



Electronic Communications Monitoring Policy

Issued By: Compliance Department
Applicable To: Moody's Employees in Specified countries
Scope: Global
Effective Date: March 16, 2020

Subject to the country-specific exceptions noted below, Moody's monitors all emails and Instant Messages (or IMs), including email communications and IMs sent or received via Moody's remote access application on a personal mobile device (if deployed) and any documents attached to emails and IMs sent or received by Moody's employees in Argentina, Australia, Brazil, Canada, Costa Rica, Cyprus, the Czech Republic, France, Germany, Hong Kong, India, Italy, Japan, Lithuania, Mexico, Panama, People's Republic of China, Peru, Russia, Saudi Arabia, Singapore, South Africa, Spain, Sweden, the United Arab Emirates, the United Kingdom, and the United States for the following reasons:

- a. to detect possible violations of the EU Regulation 1060/2009 on Credit Rating Agencies, United States law, including the Securities and Exchange Commission Rules regarding Nationally Recognized Statistical Rating Organizations, Moody's Code of Business Conduct (the "MCO Code"), the MIS Code of Professional Conduct, the Policy for Record Retention, the MIS-MA Separation Policy, the Policy for Securities Trading or other relevant policies, procedures, codes, laws and/or regulations in any relevant jurisdiction (together "Rules");
- b. where it is necessary due to impending or threatened litigation, government or regulatory investigations, proceedings or requests, or internal investigations; and
- c. where there is a concern that employees are engaging, or employees or former employees have engaged, in illegal, improper, or unethical activity.

Subject to the country-specific exceptions noted below, emails and IMs to be monitored will be selected by a dedicated software program and/or a Compliance Officer:

- » on the basis of random sampling;

- » on the basis of the presence of certain “Hot List” words or phrases. The Hot List is a list of words and phrases which, when contained in an email or IM, may indicate a potential violation of one or more Rules; and/or
- » following a specific request by a Compliance Officer or member of the Legal Department for a “for cause” monitoring of certain emails or IMs.

Emails and IMs selected for monitoring will be reviewed under the direction of the Compliance or Legal Departments.

Monitoring pursuant to this Policy may result in the processing of employees’ personal communications. Such communications will be processed in accordance with local law, the MCO Code, and any separate consents or other documents an employee has signed with respect to such processing.

If a reviewed email or IM is suspected of reflecting inappropriate communication or behavior in violation of any of the Rules, the email will be escalated for further Compliance review.

Country-Specific Exceptions

This policy is subject to the following country-specific exceptions:

- a. in **Australia**, the monitoring of IMs with third parties will be carried out only on a case-by-case basis where there is a specific cause for concern;
- b. in **Brazil**, emails which are identified as being personal (i.e. emails the subject of which includes the express mention of “personal” or “private” or emails the subject of which clearly leads the reader to believe that they are personal emails) will not be read;
- c. in **Canada**, the monitoring of IMs with third parties will be carried out only on a case-by-case basis;
- d. in **Cyprus**, if it is apparent, or, on opening it becomes apparent, that an email or IM is personal, then it will not be opened or it will be closed immediately and not read further;
- e. in the **Czech Republic**, monitoring will not be carried out on the basis of random sampling;
- f. in **France**, monitoring will be of MIS Employees only. In addition, personal emails which are identified as being personal (i.e. emails the subject of which includes the express mention of “personal” or “private” or emails the subject of which leads the reader to believe that they are personal emails) will not be read except by the IT officer (“Administrateur du système informatique”) and only: (i) where there is a risk of or on the occurrence of a particular event as defined by French case law; (ii) in the presence of the employee concerned; or (iii) provided that the employee has been formally asked to be present. The IT officer may disclose the content of such email(s) to the employer if they threaten the good technical running or safety of the IT applications or if it is necessary to safeguard the company’s interest. If, on opening an email or IM that is not marked “personal” or “private” in the subject line, it becomes apparent

that the email or IM is personal, it will be closed immediately and treated in the same way as emails expressly marked "personal" or "private" as described above;

- g. in **Germany**, monitoring will not be carried out on the basis of random sampling or the presence of certain "Hot List" words or phrases. Monitoring will only be carried out on a case-by-case basis where there is specific cause for concern (i.e. potential criminal behaviour or a severe infringement of obligations under the employment contract). Emails which are identified as being personal (i.e. emails the subject of which includes the express mention of "personal" or "private" or emails the subject of which clearly leads the reader to believe that they are personal emails) will not be read. If, on opening an email or IM that is not marked "personal" or "private" in the subject line, it becomes apparent that the email or IM is personal, it will be closed immediately and not read further;
- h. in **Italy**, monitoring will not be carried out on the basis of random sampling, and there will be no monitoring of IMs with third parties;
- i. in **Lithuania**, monitoring will not be carried out on the basis of random sampling. Emails which are identified as being personal (i.e. emails the subject of which includes the express mention of "personal" or "private" or emails the subject of which clearly leads the reader to believe that they are personal emails) will not be read. If, on opening an email or IM that is not marked "personal" or "private" in the subject line, it becomes apparent that the email or IMs is personal, it will be closed immediately and not read further;
- j. in the **People's Republic of China**, monitoring will not be carried out with respect to any IMs between a Moody's employee in the People's Republic of China and a third party where that third party has not consented to the monitoring of that IM. If it is apparent, or, on opening it becomes apparent, that an email or IM is personal, then it will not be opened or it will be closed immediately and not read further;
- k. in **Peru**, emails which are identified as being personal (i.e. emails the subject of which includes the express mention of "personal" or "private" or emails the subject of which clearly leads the reader to believe that they are personal emails) will not be read. If, on opening an email or IM that is not marked "personal" or "private" in the subject line, it becomes apparent that the email or IM is personal, it will be closed immediately and not read further;
- l. in **Russia**, monitoring will be carried out pursuant to the Email Monitoring Policy of Moody's Investors Service Limited, Russian Branch;
- m. in **Saudi Arabia**, emails which are identified as being personal (i.e. emails the subject of which includes the express mention of "personal" or "private" or emails the subject of which clearly leads the reader to believe that they are personal emails) will not be read. If, on opening an email or IM that is not marked "personal" or "private" in the subject line, it becomes apparent that the email or IM is personal, it will be closed immediately and not read further;
- n. in **Singapore**, monitoring will not be carried out with respect to any IMs between a Moody's employee in Singapore and a third party where that third party has not consented to the monitoring of that IM;

- o. in **Spain**, emails which are identified as being personal (i.e. emails the subject of which includes the express mention of "personal" or "private" or emails the subject of which clearly leads the reader to believe that they are personal emails) will not be read. If, on opening an email or IM that is not marked "personal" or "private" in the subject line, it becomes apparent that the email or IM is personal, it will be closed immediately and not read further;
- p. in **Sweden**, if it is apparent, or, on opening it becomes apparent, that an email or IM is strictly personal, then it will not be opened or it will be closed immediately and not read further. The monitoring of emails or IMs containing personal information will not go further than the minimum necessary for compliance purposes;
- q. in the **United Arab Emirates**, monitoring will not be carried out with respect to any email communication or IM between a Moody's employee in the United Arab Emirates and a third party where that third party has not consented to the monitoring of that email or IM. If it is apparent, or, on opening it becomes apparent, that an email or IM is personal, then it will not be opened or it will be closed immediately and not read further; and
- r. in the **UK**, monitoring of emails or IMs marked "personal" or "private" will be avoided wherever possible and any monitoring of such emails or IMs will not go further than the minimum necessary for compliance purposes and as permitted by law.

DEFINED TERMS

Instant Messaging, Instant Message or "IM"

Refers to Internet-based forms of electronic communication, including direct messaging, private messaging or chat functionality, that enable two or more users to communicate with each other in real time.

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