



Environmental Sustainability Policy

As a global integrated risk assessment firm, Moody's plays a pivotal role in helping to transform markets to create more inclusive, sustainable economies.

Climate change is one of the most urgent global issues of our time. While Moody's is not a major emitter of greenhouse gas (GHG) emissions and has a limited direct environmental impact, we have an important role to play in modeling proactive corporate responsibility, setting industry standards and demonstrating best practices. Our efforts to enhance our environmental performance and reach net-zero by 2040 are described in this policy. In addition to our corporate commitments, we strive to support environmental initiatives in our communities, and provide market participants with products and solutions that help mitigate climate and ESG-related risks.

We are committed to improving our environmental performance and to leveraging our expertise, resources, and values to drive system-wide change for better business, better lives, and better solutions.



BETTER BUSINESS

We are embedding responsible, sustainable decision-making processes across our operations and global supply chain by identifying and prioritizing actions that advance positive change. Moody's is taking action to eliminate or reduce GHG emissions and other pollutants in our daily activities, and to comply with global and local environmental legislation. This includes:

» **Reducing our GHG emissions and achieving net-zero by 2040. We commit to reach these milestones, as outlined in our [Decarbonization Plan](#):**

- 50% reduction in absolute Scope 1 and Scope 2 GHG emissions by 2030 (baseline: 2019)
- 15% reduction in Scope 3 GHG emissions from fuel and energy related activities, business travel and employee commuting (baseline: 2019)
- 60% of suppliers by spend covering purchased goods and services and capital goods to have science-based targets by 2025
- Procure 100% renewable electricity for our global operations

» **Purchasing sustainable materials. We seek to attain the following:**

- Procure eco-friendly office paper or with recycled content for daily business operations
- Prioritize eco-friendly stationery and office supplies
- Purchase sustainable materials for new real estate projects whenever possible and consider environmental factors in the selection of new office locations

» **Reducing, reusing and recycling our waste. We aim to achieve the following by 2025:**

- Reduce paper usage by 50% from 2019 levels through initiatives such as implementation of secure-print, reduction of individual printers, and digitalization of daily business activities
- Implement centralized waste collection in offices with more than 50 full-time employees
- Phase out single use plastics from our global operations, where possible
- Phase out coffee machines with capsules or sachets and/or implement recycling of this packaging, where possible



BETTER LIVES

We endeavor to create a forward-thinking, inclusive culture for our employees and communities. Moody's employs individuals from diverse backgrounds and experiences to enrich the quality of our products and services and to empower our people to be catalysts of environmental and social change. We are committed to:

- » Making our Environmental Sustainability Policy publicly available and actively communicating it to our employees
- » Encouraging environmental awareness through employee training and education programs
- » Engaging with stakeholders on Moody's environmental performance and providing transparency through an array of [sustainability reports and policies](#)
- » Supporting environmental projects with corporate philanthropy through the Moody's Foundation



BETTER SOLUTIONS

We build products and services to accelerate market transformation. Through integrated data and analytics capabilities, coupled with deep domain expertise, we provide customers with the solutions to mitigate ESG-related risks, and to capitalize on the opportunities presented by the transition to an inclusive, green and sustainable global economy. We are committed to:

- » **Expanding and enhancing our efforts to integrate ESG analysis and considerations into our products and services:**
 - Amplifying Moody's capabilities through strategic acquisitions to enable enriched ESG and climate risk analysis for customers
 - Scaling up the consistent incorporation of ESG factors into Moody's research, products and solutions by developing data infrastructure that allows Moody's entities, affiliates and customers to have streamlined access to our ESG, climate, and sustainable finance data
- » **Contributing to the development and promotion of globally consistent standards for assessing ESG risks and opportunities**
- » **Incorporating best practices and the latest climate science and environmental topics into our product offerings**

For any questions and inquiries regarding this Environmental Sustainability Policy, please contact the [Stakeholder Sustainability team](#).