spend data and M&A activity.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

4,600

Comment

Baseline emissions were retroactively recalculated due to M&A activity.

Scope 3 category 4: Upstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Data for this category is already included in Scope 3, category 1 (purchased goods and services).

Scope 3 category 5: Waste generated in operations

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

460

Comment

Baseline emissions were retroactively recalculated due to M&A activity.

Scope 3 category 6: Business travel

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

23,100

Comment

Baseline emissions were retroactively recalculated due to M&A activity and to include well-to-wheel emissions to align to the SBTi Target Validation Protocol and Transport Guidance.

Scope 3 category 7: Employee commuting

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

10,400

Comment

Baseline emissions were retroactively recalculated due to M&A activity and to include well-to-wheel emissions to align to the SBTi Target Validation Protocol and Transport Guidance.

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

All leases have already been included in Scope 1 and Scope 2.

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

This category is not relevant to our business because Moody's is a professional services company and doesn't distribute any products that need transportation.

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

This category is not relevant to our business because Moody's is a professional services company and doesn't produce any goods.

Scope 3 category 11: Use of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

This category is not relevant to our business because Moody's is a professional services company and doesn't produce any goods.

Scope 3 category 12: End of life treatment of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

This category is not relevant to our business because Moody's is a professional services company and doesn't produce any goods.

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

This category is not relevant because Moody's doesn't own any facilities that are operated by an outside entity.

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

This category is not relevant because Moody's doesn't have any franchises.

Scope 3 category 15: Investments

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

6,100

Comment

This category was retroactively calculated to align to the SBTi Target Validation Protocol and Transport Guidance.

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
The Greenhouse Gas Protocol: Scope 2 Guidance
Other, please specify
The GHG Protocol: Corporate Value Chain (Scope 3) Standard; SBTi Transport Guidance and Target Validation Protocol

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
851

Start date
January 1, 2021

End date
December 31, 2021

Comment
N/A

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)
919

Start date
January 1, 2020

End date

December 31, 2020

Comment

2019 and 2020 GHG emissions were retroactively recalculated due to M&A activity

Past year 2

Gross global Scope 1 emissions (metric tons CO2e)

1,744

Start date

January 1, 2019

End date

December 31, 2019

Comment

2019 and 2020 GHG emissions were retroactively recalculated due to M&A activity

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

N/A

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Start date

January 1, 2021

End date

December 31, 2021

Comment

N/A

Past year 1

Start date

January 1, 2020

End date

December 31, 2020

Comment

2019 and 2020 GHG emissions were retroactively recalculated due to M&A activity

Past year 2

Start date

January 1, 2019

End date

December 31, 2019

Comment

2019 and 2020 GHG emissions were retroactively recalculated due to M&A activity

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

105,000

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

10

Please explain

The methodology used is the WRI/WBCSD GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Spend on top 500 suppliers was obtained from Finance and organized by category. Emissions were calculated based on reported data from suppliers that respond to the CDP and spend-based emissions factors from the GHG Protocol Scope 3 Evaluator tool for the other suppliers. Results were then extrapolated to Moody's total spend on purchased goods and services.

Capital goods

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

5,300

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

10

Please explain

The methodology used is the WRI/WBCSD GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Spend on top 500 suppliers was obtained from Finance and organized by category. Emissions were calculated based on reported data from suppliers that respond to the CDP and spend-based emissions factors from the GHG Protocol Scope 3 Evaluator tool for the other suppliers. Results were then extrapolated to Moody's total spend on capital goods.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

220

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

89

Please explain

The methodology used is the WRI/WBCSD GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Activity data were taken from Scope 1 and Scope 2.

Emissions were calculated using the well-to-tank (WTT) conversion factors from UK Government (Defra) 2021 Conversion Factors for Company Reporting of GHG Emissions. Market-based approach was used to account for renewable electricity.

Upstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Please explain

Data for this category is already included in Scope 3, category 1 (purchased goods and services).

Waste generated in operations

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

72

Emissions calculation methodology

Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

31

Please explain

The methodology used is the WRI/WBCSD GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Facility managers provided waste data for all treatment categories for 7 offices, representing 31% of Moody's total number of employees. Emissions were calculated for these 7 offices on an FTE basis, then extrapolated to all employees. Emissions factors used come from UK Government (Defra) 2021 Conversion Factors for Company Reporting of GHG Emissions.

Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

1,480

Emissions calculation methodology

Average product method
Fuel-based method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

93

Please explain

The methodology used is WRI/WBCSD GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. This category includes: air travel, rail travel, car rentals, UK & US black cars and hotel stays. Emissions were calculated based on mileage and cabin class for business trips by air, mileage for business trips by rail, total spend for car rentals and black cars, and number of nights per region for hotel stays. This category includes well-to-wheel emissions aligned to the SBTi Target Validation Protocol and Transport Guidance. Emissions factors used come from UK Government (Defra) 2021 Conversion Factors for Company Reporting of GHG Emissions. Emissions factors for air travel are without Radiative Forcing.

Employee commuting

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

208

Emissions calculation methodology

Fuel-based method

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

31

Please explain

The methodology used is the WRI/WBCSD GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. An online survey was conducted and 31% of employees provided valid responses. Emissions were calculated based on mileage, fuel and mode of transport, then extrapolated to Moody's total number of employees. This category includes well-to-wheel emissions aligned to the SBTi Target Validation Protocol and Transport Guidance. Emissions factors used come from UK Government (Defra) 2021 Conversion Factors for Company Reporting of GHG Emissions.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

All leases have already been included in Scope 1 and Scope 2.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Please explain

This category is not relevant to our business because Moody's is a professional services company and doesn't distribute any products that need transportation.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Please explain

This category is not relevant to our business because Moody's is a professional services company and doesn't produce any goods.

Use of sold products

Evaluation status

Not relevant, explanation provided

Please explain

This category is not relevant to our business because Moody's is a professional services company and doesn't produce any goods.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Please explain

This category is not relevant to our business because Moody's is a professional services company and doesn't produce any goods.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

This category is not relevant because Moody's doesn't own any facilities that are operated by an outside entity.

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

This category is not relevant because Moody's doesn't have any franchises.

Investments

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

8,500

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

The methodology used is the WRI/WBCSD GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Emissions associated with Moody's investments were calculated by prorating by equity share and revenue data for the period in which the investment was owned by Moody's. Spend-based emissions factors from the GHG Protocol Scope 3 Evaluator tool were applied.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Please explain

All upstream emissions are covered in the categories above.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Please explain

All downstream emissions are covered in the categories above.

C6.5a

(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

Start date

January 1, 2020

End date

December 31, 2020

Scope 3: Purchased goods and services (metric tons CO2e)

88,700

Scope 3: Capital goods (metric tons CO2e)

9,500

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

800

Scope 3: Upstream transportation and distribution (metric tons CO2e)

Scope 3: Waste generated in operations (metric tons CO2e)

68

Scope 3: Business travel (metric tons CO2e)

3,300

Scope 3: Employee commuting (metric tons CO2e)

3,100

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

2020 GHG emissions were retroactively recalculated due to improved access to vendor spend data and M&A activity.

Past year 2

Start date

January 1, 2019

End date

December 31, 2019

Scope 3: Purchased goods and services (metric tons CO2e)

123,000

Scope 3: Capital goods (metric tons CO2e)

4,700

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

4,600

Scope 3: Upstream transportation and distribution (metric tons CO2e)

Scope 3: Waste generated in operations (metric tons CO2e)

460

Scope 3: Business travel (metric tons CO2e)

23,100

Scope 3: Employee commuting (metric tons CO2e)

10,400

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

2019 GHG emissions were retroactively recalculated due to improved access to vendor spend data and M&A activity.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.0000002

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

1,283

Metric denominator

unit total revenue

Metric denominator: Unit total

6,218,000,000

Scope 2 figure used

Market-based

% change from previous year

80

Direction of change

Decreased

Reason for change

Scope 1 and Scope 2 market-based emissions intensity per unit total revenue decreased 80%. Our Scope 1 and 2 emissions decreased 65% from previous year, despite the re-opening of offices, due to the procurement of 100% renewable electricity for our global operations through energy attribute certificates (EAC), the implementation of a robust hybrid work model, and various projects promoting energy efficiency in our offices. Total revenue increased 16%. The net result is a decrease in emissions per unit revenue.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

No

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
United States of America	345.16
India	0.648
Canada	128.254
United Kingdom of Great Britain and Northern Ireland	180.513
Belgium	79.574
Germany	6.948
China	0.253
France	18.408
Italy	5.484
Republic of Korea	47.809
Netherlands	10.925
Spain	1.567
Switzerland	1.704
Russian Federation	6.083
United Arab Emirates	3.12
Slovakia	3.852
Japan	10.353
Israel	0.12
South Africa	0.036
Singapore	0.192
Sweden	0.126
Taiwan, China	0.028

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By activity

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Stationary combustion	791
Mobile combustion	6.17
Fugitive emissions	54

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Argentina	16.3	0
Australia	98	0
Austria	0.2	0.1
Belgium	71	0
Bermuda	4.8	0
Brazil	14	9.1
Canada	58.9	36.4
China	689	114.3
Costa Rica	0.5	0
Cyprus	45.6	0
Czechia	11	0
Denmark	5.5	4
France	66.5	37.7
Germany	101	37.3
India	952.4	0
Israel	18.4	9
Italy	29.6	3.7
Japan	74.4	0
Lithuania	8.5	0
Taiwan, China	0.2	0
Mexico	11.6	0
Morocco	10.7	0
Nepal	0	0
Netherlands	12.1	0

Panama	2	0
Peru	5.7	0
Poland	0.2	0
Portugal	0.7	0
Russian Federation	117.1	96.8
Saudi Arabia	1.2	0
Singapore	178.3	51.7
Slovakia	3.3	0
South Africa	0.5	0
Republic of Korea	447.2	0
Spain	24.4	0
Sri Lanka	1.1	0
Sweden	0.3	0
Switzerland	1.4	0
United Arab Emirates	64.3	1.4
United Kingdom of Great Britain and Northern Ireland	696	11.7
United States of America	3,032.7	18.4
Chile	1.6	0

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By activity

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Purchased electricity	6,282.6	0
Purchased steam	128.8	128.8
Chilled water	466.8	302.8

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	6,878	Decreased	71	In 2021, we achieved 100% renewable electricity across our entire property portfolio through renewable energy attribute certificates (EACs). We procured renewable energy attribute certificates in the cases where our landlords do not have renewable electricity contracts in place. The emissions corresponding to 2021 scope 2 (location-based) are 6,878 mtCO2e divided by our 2020 gross global emissions (Scope 1 and Scope 2 location-based) of 9,686 represent a 71% reduction (6,878/9,686)*100=71%). We used location-based Scope 2 emissions in this calculation since our market-based does not reflect our energy consumption due to achieving 100% renewable electricity for two consecutive years. However, in our regular reporting and tracking of emission targets and intensity factors we use market-based.
Other emissions reduction activities	1,957	Decreased	20	In 2021, we reduced the impact from our real estate spaces in response to a successful shift to remote work and in anticipation of our "Workplace of the Future" planning and permanent reduction in office space. The project is enhancing our technology and IT infrastructure and implementing a hybrid model of in-office and remote work. By year end, approximately 90% of our office footprint was open for business. As employees returned to the offices, we implemented various projects to promote energy efficiency. For example, we implemented quarterly meetings for our global office representatives to share best practices on reducing emissions from our operations, such as installing light saving mechanisms (e.g. motion lights and LED lights). This allowed us to reduce our energy intensity per square foot by 9% (from 13 kWh/sq ft to 11.9). The reduction in emissions associated with limited use of our real estate spaces in

				addition to employee engagement in 2021 is estimated at 1,957 mtCO2e, which divided by our 2020 gross global emissions (Scope 1 and 2 location-based) of 9,686 mtCO2e, represents a 20% reduction (1,957/9,686)*100=20%). We used location-based Scope 2 emissions in this calculation to be consistent with the change in renewable energy reported above, however in our regular reporting and tracking of emission targets and intensity factors we use market-based.
Divestment				
Acquisitions				
Mergers				
Change in output				
Change in methodology				
Change in boundary				
Change in physical operating conditions				
Unidentified				
Other				

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	4,374	4,374
Consumption of purchased or acquired electricity		20,619	0	20,619
Consumption of purchased or acquired steam		161	754	915
Consumption of purchased or acquired cooling		0	2,061	2,061
Total energy consumption		20,780	7,189	27,969

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No

Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Wind

Country/area of low-carbon energy consumption

United States of America

Tracking instrument used

Other, please specify

ERCOT

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

11,271

Country/area of origin (generation) of the low-carbon energy or energy attribute

United States of America

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

N/A

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Wind

Country/area of low-carbon energy consumption

India

Tracking instrument used

I-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

1,318

Country/area of origin (generation) of the low-carbon energy or energy attribute

India

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

N/A

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Wind

Country/area of low-carbon energy consumption

United Kingdom of Great Britain and Northern Ireland

Tracking instrument used

REGO

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

1,589

Country/area of origin (generation) of the low-carbon energy or energy attribute

United Kingdom of Great Britain and Northern Ireland

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

The area of consumption includes UK and EU.

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Hydropower (capacity unknown)

Country/area of low-carbon energy consumption

China

Tracking instrument used

I-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

1,783

Country/area of origin (generation) of the low-carbon energy or energy attribute

China

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

N/A

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Solar

Country/area of low-carbon energy consumption

Singapore

Tracking instrument used

TIGR

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

327

Country/area of origin (generation) of the low-carbon energy or energy attribute

Singapore

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

N/A

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Solar

Country/area of low-carbon energy consumption

Australia

Tracking instrument used

Australian LGC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

143

Country/area of origin (generation) of the low-carbon energy or energy attribute

Australia

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

N/A

Sourcing method
Unbundled energy attribute certificates (EACs) purchase

Energy carrier
Electricity

Low-carbon technology type
Solar

Country/area of low-carbon energy consumption
Japan

Tracking instrument used
J-Credit

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
152

Country/area of origin (generation) of the low-carbon energy or energy attribute
Japan

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment
N/A

Sourcing method
Unbundled energy attribute certificates (EACs) purchase

Energy carrier
Electricity

Low-carbon technology type
Hydropower (capacity unknown)

Country/area of low-carbon energy consumption
Panama

Tracking instrument used
I-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
5

Country/area of origin (generation) of the low-carbon energy or energy attribute
Panama

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

N/A

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Solar

Country/area of low-carbon energy consumption

South Africa

Tracking instrument used

I-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

1

Country/area of origin (generation) of the low-carbon energy or energy attribute

South Africa

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

N/A

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Solar

Country/area of low-carbon energy consumption

United Arab Emirates

Tracking instrument used

I-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

125

Country/area of origin (generation) of the low-carbon energy or energy attribute

United Arab Emirates

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

N/A

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Solar

Country/area of low-carbon energy consumption

Saudi Arabia

Tracking instrument used

I-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

2

Country/area of origin (generation) of the low-carbon energy or energy attribute

Egypt

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

N/A

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Hydropower (capacity unknown)

Country/area of low-carbon energy consumption

Argentina

Tracking instrument used

I-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

57

Country/area of origin (generation) of the low-carbon energy or energy attribute

Brazil

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

N/A

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Wind

Country/area of low-carbon energy consumption

Morocco

Tracking instrument used

I-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

15

Country/area of origin (generation) of the low-carbon energy or energy attribute

Morocco

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

N/A

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Wind

Country/area of low-carbon energy consumption

Costa Rica

Tracking instrument used

I-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

80

Country/area of origin (generation) of the low-carbon energy or energy attribute

Costa Rica

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

N/A

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Hydropower (capacity unknown)

Country/area of low-carbon energy consumption

Brazil

Tracking instrument used

I-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

51

Country/area of origin (generation) of the low-carbon energy or energy attribute

Brazil

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

The area of consumption includes Brazil and Chile.

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Solar

Country/area of low-carbon energy consumption

Israel

Tracking instrument used

I-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

20

Country/area of origin (generation) of the low-carbon energy or energy attribute

Israel

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

N/A

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Hydropower (capacity unknown)

Country/area of low-carbon energy consumption

Peru

Tracking instrument used

I-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

28

Country/area of origin (generation) of the low-carbon energy or energy attribute

Peru

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

N/A

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Wind

Country/area of low-carbon energy consumption

Mexico

Tracking instrument used

I-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

29

Country/area of origin (generation) of the low-carbon energy or energy attribute

Mexico

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

N/A

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Hydropower (capacity unknown)

Country/area of low-carbon energy consumption

Canada

Tracking instrument used

Other, please specify

NAR

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

943

Country/area of origin (generation) of the low-carbon energy or energy attribute

Canada

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

N/A

Sourcing method

Default delivered electricity from the grid (e.g. standard product offering by an energy supplier), supported by energy attribute certificates

Energy carrier

Electricity

Low-carbon technology type

Renewable energy mix, please specify

solar, wind and hydropower

Country/area of low-carbon energy consumption

France

Tracking instrument used

REGO

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

6

Country/area of origin (generation) of the low-carbon energy or energy attribute

France

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

N/A

Sourcing method

Default delivered electricity from the grid (e.g. standard product offering by an energy supplier), supported by energy attribute certificates

Energy carrier

Electricity

Low-carbon technology type

Renewable energy mix, please specify

solar, wind and hydropower

Country/area of low-carbon energy consumption

Germany

Tracking instrument used

Contract

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

129

Country/area of origin (generation) of the low-carbon energy or energy attribute

Germany

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

N/A

Sourcing method

Default delivered electricity from the grid (e.g. standard product offering by an energy supplier), supported by energy attribute certificates

Energy carrier

Electricity

Low-carbon technology type

Renewable energy mix, please specify

Hydro Power, Biomass, Wind Power, Solar Power.

Country/area of low-carbon energy consumption

Lithuania

Tracking instrument used

Other, please specify

Contract and energy certificate

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

130

Country/area of origin (generation) of the low-carbon energy or energy attribute

Lithuania

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

N/A

Sourcing method

Default delivered electricity from the grid (e.g. standard product offering by an energy supplier), supported by energy attribute certificates

Energy carrier

Electricity

Low-carbon technology type

Renewable energy mix, please specify

solar, wind, hydropower

Country/area of low-carbon energy consumption

Netherlands

Tracking instrument used

REGO

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

33

Country/area of origin (generation) of the low-carbon energy or energy attribute

Netherlands

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

N/A

Sourcing method

Default delivered electricity from the grid (e.g. standard product offering by an energy supplier), supported by energy attribute certificates

Energy carrier

Electricity

Low-carbon technology type

Renewable energy mix, please specify

wind and hydropower

Country/area of low-carbon energy consumption

United Kingdom of Great Britain and Northern Ireland

Tracking instrument used

REGO

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

2,382

Country/area of origin (generation) of the low-carbon energy or energy attribute

United Kingdom of Great Britain and Northern Ireland

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

N/A

Sourcing method

Purchase from an on-site installation owned by a third party

Energy carrier

Steam

Low-carbon technology type

Geothermal

Country/area of low-carbon energy consumption

Lithuania

Tracking instrument used

Other, please specify

documentation provided by the manufacturer's representative

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

161

Country/area of origin (generation) of the low-carbon energy or energy attribute

Lithuania

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

N/A

C8.2g

(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.

Country/area

Argentina

Consumption of electricity (MWh)

56.7

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

56.7

Country/area

Australia

Consumption of electricity (MWh)

142.6

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

142.6

Country/area

Austria

Consumption of electricity (MWh)

0.7

Consumption of heat, steam, and cooling (MWh)

0.3

Total non-fuel energy consumption (MWh) [Auto-calculated]

1

Country/area

Belgium

Consumption of electricity (MWh)

427.4

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

427.4

Country/area

Bermuda

Consumption of electricity (MWh)

7.7

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

7.7

Country/area

Brazil

Consumption of electricity (MWh)

47.2

Consumption of heat, steam, and cooling (MWh)

40.1

Total non-fuel energy consumption (MWh) [Auto-calculated]

87.3

Country/area

Canada

Consumption of electricity (MWh)

943.5

Consumption of heat, steam, and cooling (MWh)

160.5

Total non-fuel energy consumption (MWh) [Auto-calculated]

1,104

Country/area

Chile

Consumption of electricity (MWh)

3.6

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

3.6

Country/area

China

Consumption of electricity (MWh)

917.5

Consumption of heat, steam, and cooling (MWh)

504.6

Total non-fuel energy consumption (MWh) [Auto-calculated]

1,422.1

Country/area

Costa Rica

Consumption of electricity (MWh)

80.3

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

80.3

Country/area

Cyprus

Consumption of electricity (MWh)

71.9

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

71.9

Country/area

Czechia

Consumption of electricity (MWh)

24.9

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

24.9

Country/area

Denmark

Consumption of electricity (MWh)

14.5

Consumption of heat, steam, and cooling (MWh)

17.9

Total non-fuel energy consumption (MWh) [Auto-calculated]

32.4

Country/area

France

Consumption of electricity (MWh)

535

Consumption of heat, steam, and cooling (MWh)

171.4

Total non-fuel energy consumption (MWh) [Auto-calculated]

706.4

Country/area

Germany

Consumption of electricity (MWh)

184

Consumption of heat, steam, and cooling (MWh)

196.5

Total non-fuel energy consumption (MWh) [Auto-calculated]

380.5

Country/area

India

Consumption of electricity (MWh)

1,312.3

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

1,312.3

Country/area

Israel

Consumption of electricity (MWh)

19.6

Consumption of heat, steam, and cooling (MWh)

39.5

Total non-fuel energy consumption (MWh) [Auto-calculated]

59.1

Country/area

Italy

Consumption of electricity (MWh)

90.5

Consumption of heat, steam, and cooling (MWh)

17

Total non-fuel energy consumption (MWh) [Auto-calculated]

107.5

Country/area

Japan

Consumption of electricity (MWh)

152.2

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

152.2

Country/area

Lithuania

Consumption of electricity (MWh)

130.6

Consumption of heat, steam, and cooling (MWh)

161.2

Total non-fuel energy consumption (MWh) [Auto-calculated]

291.8

Country/area

Mexico

Consumption of electricity (MWh)

29.2

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

29.2

Country/area

Morocco

Consumption of electricity (MWh)

15.3

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

15.3

Country/area

Nepal

Consumption of electricity (MWh)

4.3

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

4.3

Country/area

Netherlands

Consumption of electricity (MWh)

32.8

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

32.8

Country/area

Panama

Consumption of electricity (MWh)

4.9

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

4.9

Country/area

Peru

Consumption of electricity (MWh)

28.4

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

28.4

Country/area

Poland

Consumption of electricity (MWh)

0.3

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

0.3

Country/area

Portugal

Consumption of electricity (MWh)

2.8

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

2.8

Country/area

Russian Federation

Consumption of electricity (MWh)

54.1

Consumption of heat, steam, and cooling (MWh)

566.7

Total non-fuel energy consumption (MWh) [Auto-calculated]

620.8

Country/area

Saudi Arabia

Consumption of electricity (MWh)

2

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

2

Country/area

Singapore

Consumption of electricity (MWh)

327.5

Consumption of heat, steam, and cooling (MWh)

228

Total non-fuel energy consumption (MWh) [Auto-calculated]

555.5

Country/area

Slovakia

Consumption of electricity (MWh)

24.1

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

24.1

Country/area

South Africa

Consumption of electricity (MWh)

0.6

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

0.6

Country/area

Republic of Korea

Consumption of electricity (MWh)

864.8

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

864.8

Country/area

Spain

Consumption of electricity (MWh)

122.5

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

122.5

Country/area

Sri Lanka

Consumption of electricity (MWh)

1.8

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

1.8

Country/area

Sweden

Consumption of electricity (MWh)

22.3

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

22.3

Country/area

Switzerland

Consumption of electricity (MWh)

56.5

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

56.5

Country/area

Taiwan, China

Consumption of electricity (MWh)

0.3

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

0.3

Country/area

United Arab Emirates

Consumption of electricity (MWh)

124.5

Consumption of heat, steam, and cooling (MWh)

6.3

Total non-fuel energy consumption (MWh) [Auto-calculated]

130.8

Country/area

United Kingdom of Great Britain and Northern Ireland

Consumption of electricity (MWh)

2,473.7

Consumption of heat, steam, and cooling (MWh)

775.7

Total non-fuel energy consumption (MWh) [Auto-calculated]

3,249.4

Country/area

United States of America

Consumption of electricity (MWh)

11,263.5

Consumption of heat, steam, and cooling (MWh)

90.3

Total non-fuel energy consumption (MWh) [Auto-calculated]

11,353.8

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Energy usage

Metric value

28

Metric numerator

Millions of KWH

Metric denominator (intensity metric only)

N/A

% change from previous year

13

Direction of change

Decreased

Please explain

Electricity use variations are partially explained by our shift to remote work through our "Workplace of the Future" program, which is comprised of a hybrid model of in-office and remote work that caused permanent reduction in office space. We also implemented various projects to promote energy efficiency as employees returned to the office.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Moody's 2021 GHG Verification.pdf

Page/ section reference

See page 2, "Verification Opinion" paragraph

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Moody's 2021 GHG Verification.pdf

Page/ section reference

See page 2, "Verification Opinion" paragraph

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Moody's 2021 GHG Verification.pdf

Page/ section reference

See page 2, "Verification Opinion" paragraph

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Purchased goods and services
Scope 3: Capital goods
Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
Scope 3: Waste generated in operations
Scope 3: Business travel
Scope 3: Employee commuting
Scope 3: Investments

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Moody's 2021 GHG Verification.pdf

Page/section reference

See page 2, "Verification Opinion" paragraph

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C8. Energy	Energy consumption	ISO14064-3	Total electricity use in megawatt hours is verified as part of our sustainability reporting. 1
C8. Energy	Renewable energy products	ISO14064-3	Percentage of renewable electricity was verified, which correspond to our target to achieve 100% renewable electricity use across our global property locations. 1
C5. Emissions performance	Progress against emissions reduction target	ISO14064-3	GHG emissions offsets retired for 2000 through 2021 were verified for the second time, including recent restatement due to M&A activity, which correspond to our target to offset remaining emissions from Scope 1. Historical emissions in these categories were offset from year 2000, and we continue to offset these emissions in the future. 1
C4. Targets and performance	Progress against emissions reduction target	ISO14064-3	Supplier spend with science-based targets (%) was verified for the second time given restatement of emissions and progress on targets, as a measure of progress towards our science-based supplier engagement target to achieve 60% of our suppliers by spend covering purchased goods and services and capital goods to have science-based targets by 2025. 1

[1]Moody's 2021 GHG Verification.pdf

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

Yes

C11.2a

(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.

Credit origination or credit purchase

Credit purchase

Project type

Wind

Project identification

Wind project in India

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)

3,676

Number of credits (metric tonnes CO2e): Risk adjusted volume

3,676

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Wind

Project identification

Wind project in Costa Rica

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)

4,400

Number of credits (metric tonnes CO2e): Risk adjusted volume

4,400

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Forests

Project identification

Darkwoods Forest Carbon project in Canada

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)

5,533

Number of credits (metric tonnes CO2e): Risk adjusted volume

5,533

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Energy efficiency: households

Project identification

Clean cookstoves project in Kenya

Verified to which standard

Gold Standard

Number of credits (metric tonnes CO2e)

892

Number of credits (metric tonnes CO2e): Risk adjusted volume

892

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Energy efficiency: households

Project identification

Improved Kitchen Regimes – Dowa Boreholes in Malawi

Verified to which standard

Gold Standard

Number of credits (metric tonnes CO2e)

5,105

Number of credits (metric tonnes CO2e): Risk adjusted volume

5,105

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

C11.3

(C11.3) Does your organization use an internal price on carbon?

Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Objective for implementing an internal carbon price

Stakeholder expectations

Change internal behavior

Other, please specify

Fund Sustainability initiatives within the organization

GHG Scope

Scope 3

Application

We apply an internal carbon price to emissions from business travel

Actual price(s) used (Currency /metric ton)

50

Variance of price(s) used

Uniform pricing – the same price is applied throughout the company, for all businesses and all geographies.

Type of internal carbon price

Shadow price

Internal fee

Impact & implication

In 2021, we continued to apply an internal carbon price on business travel, with the first transaction taking place in 2020 (based on 2019 emissions). This decision was based on our goal of reducing Scope 3 emissions from business travel, fuel and energy, and employee commuting by 15% by 2025 with a 2019 baseline. The internal carbon price is designed to (i) secure capital for mitigation funding across the long-term time horizon to achieve our climate-related goals, and (ii) reduce emissions from business travel. We conducted a benchmark study and set the price at the industry average, $15/mtCO2e for 2019 emissions, but have since increased the price to $50/mtCO2e for 2020 and 2021 emissions.

Due to Covid-19 and subsequent travel restrictions, we were unable to observe the behavioral effects of the carbon pricing program. As a direct result of the program, however, we were able to allocate these funds towards procuring 100% renewable electricity for our global operations, which we achieved for the second time in 2021. We continue to offset the remainder of our

emissions on an annual basis, and we retroactively offset our emissions to when the company became public in the year 2000, which includes M&A activity. During 2021, business travel and employee commuting remained low due to COVID-19. As we continue to return to the office, we plan to rollout awareness and educational campaigns that encourage employees to select lower emissions options when travelling for business, such as booking trains over planes or economy rather than business class. For instance, we continue to use a budget tool developed in 2021 to account for the shadow price on carbon in real estate and business travel decisions. The shadow price remains a theoretical construct to build the cost impact of emissions from energy consumption into our lease procurement and business travel decisions.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers/clients

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Run an engagement campaign to educate suppliers about climate change

% of suppliers by number

8

% total procurement spend (direct and indirect)

90

% of supplier-related Scope 3 emissions as reported in C6.5

91

Rationale for the coverage of your engagement

Emissions from purchased goods and services (category 1) and capital goods (category 2) made up 85% of our 2020 GHG emissions and 90% of our 2021 GHG emissions. Our engagement target requires 60% of our suppliers by spend to set science-based targets by 2025. To achieve this goal, in 2021, we expanded our engagement from our top 299 to 477 suppliers by spend representing 90% of our total procurement spend including RMS (8% of suppliers by number including spend from only wholly-owned entities). We focused our engagement program on our top 477 suppliers

by spend to set science-based targets via an education campaign. These vendors were selected based on their previous experience with GHG reporting and the level of their previous disclosures. We engaged more than the target because suppliers in the top 60% could change significantly by our target year 2025 and therefore a higher coverage for our campaigns is needed.

Impact of engagement, including measures of success

We joined CDP's supply chain program and in 2021, we organized webinars for our top 477 suppliers to encourage them to respond to the 2021 CDP questionnaire and set science-based targets. We conducted a webinar in June 2021, with the ultimate goal of engaging with suppliers to set science-based targets. Therefore, the success of our engagement is measured by the percentage of suppliers with such targets. As a threshold for measuring success, we established incremental annual goals on the percentage of suppliers with science-based targets, starting in 2021 with 28% and reaching 33% in 2022. In 2021, we succeeded in growing our percentage of suppliers with science-based targets to 28%, as we identified that 22 suppliers who did not have science-based targets in 2020 have set them in 2021. Our incremental goals for 2022 are on track. We are expanding our engagement by selecting 17 priority suppliers to receive engagement letters and 1:1 sessions with members of our Executive Leadership Team (ELT) who will encourage these suppliers to set targets this year. In early 2022, we included language to meet climate requirements, such as setting science-based targets, in contract amendments. In addition, we keep track of the percentage of suppliers that respond to the CDP questionnaire – in the 2021 cycle, 63% of our top 500 suppliers submitted a response. Having vendors respond to the CDP questionnaire allows us to provide a more accurate measurement of our Scope 3 emissions and we are able to engage our vendors on the journey to reduce them in the coming years.

Comment

N/A

Type of engagement

Other, please specify

Compliance & onboarding

Details of engagement

Other, please specify

Supplier Code of Conduct featuring environmental and sustainability expectations

% of suppliers by number

100

% total procurement spend (direct and indirect)

100

% of supplier-related Scope 3 emissions as reported in C6.5

91

Rationale for the coverage of your engagement

We hold all our suppliers to our same corporate sustainability standards as set forth in our updated Supplier Code of Conduct, which includes environmental and sustainability expectations applicable to all vendors and encourages them to disclose their carbon footprint and set science-based targets. These expectations include: Environmental & Sustainability Stewardship: Moody's believes in activating an environmentally sustainable future, reducing adverse impact on the planet, and doing our part to protect and care for the environments in which our employees live and work. Moody's positions, policies and disclosures can be found on our Sustainability website. Moody's current and prospective suppliers should adhere to similar environmental and sustainability effort. Risk and Impact Identification and Management: Moody's strives to do business with suppliers that identify, inventory and characterize all emissions, releases, wastes and natural resource use occurring during operations performed for or on behalf of Moody's, and that have processes in place to identify, assess, mitigate and manage potentially significant contingent risks and impacts to human health and the environment. Resource conservation and waste reduction: Suppliers' efforts to optimize the use of water and energy and reduce and/or eliminate (where possible) waste (through reuse, recovery and recycling), are valued by Moody's and these efforts are an important aspect of environmental management that we promote within our supply chain. Energy consumption and Greenhouse Gas Emissions: Moody's takes an active role to minimize our GHG emissions and we engage with our suppliers to promote similar goals. Moody's current and prospective suppliers should: (i) track and document energy consumption and GHG emissions at the corporate and/or facility level; (ii) make GHG emissions totals publicly available or readily available upon request on an annual basis; and (iii) set science-based targets.

Impact of engagement, including measures of success

By including language to address climate change in the Supplier Code of Conduct, we aim to extend our corporate values to our supply chain and hold all our suppliers to our same corporate sustainability standards. As part of our due diligence process, we evaluate and segment all new suppliers based on criticality and risk, and we screen all key suppliers with Compliance Catalyst, a Moody's Analytics tool powered by the Orbis and Grid databases on private companies. Where possible, we quantify ESG risks - such as science-based targets - and aggregate this data into an overall scorecard to track our priority vendors. We assume our efforts are successful if a very low number of our key suppliers are identified as high-risk. To date, we have assessed 100% of our key suppliers and have not identified any high-risk suppliers as of December 31st of 2021.

Comment

N/A

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Education/information sharing

Share information about your products and relevant certification schemes (i.e. Energy STAR)

% of customers by number

100

% of customer - related Scope 3 emissions as reported in C6.5

0

Please explain the rationale for selecting this group of customers and scope of engagement

As a financial intelligence and analytical tools provider, we engage with 100% of our customers on climate risk analysis across many business lines to serve the growing global demand for ESG insights. The ESG Outreach and Research function (O&R) brings together leaders from across the firm who engage with our customers via thought leadership, exchange of technical expertise and collaborative marketing outreach, and engagement on strategic ESG topics. These engagements include holding seminars, briefings and one-on-one meetings on ESG topics with a broad array of capital market participants. In selecting which engagements to pursue, we have developed a sponsorship scorecard which allows us to determine priority as evaluated against our key objectives – visibility, exposure in target market segments, alignment with strategic ESG themes and expertise, and market influence. We also engage with market participants through our publicly available ESG research and events. We offer insights and analysis on Moody's ESG hub, which includes research papers on climate risk, sustainable finance, and other strategic ESG topics. In addition, we have developed our "Sustainability In Focus" channel – a dedicated events program for ESG, climate and sustainable finance considerations, with publicly available webinars, on demand replays, and interactive Q&As with our experts. We share thought leadership content with all our customers, consistent with our value stream priorities and strategy to step up sustainable finance activity globally.

Impact of engagement, including measures of success

Multiple measures are taken into consideration when we evaluate success of these initiatives. We measure growth in research produced, number of seminars on climate risk held, number of people attending those seminars, and growth in the number of customer engagements. For example, in 2021, we hosted 13 ESG events, sponsored 38 others, and submitted 23 consultations. Our measure of success in customer engagement for these events includes key metrics such as the number of registrants and attendees, retention rate and a satisfaction score, as well regional reach and participation. Our threshold of success for these metrics are attendance numbers of 100+ for webinars and 100+ for an in-person event, and a satisfaction score of at least 80%. In 2021, we exceeded our threshold of success in several events, for example, on 24 September, we held Moody's ESG annual Digital Summit. The event captured 1,011 external registrants and 379 attendants to the live session, with an overall satisfaction value of 88%. While this session was timed for the Americas/EMEA regions, the strength of the program attracted a true global audience with 51 countries represented (APAC participants represented 10% of attendees). Sixteen questions were submitted, demonstrating strong participation. In addition, the ultimate impact of our engagement is to increase customer demand for ESG products and solutions. A measure of success in this regard is the annual growth rate of our ESG business, which is based on research and a market comparison. We continually monitor current and emerging market dynamics and engage with customers to ensure that we continue to provide products and services that meet their evolving demands with regards to climate and ESG. For example, we continue to

build and expand SPO capabilities, including green bonds, engage with customers to better meet market needs, scale operations and ensure analysts are close to local customers across regions. As a result, in 2021, we issued approximately 40% more sustainability ratings than in 2020. For more indicators visit Moody's ESG hub.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

Our employees also serve as partners in our value chain, acting as decision makers when it comes to commuting and reducing energy use in the office. In 2020, we announced our science-based targets to reduce emissions from employee commuting, business travel, and fuel and energy-related activities by 15% by 2025, and reduction in absolute Scope 1 and Scope 2 GHG emissions by 50% by 2030, both from a 2019 base year. As such, engagement strategies to achieve these reductions were in need to be defined.

In 2021, we achieved and exceeded our target to reduce Scope 1 and 2 (market-based) emissions by 50%, and part of this was attributed to employee engagement. By year end, approximately 90% of our office footprint was open for business and we implemented various projects to promote energy efficiency as employees returned to the offices. For example, we implemented quarterly meetings for our global office representatives to share best practices on reducing emissions from our operations; promoted participation in the Daylight Hour campaign, organized by the Building Energy Exchange, to raise awareness about using natural light instead of electric light; and published an updated company-wide environmental sustainability policy for employees to enhance our environmental performance.

We also achieved and exceeded our target to reduce Scope 3 emissions from business travel and employee commuting. We continued with our Workplace of the Future program, a robust hybrid work model that allows us to reduce employee commuting over the long-term. As vaccination rates increased and local rules and regulations eased during 2021, we took a phased approach to re-opening our offices for employees who wanted to return in-person at least part of the time. By year end, approximately 90% of our global offices were open for business. The program enables more technology- enabled work and enhances our digital capabilities and IT infrastructure to implement work-from-home solutions that ensure productivity and reduce employee commuting time. In addition, as we return to our offices, we are promoting sustainable commuting options, and encouraging employees to commute with lower emissions options when possible.

Finally, during 2021, we developed a Sustainability & ESG Training Series and made it available to all Moody's employees in early 2022. The training series consists of 9 interactive modules providing Moody's perspective on why sustainability and ESG is important to our people, business and customers.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

Yes, climate-related requirements are included in our supplier contracts

C12.2a

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.

Climate-related requirement

Setting a science-based emissions reduction target

Description of this climate related requirement

In early 2022, we included language to meet climate requirements, such as setting science-based targets under a predefined time period, as part of our contract templates for new suppliers. Also, we included amendments to 5 existing contracts and are in the process of including 4 more. Currently, approximately 9% suppliers by spend have to comply with this requirement, and this number represents the 5 completed amendments effective as of 2022. Nonetheless, through our engagement activities, in 2021 we reached 28% of our suppliers by spend to have science-based targets.

% suppliers by procurement spend that have to comply with this climate-related requirement

9

% suppliers by procurement spend in compliance with this climate-related requirement

28

Mechanisms for monitoring compliance with this climate-related requirement

Other, please specify

We monitor SBTs using CDP and SBTi databases. We evaluate new suppliers based on criticality and risk, and we screen all key suppliers with Compliance Catalyst, a Moody's Analytics tool powered by the Orbis and Grid databases on private companies.

Response to supplier non-compliance with this climate-related requirement

Retain and engage

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate

Yes, we engage directly with policy makers

Yes, we engage indirectly through trade associations

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

Yes

Attach commitment or position statement(s)

Attachment of NZFPA Commitment
Attachment of 2021 Stakeholder Sustainability Report

2021-stakeholder-sustainability.pdf

NZFSPA Commitment.pdf

Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy

In our 2021 Sustainability Report we announced our participation in the Net Zero Financial Services Provider Alliance. As a member, part of this commitment includes to advance our efforts by proactively engaging with stakeholders and policy-makers on corporate and industry action, as well as public policies, that support a net zero transition of economic sectors in line with science and with regard to social impacts (https://www.netzeroserviceproviders.com/our-commitment/#site-header).

Consistency on ESG, including climate, corporate strategy and product development, thought leadership and public policy positioning is ensured at regular Executive Leadership Team meetings. These meetings bring together senior leaders from across the firm to discuss the impact of ESG, Sustainable Finance and Climate Risk on our company and ESG offerings.

Moody's Government Public and Regulatory Affairs team, which is part of Moody's Global Corporate Affairs team, manages Moody's political and public policy activities, including direct engagement with government officials and indirect engagement through trade associations and other policy influencers. The head of Moody's Global Corporate Affairs is a member of Moody's Executive Leadership Team with a direct reporting line to the President and CEO.

In addition, Moody's established the ESG Outreach and Research (O&R) function. It convenes quarterly ESG Content Councils and, together with regular working groups on priority areas, coordinates strategic ESG partnerships with membership organizations and bodies, and speaking and policy engagements on ESG topics. The team thereby ensures that public statements and presentations, research collaborations, and opportunities to influence developing ESG standards and policy are aligned across the corporation, and with Moody's corporate climate change strategy.

C12.3a

(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Focus of policy, law, or regulation that may impact the climate

Other, please specify

Non-Financial Reporting

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Moody's responded to the International Financial Reporting Standards (IFRS) Foundation consultation paper on sustainability reporting.

Policy, law, or regulation geographic coverage

Global

Country/region the policy, law, or regulation applies to

Your organization's position on the policy, law, or regulation

Support with no exceptions

Description of engagement with policy makers

We support efforts to harmonize and align different frameworks and to facilitate a movement towards more robust, consistent and comprehensible data for end users. We believe that the IFRS Foundation can play an effective leadership role in setting standards.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Focus of policy, law, or regulation that may impact the climate

Other, please specify

Non-Financial Reporting

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Moody's engaged with the SEC regarding the SEC's Request for Comment on Climate Disclosure.

Policy, law, or regulation geographic coverage

Regional

Country/region the policy, law, or regulation applies to

United States of America

Your organization's position on the policy, law, or regulation

Support with minor exceptions

Description of engagement with policy makers

In response to the engagement with SEC, in 2021, we made public statement on ESG Disclosure, supporting climate disclosure:
https://www.moodys.com/researchdocumentcontentpage.aspx?docid=PBC_208801

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

We support SEC's request for comment on Climate Disclosure with certain reservations and recommendations, such as:
1. Suggested a more principles-based approach to the determination of financial statement metrics, instead of the 1% threshold.
2. Proposed that companies be allowed additional time to prepare and file the required information.
3. Suggested a delay to the requirement to disclose transition plans, internal carbon pricing and scenario analysis so that companies would have some time to evaluate and test these tools before they first have to report on them publicly.
4. Suggested a broader safe harbor protection for the reporting of Scope 3 emissions.

Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Focus of policy, law, or regulation that may impact the climate

Other, please specify

Sustainable Finance

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Moody's ESG teams provided comments on the "Taking action on climate risk: improving governance and reporting by occupational pension schemes" consultation by the UK Department for Work & Pensions.

Policy, law, or regulation geographic coverage

National

Country/region the policy, law, or regulation applies to

United Kingdom of Great Britain and Northern Ireland

Your organization's position on the policy, law, or regulation

Support with no exceptions

Description of engagement with policy makers

We support pension schemes reporting under TCFD and believe that it is important to consider the risks of climate change as part of pension schemes' overall approach to risk management.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Focus of policy, law, or regulation that may impact the climate

Other, please specify

Sustainable Finance

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Moody's ESG teams responded to the European Commission's targeted consultation on the establishment of an EU Green Bond Standard.

Policy, law, or regulation geographic coverage

Regional

Country/region the policy, law, or regulation applies to

Europe

Your organization's position on the policy, law, or regulation

Support with no exceptions

Description of engagement with policy makers

We support the core components proposed by the EU GBS consultation as they represent key elements that promote the integrity, transparency and credibility of the Green Bond market. In particular, the eligibility of projects and reporting (impact and allocation) promote the increased investment in activities that contribute to the transition to a sustainable economy.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Focus of policy, law, or regulation that may impact the climate

Adaptation and/or resilience to climate change

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Moody's ESG teams provided comments on the European Central Bank's draft "Guide on climate-related and environmental risks."

Policy, law, or regulation geographic coverage

Regional

Country/region the policy, law, or regulation applies to

Europe

Your organization's position on the policy, law, or regulation

Support with no exceptions

Description of engagement with policy makers

We welcome the publication of the guide and agree that it will provide a tool for banks to identify and address climate data and modeling gaps, and develop cutting-edge risk management approaches.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.3b

(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Business Roundtable

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We are attempting to influence them to change their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

The Business Roundtable generally takes the position that market-based solutions are the best approach to combating climate change. This position is aligned with the views of their members. By engaging with the association, we can help to influence their position on climate change. For example, we have participated in their Corporate Governance working group and have contributed to their understanding of ESG integration into credit ratings.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

300,000

Describe the aim of your organization's funding

The funding covers annual membership and allows us to contribute to policy positions that are shared with policy makers and participate in events.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

US Chamber of Commerce

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We are attempting to influence them to change their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

The U.S. Chamber of Commerce has a formal position on climate change and is committed to representing its diverse membership in addressing the issue and advancing economic prosperity. The Chamber evaluates climate change policies and considers the cost of inaction and the impact on the U.S. economy. We engage with the Chamber through the Center for Capital Markets Competitiveness, where we work to influence their position on climate change. For example, we have participated in their Corporate Governance working group and have contributed to their understanding of and position on the regulation of ESG assessment firms.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

125,000

Describe the aim of your organization's funding

The funding covers annual membership and allows us to contribute to policy positions that are shared with policy makers and participate in events.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

Institute of International Finance

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We are attempting to influence them to change their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

The Institute of International France is committed to financing the transition to a low-carbon economy in both developed and emerging market, as well as accelerating efforts to make sustainability a top strategic priority across organizations. We engage with the Institute through their Sustainable Finance working group, where we help to influence their position on climate change, including their view on the regulation of ESG assessment providers. We also participate in webinars to educate members on the difference between ESG assessments and credit ratings.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

150,000

Describe the aim of your organization's funding

The funding covers annual membership and allows us to contribute to policy positions that are shared with policy makers and participate in events.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Confederation of British Industry (CBI)

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We are attempting to influence them to change their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

CBI helps businesses with their decarbonization efforts, and supports the UK government on the transition to net-zero by delivering strategies and detailed policy frameworks. By engaging with the association, we help to influence their position on climate change. For example, we have participated in CBI's Sustainable Finance group, where we have supported and influenced their position papers and provided training on ESG related topics, such as ESG integration in credit ratings.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

41,000

Describe the aim of your organization's funding

The funding covers annual membership and allows us to contribute to policy positions that are shared with policy makers, as well as participate in events.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

International Regulatory Strategy Group - part of City UK

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We are attempting to influence them to change their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

The City UK and the City of London corporation form a number of International Regulatory Strategy Committees (IRSG) and we belong to their ESG committee and a sub-committee on ESG ratings and data, including climate change. It recognizes the importance of financial services

helping with the on-going climate change challenges and it supports the transition to net zero. Through our engagement we help influence their position on climate change, for example we supported on a recent report on ESG ratings and data to make it more accurate and consistent with our position. The committee is made up of all its members' views so there has to be a consensus, but we have a strong voice.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

40,500

Describe the aim of your organization's funding

The funding covers annual membership and allows us to contribute to policy positions that are shared with policy makers, as well as participate in events.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

Attach the document

Moody's-2022-Proxy-Statement.pdf

Page/Section reference

Pages 5-6 under "Sustainability"

Content elements

Governance
Strategy
Emission targets
Other metrics

Comment

N/A

Publication

In voluntary communications

Status

Complete

Attach the document

2021-tcfd-report.pdf

Page/Section reference

Complete TCFD Report

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

The TCFD report was published in 2022; however, the entire analysis was based on 2021 data.

Publication

In voluntary communications

Status

Complete

Attach the document

2021-stakeholder-sustainability.pdf

Page/Section reference

Pages 12-14 on Sustainability Strategy, Pages 22-24 on Governance, Pages 28-32 on Climate, and Pages 85-86 for additional emissions figures and targets

Content elements

Governance
Strategy
Emissions figures
Emission targets
Other metrics

Comment

N/A

Publication

In mainstream reports

Status

Complete

Attach the document

Moody's-2021-Annual-Report.pdf

Page/Section reference

Page 18 under "Climate Change"

Content elements

Governance

Strategy

Emission targets

Comment

While climate risk is considered non-material and therefore not discussed in detail in Moody's 2021 Annual Report, a high-level overview of key sustainability achievements, strategy and governance is available in the "Sustainability" section.

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues
Row 1	No, but we plan to have both within the next two years

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Initiatives endorsed
Row 1	Yes, we have endorsed initiatives only	Other, please specify We joined the Taskforce on Nature-related Financial Disclosures (TNFD). As a member of TNFD, we join leading organizations across key sectors and geographies in developing a reporting framework and acting on evolving nature-related risks.

C15.3

(C15.3) Does your organization assess the impact of its value chain on biodiversity?

	Does your organization assess the impact of its value chain on biodiversity?
Row 1	No, but we plan to assess biodiversity-related impacts within the next two years

C15.4

(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Other, please specify Our Environmental Sustainability Policy reflects our efforts to enhance our environmental performance. It describes our goals and initiatives to reduce environmental impacts.

C15.5

(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	Yes, we use indicators	Other, please specify we monitor waste and paper consumption

C15.6

(C15.6) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Content of biodiversity-related policies or commitments Details on biodiversity indicators	Moody's 2021 Stakeholder Sustainability Report 1

[1]2021-stakeholder-sustainability.pdf

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Financial Officer, Moody's Corporation	Chief Financial Officer (CFO)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms