

Anti-Bribery and Anti-Corruption Policy

Issued by: Moody's Legal Department
Applicable to: All Moody's Employees
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POLICY

It is the policy of Moody's (as defined below) to comply with all applicable anti-bribery and anti-corruption laws, including but not limited to the U.S. Foreign Corrupt Practices Act ("FCPA"), the U.K. Bribery Act ("UKBA"), and all applicable anti-bribery and anti-corruption laws where Moody's operates, and to accurately reflect all transactions in Moody's books and records. It is also Moody's policy to require certain third-party intermediaries, agents, consultants and business partners who work on Moody's behalf to comply with these same laws and practices. This policy applies to Moody's Corporation and its wholly-owned subsidiaries (collectively, Moody's). Moody's majority-controlled subsidiaries have adopted substantially similar policies in consultation with Moody's Legal and Compliance Departments.

Making actual payments or even offering business courtesies (as described below) or anything else of value, such as gifts, entertainment or other hospitality, to public officials (as defined below) may violate the FCPA, the UKBA or other anti-bribery and anti-corruption laws. Commercial bribery (not involving public officials) is also illegal in many countries. This Policy prohibits all commercial or public sector bribery.

Moody's employees are prohibited from offering or paying bribes. Moody's employees are also prohibited from providing any business courtesy or other thing of value for the purpose of rewarding a person for performing a function or activity that he or she is otherwise required to perform, or for inducing or rewarding the improper performance of a function or activity. Whether a function or activity is performed "improperly" is judged by whether it breaches a reasonable person's expectation in relation to the performance of that function or activity, such as the expectation that a person will perform a function or activity impartially and in good faith.

For purposes of this Policy, outreach to and engagement with public officials (including legislators and regulators) for the purpose of advancing Moody's legitimate business interests is not considered improper, provided that such outreach or engagement complies with this Policy.

If you have questions about this Policy, please refer to the [Anti-Bribery Resource Center](#) for contact information.

PUBLIC OFFICIALS

Although this Policy prohibits both commercial and public sector bribery, payments to or on behalf of, and the offering of business courtesies to, public officials warrant close scrutiny and must undergo advance review and approval by Compliance (unless exempted pursuant to the exemptions below). For purposes of this Policy, "public official" is construed broadly and includes not only elected officials of a government, but also any officer or employee of a government or any department, agency or "instrumentality" thereof (such as a government-controlled company or other commercial enterprise) or of a public international organization. "Public official" also includes any person acting in an official capacity for or on behalf of any such government or department, agency or instrumentality, or for or on behalf of any such public international organization. Examples of public officials include the following:

- » Head of state
- » Royal family member
- » Ministry or agency official
- » Judge, magistrate or legislator
- » Officer or employee of a government-controlled company, including government-controlled financial, banking, healthcare and transportation institutions and utilities
- » Private person acting officially on behalf of a government department, agency or instrumentality
- » Official of a public international organization (e.g., World Bank, IMF, UN)
- » Employee of any government agency
- » Political party, party official, or candidate for public office
- » Employee of a government-sponsored pension or retirement plan

For purposes of the anti-bribery and anti-corruption laws, it is irrelevant whether a person is considered a public official by the government at issue.

If you have questions whether a particular person is considered to be a public official, or whether a particular entity is considered to be an "instrumentality," please refer to the [Anti-Bribery Resource Center](#) for the appropriate contact.

BUSINESS COURTESIES

Bribery is not limited to the payment of cash with corrupt intent, but also may include the provision of business courtesies or other things of value, such as gifts, hospitality or entertainment, for an improper purpose. It is never permissible to provide any business courtesy for a corrupt or improper purpose. In addition, no business courtesy may be given, directly or indirectly, to a public official except in cases that are approved by Compliance in advance, as provided below (unless exempted pursuant to the exemptions below).

Business courtesies could include, among other things:

- » Gifts
- » Promotional items
- » Travel expenses
- » Meals, entertainment, recreation and other hospitality
- » Tickets to sporting, cultural or other events
- » Charitable donations – whether in cash or various forms of sponsorship (such as dinners or golf tournaments)
- » Business opportunities
- » Discounted or free products or services
- » Internships, secondment or employment for public officials or their family members
- » Loans
- » Assistance with medical care

Restrictions on Providing Business Courtesies To Business Contacts That Are Not Public Officials

Employees may provide business courtesies to any business contact only if the following general requirements are met:

1. The cost of the business courtesies must be reasonable and justifiable under the circumstances;
2. The business courtesies must comply with applicable laws;
3. The business courtesies must not reasonably be interpreted as an attempt to obtain or retain an improper business advantage, and must not reflect negatively on the reputation of Moody's or the recipient;
4. The business courtesies must be bona fide and must directly relate to a legitimate business purpose such as:
 - a. the promotion, demonstration or explanation of Moody's products and services, or
 - b. the execution or performance of a contractual obligation; and
5. The business courtesies must be supported by receipts and must be properly documented in accordance with any applicable expense reimbursement and accounting procedures, such as Moody's Travel & Entertainment Policy.

Restrictions on Providing Business Courtesies To Public Officials

Employees may provide business courtesies to public officials only if all of the general requirements listed above are met and under the following additional conditions:

- a. The business courtesies must be pre-approved by Compliance (unless exempted pursuant to the exemptions below);
- b. The business courtesies must be given in an open and transparent manner and must not be given to induce or reward the improper performance of an official function or activity;
- c. The business courtesies must not involve the transfer of cash; any business courtesies involving cash equivalents, such as gift cards or gift certificates, require pre-approval by Compliance; and
- d. In the case of an actual gift, such as a holiday gift, the business courtesies must not be extravagant in value, must be provided only to reflect esteem or gratitude, and must be infrequent (no more than two times per year).

To obtain Compliance pre-approval, you must complete a [Request for Pre-Approval to Provide Business Courtesies to Public Officials](#), found on the [Anti-Bribery Resource Center](#).

Exemptions from Pre-Approval Requirement for Certain Routine, Reasonable Business Courtesies Provided to Public Officials

From time to time, in the ordinary course of conducting its businesses, Moody's may provide routine, reasonable business courtesies to public officials that are exempted from the pre-approval requirement described above, provided that they are directly related to a legitimate business purpose and otherwise comply with all requirements set forth in this Policy, including compliance with local laws.

The exemptions are:

- a. Meals and refreshments provided to attendees, participants and speakers at Moody's conferences and events, provided that the costs of such meals and refreshments are reasonable given the venue;
- b. Meals and refreshments provided incidental to meetings with public officials, regardless of venue, provided that such meals and refreshments are of nominal value (less than or equal to US \$50 per person or the relevant local equivalent);
- c. Moody's-branded items that are provided at Moody's events and conferences, provided that such items are of nominal value (less than US \$50 per person or the relevant local equivalent); and
- d. Moody's research, provided that such research has already been published.

IF YOU HAVE ANY DOUBT ABOUT WHETHER A BUSINESS COURTESY FALLS WITHIN THESE EXEMPTIONS, CONTACT COMPLIANCE; REFER TO THE ANTI-BRIBERY RESOURCE CENTER FOR THE APPROPRIATE CONTACT.

COMMON SITUATIONS INVOLVING PUBLIC OFFICIALS

Advisory Boards/Committees

Moody's invites external parties to sit on a variety of Advisory Boards/Committees. Such an invitation, whether paid or voluntary, may be deemed to have value to the recipient. Accordingly, before offering such a position to a public official (or to a known family member or designee of a public official), you must obtain pre-approval.

Fees or payments for participation on such Advisory Boards/Committees may be permissible in exceptional circumstances. Before offering a public official (or a known family member or designee of a public official) a fee for participating on an Advisory Board/Committee, you must obtain pre-approval.

To obtain pre-approval, you must complete a [Request for Pre-Approval to Provide Business Courtesies to Public Officials](#), found on the [Anti-Bribery Resource Center](#).

Employment; Internships

Employment decisions, including paid or unpaid internships and secondments, must be based on merit and not made to improperly influence public officials. Accordingly, if a known family member or designee of a public official is seeking employment at Moody's, including a secondment or internship, you must obtain pre-approval before proceeding with the recruiting or employment process.

To obtain pre-approval, you must complete a [Request for Pre-Approval to Provide Business Courtesies to Public Officials](#), found on the [Anti-Bribery Resource Center](#).

Charitable Contributions and Donations

Requests from public officials for donations to specific charities or non-profit organizations, even if well-known, may be considered bribes if the donation is made to improperly influence any act or decision of that official. Any requests for such charitable contributions or donations must be pre-approved.

To obtain pre-approval, you must complete a [Request for Pre-Approval to Provide Business Courtesies to Public Officials](#), found on the [Anti-Bribery Resource Center](#).

Conference and Event Sponsorships; Delegation Trips

Conference and Event Sponsorships and any associated payments may be considered bribes if made to improperly influence any act or decision of a public official. Requests by public officials for Moody's to sponsor conferences or other events must be pre-approved.

Complimentary admissions and discounted registration fees for public officials to attend Moody's-sponsored conferences and events must be pre-approved. To obtain pre-approval, you must complete a [Request for Pre-Approval to Provide Business Courtesies to Public Officials](#), found on the [Anti-Bribery Resource Center](#).

Where public officials are invited as speakers at Moody's-sponsored conferences and events, paying for such public official's travel, meals and lodging must be pre-approved. To obtain pre-approval, you must complete a [Request for Pre-Approval to Provide Business Courtesies to Public Officials](#), found on the [Anti-Bribery Resource Center](#).

Where a delegation of public officials is invited to visit Moody's offices, this Policy generally prohibits the payment by Moody's of such public officials' travel, meals and lodging expenses. In exceptional cases, Moody's may approve such expenses and business courtesies, but pre-approval is required. To obtain pre-approval, you must complete a [Request for Pre-Approval to Provide Business Courtesies to Public Officials](#), found on the [Anti-Bribery Resource Center](#).

Family Members

Providing business courtesies to the family members of a public official is generally prohibited. In exceptional cases, Moody's may approve such business courtesies, but pre-approval is required. To obtain pre-approval, you must complete a Request for Pre-Approval to Provide Business Courtesies to Public Officials, found on the [Anti-Bribery Resource Center](#).

FACILITATION PAYMENTS

The UKBA prohibits "facilitation payments," which are commonly defined as payments to governmental officials for routine governmental action to which the individual or company is legally entitled, such as processing papers, issuing visas and providing phone service. In other words, the official is ordinarily and commonly required to perform the duty but requires a relatively small "additional" payment to carry out that duty.

Facilitation Payments are prohibited under this Policy as a general matter. However, such payments may be made only in exceptional circumstances when, for, example, an employee is placed under duress and faces potential safety issues or personal harm. Under such circumstances you must report the payment to the Legal Department immediately and provide a description of the circumstances under which the payment was made. Such payments must be accurately described and recorded in Moody's books and records.

THIRD PARTY INTERMEDIARIES

Moody's must not make payments through third parties that, if made by Moody's itself, would violate this Policy or any applicable anti-bribery and anti-corruption laws. Accordingly, before entering into or renewing contracts with agents, consultants and other third party intermediaries who represent Moody's in customer or governmental matters, you must follow Moody's [Covered Third Party Anti-Corruption Due Diligence and Contracting Procedures](#).

Global anti-bribery and anti-corruption laws cover a broad range of conduct. If you encounter a situation in which you are unsure about the appropriate course of action, or a situation not addressed in this Policy or the Moody's Code of Business Conduct, please refer to the [Anti-Bribery Resource Center](#) for the appropriate contact.

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