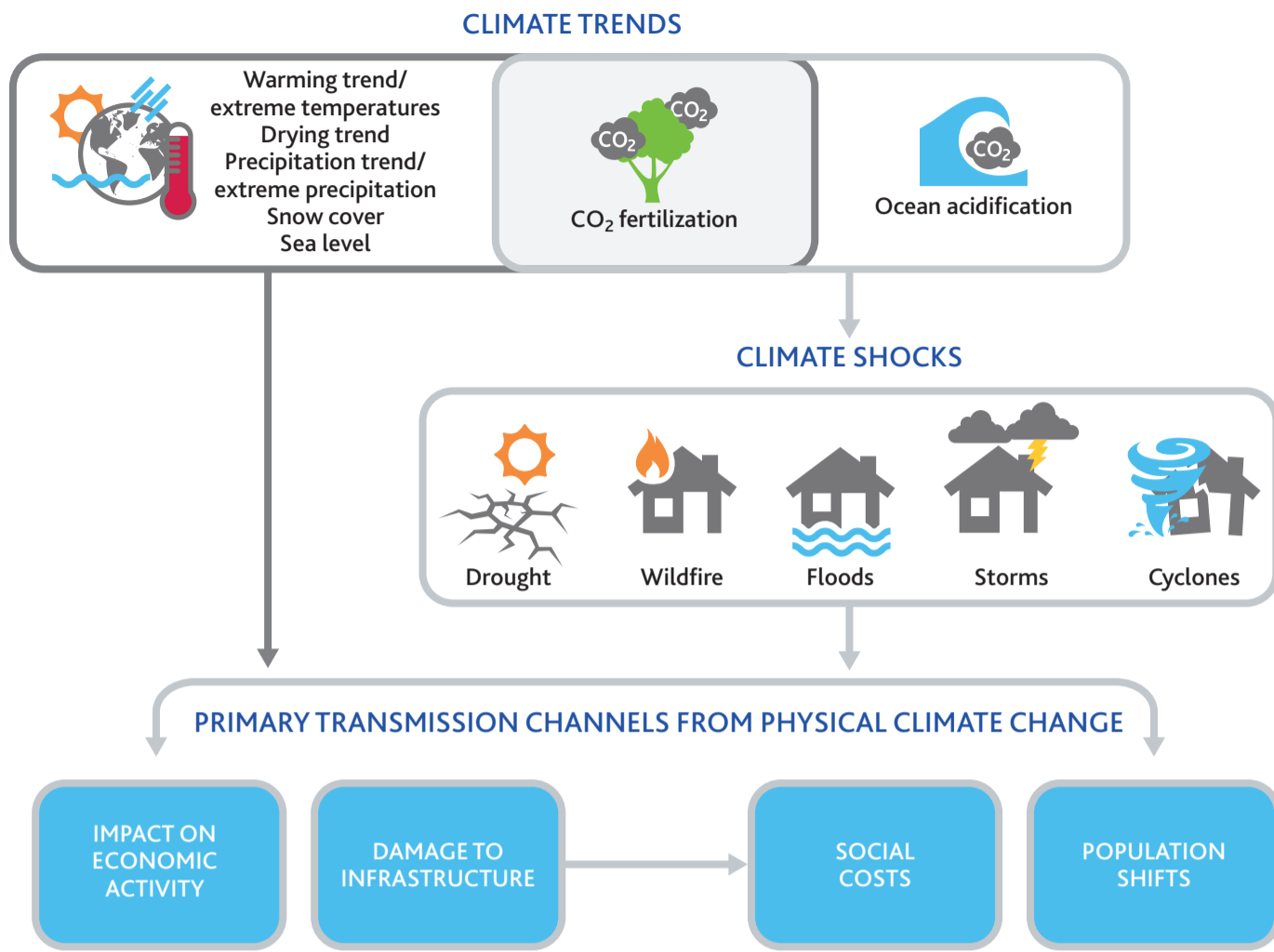


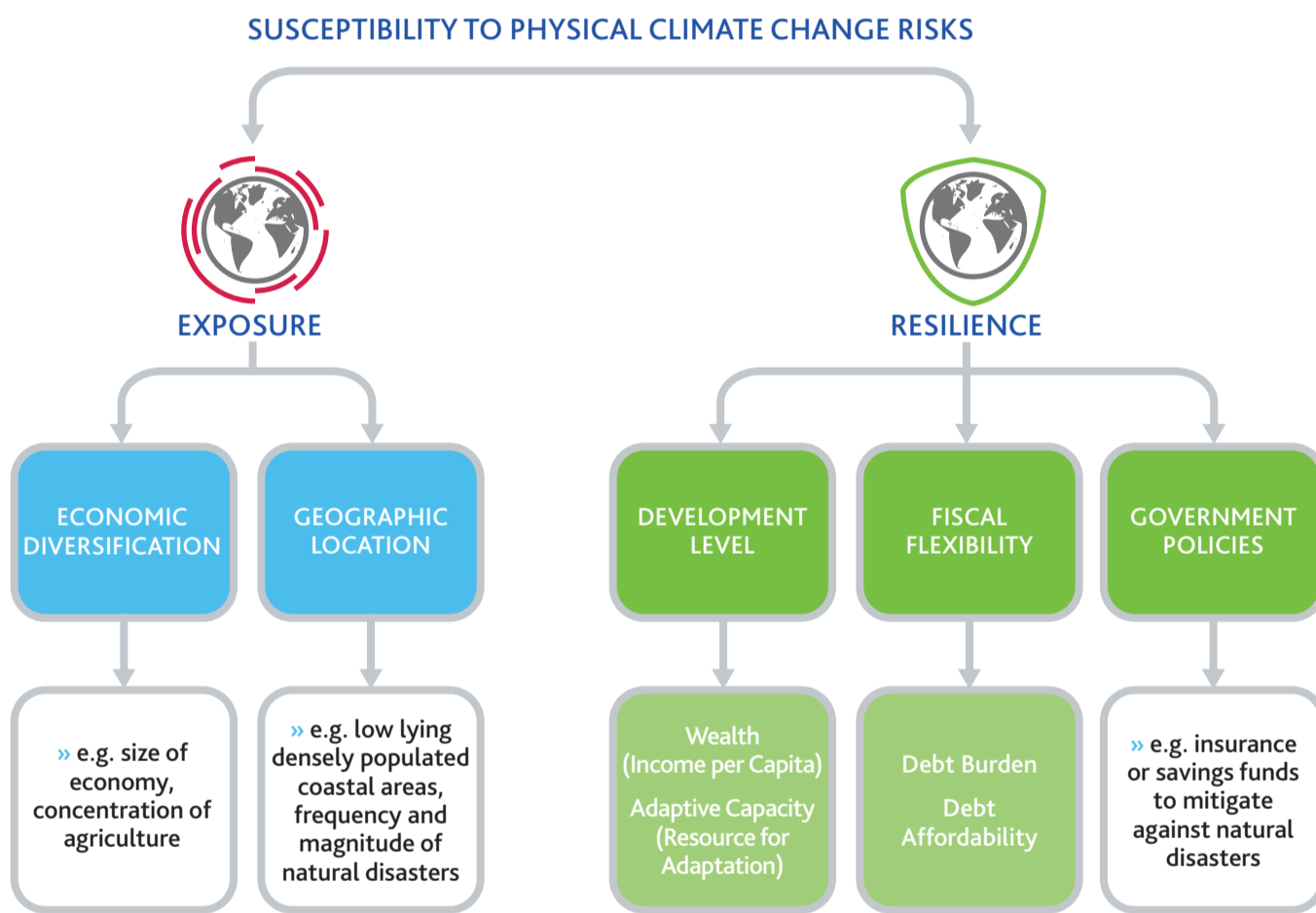
Climate Change & Sovereign Credit Risk

Our sovereign bond methodology captures the effects of physical climate change in a broad set of rating factors that influence a sovereign's ability and willingness to repay its debt. This infographic is an overview of the indicators that highlight the potential credit impact and relative susceptibility of rated sovereigns to climate risks.

Four primary transmission channels from physical climate change to sovereigns' credit profiles



Sovereign susceptibility to climate change is a function of exposure and resilience



Susceptibility to physical climate change of Moody's-rated sovereigns

