

2013

Corporate Social
Responsibility Report



MOODY'S



As a global company active in financial markets around the world,

we believe that Moody's Corporation has a responsibility to our stakeholders as well as to the communities in which we work and live. Our commitment is built on a deeply ingrained sense of social responsibility among our employees and the recognition that our company grows stronger by helping to advance local communities, business practices and individual lives around the world.

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About This Report

This report focuses on the triple bottom line: People, Planet and Profit. In the course of our business, we speak to and survey our customers, employees, investors, public officials, media, vendors and community partners to learn what is important to them. We engage with these stakeholders and obtain their feedback because of the knowledge and insight they can provide and because they are important to our business operations. Their feedback informs the content of this report.

This report covers the period of January 1 to December 31, 2013. Moody's publishes a Corporate Social Responsibility Report annually (past reports are available on our website at moody.com/csr). Like our corporate annual report, this document covers all of Moody's Corporation and its subsidiaries.

This Corporate Social Responsibility Report has been produced within the guidelines of a Level C+ report as defined by the Global Reporting Initiative (GRI) 3.1. The report has gained external assurance by LBG Research Institute. Its letter of assurance appears on page 27 and the GRI Index appears in Appendix 5 on page 32. For questions or feedback on this document, please contact csr@moody.com.



Q&A with Raymond W. McDaniel, Jr., President and CEO of Moody's Corporation

Q: How does Moody's use its products, services and philanthropic endeavors to create positive change?

A: Moody's products help create positive change in a number of ways. Moody's Investors Service provides information about credit to both lenders and borrowers, which in turn often results in infrastructure and other social and economic improvements. On the Moody's Analytics side, we offer tools and training to help people and companies become better lenders and more intelligent borrowers. Our research, training and software tools improve the world's understanding of risk, which allows investors to be more confident and lend more frequently, ultimately resulting in more social good.

Our philanthropic endeavors are carried out by The Moody's Foundation, which focuses primarily on mathematics, economics and finance education. We have inspired hundreds of thousands of students in the United States and the United Kingdom and plan to expand our funding to other countries. The Moody's Foundation also funds global initiatives in economic development and health and human services, civic, as well as arts and cultural programs in our local communities. We continue to deepen our commitment to build social change as we invest more funds in The Moody's Foundation and hence in our communities.

Q: Why is corporate social responsibility important to Moody's?

A: As a company whose products and services have an impact on global, regional and local markets, we feel a strong sense of belonging to and a responsibility to serve the communities that are central to our company. Our philanthropy and other social responsibility actions follow from there.

Q: Companies are increasingly talking about their roles in having a social impact in addition to their traditional economic impact. What do you believe is Moody's social purpose?

A: Moody's primary social purpose is to help facilitate the flow of capital from people who have money to invest to those who are seeking it. We do this by providing independent opinions on the level of risk involved, thus increasing the confidence of investors and the likelihood that capital will flow where it is needed. In that way, Moody's is helping to improve the lives of people no matter where they live. For example, Moody's rates bonds that, when they find investors, help schools improve their facilities, help build water treatment plants in third-world countries, and help large companies build products that improve our quality of life.

Moody's is a company that is dependent on its **People**. We do not create a physical product, but rather opinions, data, software and services are our products. It is important to keep them satisfied and engaged. One way to do this is through the work itself, which our employees enjoy because they believe it benefits others and improves lives. Another is by providing them opportunities to give back. We see a lot of engagement from senior managers who sit on the boards of nonprofits and from our associates worldwide who actively embrace volunteerism. Volunteerism is definitely part of Moody's DNA.

We try to do what we can to mitigate negative effects on the **Planet**. We are a fairly green company in that we do not produce products that pollute or negatively impact the environment and we actively work to recycle, reduce our carbon footprint and rent space in LEED-certified buildings like our headquarters, 7 World Trade Center. We also create policies to encourage employees to lower their carbon footprints by cycling to work or using public transportation.

From a **Profit** perspective, we are inherently creating social good and improving the lives of others by facilitating the flow of dollars through the global economy. The creation of social performance assessments and other products will ensure that this happens globally at all levels, from small-scale entrepreneurs to start-up companies to multinational corporations.

Thank you for investing the time to read about our efforts.

A handwritten signature in black ink, appearing to read 'Ray McDaniel'.

Raymond W. McDaniel, Jr.
President & Chief Executive Officer

Our mission: to be the world's most respected authority serving credit-sensitive markets.

Moody's Corporation provides credit ratings, research, tools and analysis that contribute to transparent and integrated financial markets. Moody's products and services are used around the world by large financial institutions operating in global capital markets. Headquartered in New York City, the company has a presence in 31 countries.

Moody's (NYSE: MCO) is a publicly traded company, reporting revenue of \$3.0 billion and net income of \$804.5 million in 2013. It is the parent company of Moody's Investors Service (MIS) and Moody's Analytics (MA). MIS, which provides credit ratings and research covering debt instruments and securities, contributed 69% of the corporation's revenue in 2013. MA, which offers leading-edge software, advisory services and research for credit and economic analysis and financial risk management, contributed 31%. For more on Moody's businesses, see our annual report at moody.com/2013AnnualReport.

Moody's global staffing was 8,364 in 31 countries as of year-end 2013. Fewer than 1% of employees are unionized.



2,847



366



1,538



3,613



8,364

employees in the United States

employees in the Americas

employees in EMEA

employees in Asia

total Moody's employees

People

The views of each Moody's employee matter and, collectively, those views contribute to our ability to serve risk-sensitive markets worldwide. Diverse opinions are encouraged and leverage the depth and breadth of experiences that our employees bring to work each day. We expect Moody's employees to be accessible and collaborative and, in return, Moody's offers a work environment that promotes intellectual curiosity, analytical rigor and collegiality. Our people uphold our core values of integrity, independence, insight, inclusion and intellectual leadership.



How We Work

Our Views Matter. So Will Yours.

These two simple phrases sum up how we work as a company. They encapsulate both our position as an important part of the capital markets and our culture as a collegial and inclusive employer where diverse views are valued.

These six words were well chosen to reflect Moody's employment brand following research into what our employees believe Moody's stands for. They grew out of employee surveys and focus groups that sought to understand what our employees value about our corporate culture. What is it really like to work here? Why do people stay?

A number of words and phrases were echoed by many employees — "collaborative," "intellectually curious," "diverse viewpoints," "essential insights," "valued insights." Together, they reflect who we are as a company — and we are proud of who we are.

Moody's Business Effectiveness Survey

Moody's surveys its employees every year to understand their attitudes toward the company, its management, its strategy and as an employer. The 2013 survey was refocused and streamlined to focus on key areas such as employee development, reward and recognition, and innovation and change. The company always gets a high response rate to this survey and 2013 was no different: 88% of employees responded to the survey. We are pleased to report that 78% of employees who responded either agree or strongly agree that they would recommend Moody's to a friend or colleague as a place to work.

Taking Care of Our Employees

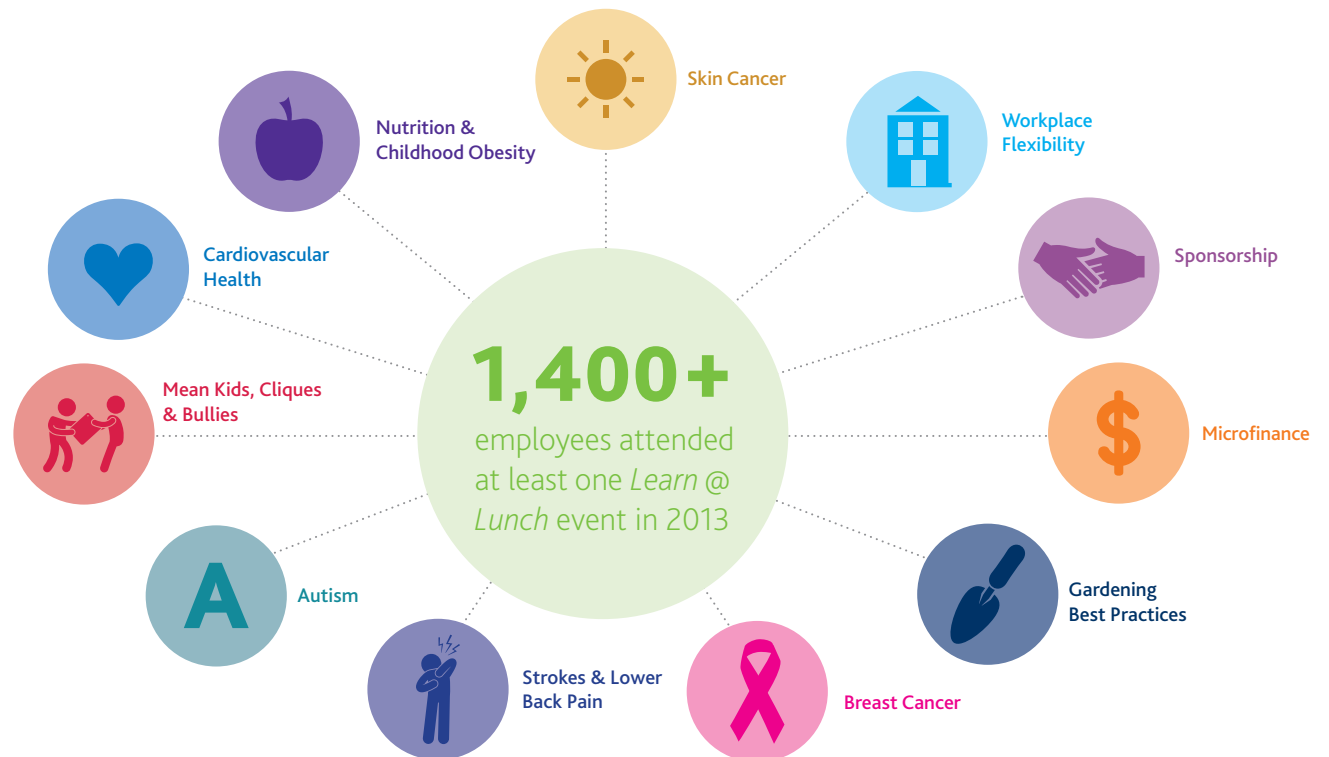
Taking care of employees goes beyond providing health care and other benefits. (For a full list of benefits, see Appendix 4 on page 31.) We go a step further to help employees live healthier lives.

For example, the LifeCare Resource and Referral Service in the United States connects employees to assistance for a range of life issues, from behavioral health, to chronic disease management, to planning for retirement or managing career changes. The service is free and confidential, giving employees a safe place to ask difficult questions.

Employees can also take advantage of flexible work arrangements to help them achieve work-life balance. In 2013, we reviewed our flexible work policies which are aligned with local laws and customs in our offices worldwide. Where eligible, Moody's employees are welcome to explore alternative work arrangements with their managers.

Moody's has a variety of ways to reach employees with health and wellness information. From flu shot clinics to health-oriented *Learn @ Lunch* programs, the company strives to make it easy for employees to live healthier lives. In 2013, Moody's partnered with New York-Presbyterian/Lower Manhattan Hospital to bring several *Learn @ Lunch* programs to employees. These 60-minute seminars, also offered via webcast, taught attendees about nutrition and childhood obesity, cardiovascular health, skin cancer and strokes and lower back pain.

The company's cultural partnerships offer employees ways to relax and have fun when the workday is over. In January 2013, The Moody's Foundation and the Multicultural Employee Resource Group in New York invited our cultural partners, such as The Metropolitan Museum of Art and the Staten Island Children's Museum, to a Cultural Membership Fair at 7 World Trade Center to raise awareness of the arts and cultural opportunities available to employees.



Cultivating Our Employees' Talents and Skills

Our employees are our greatest asset. We recruit the best and help to develop them into high performers through job-specific and leadership training.

Training begins the minute our employees walk through the door and continues throughout their career at Moody's. Employees are trained not only on the technical skills they need to do their jobs, but also in management and leadership as their careers develop. Analysts at Moody's Investors Service (MIS) must complete comprehensive credit-related training before participating in the rating process. Employees in other business units receive training specific to their business and individual development needs.

Moody's also subscribes to Harvard ManageMentor, an on-demand training system that helps employees develop skills such as time management and delegation, to name just a few. Once enrolled, employees can access the system at any time and take as many courses as they like.

All employees are trained in the Moody's Code of Business Conduct (moody.com/CodeofConduct), which is just as important to our success as job training and professional development. The code directs employees to uphold the highest ethical standards in their business dealings as well as with their colleagues. The 52-page code covers employee relations, ethical business practices, conflicts of interest, fair dealings, marketing, and bribery and anti-corruption laws, among other topics. Employees of MIS have additional standards of professional conduct that they must review and certify to each year.

The Many Ways Employees Learn and Grow at Moody's



928 

employees completed Harvard ManageMentor online courses

2,370 

employees attended leadership and organizational development courses



Inclusion is a Core Value

Moody's employees are a diverse group—different genders, different nationalities, different ethnic backgrounds, different religious beliefs, different sexual orientations. We strive for a diverse and inclusive workplace.

Moody's Employee Resource Groups (ERGs) are critical to our efforts inside and outside the workplace. Our four ERGs are active across our offices: Lesbian, Gay, Bisexual, Transgender and Allies (LGBTQA); Multicultural; Women's and Veterans. Six new chapters were formed across all groups last year for a total of 17 chapters globally—nearly tripling the number of ERG chapters since 2011.

The ERGs provide opportunities to network with other employees and learn about issues important to the group and advocacy in ERG interest areas. All employees, whether they belong to a group or not, can participate in ERG educational programs and activities.

In 2013, the ERGs sponsored 143 events and hosted a variety of educational programs spotlighting senior leaders who shared their career insights and lessons learned. Last year, the New York ERGs co-sponsored a discussion with Linda S. Huber, Moody's Executive Vice President and Chief Financial Officer, and Ellen Kullman, Chair and Chief Executive Officer of DuPont and one of *Fortune's* "50 Most Powerful Women in Business."



HUMAN
RIGHTS
CAMPAIGN
FOUNDATION

For the second year in a row, Moody's Corporation scored 100% on the Human Rights Campaign Foundation's Corporate Equality Index (CEI) and was named one of its Best Places to Work. The CEI is a national benchmarking tool on corporate policies and practices pertinent to lesbian, gay, bisexual and transgender employees.

Moody's Internships

Every summer, Moody's welcomes interns from diverse backgrounds to experience the professional workplace. Moody's looks to our partner organizations such as Management Leadership for Tomorrow, Youth About Business, Prep for Prep, InRoads, The Posse Foundation, Liberty LEADS, and Sponsors for Educational Opportunity, as well as to historically black colleges

and universities, for talented young people from different backgrounds to participate meaningfully in Moody's businesses.

The interns experience life in a corporate environment, gain new skills and develop a stronger, more robust resume that will open doors for them in the future. In 2013, 52 interns participated in the program in the New York office, 63% of whom were from grantee organizations. In London, all 8 interns were referred by grantee organizations. Over the years, Moody's has hired a number of interns into full-time positions.

Diversity Partners

Moody's supports nonprofit organizations that promote the diversity conversation as well as serve populations that experience prejudice and exclusion for their differences.

The Moody's Foundation supports the Center for Talent Innovation (CTI), a New York-based "think tank" that is a thought leader in diversity and talent management. CTI's flagship project, the Task Force for Talent Innovation, helps corporations leverage their talents across the divides of gender, generation, and culture.

The Moody's Foundation supports two important research projects. The first project, "Global Executives," builds upon CTI's "Executive Presence" report, which focuses on the qualities that make a leader. The second project is a report on "Women and Power." This report aims to discover the disconnect between multinational corporations' leadership goals for women and women's goals for themselves, and to ultimately help companies take important steps to achieve the best returns on investment in high-potential women.

In New York, Moody's has forged a strong partnership with the Hetrick-Martin Institute (HMI), the oldest and largest organization dedicated to serving lesbian, gay, bisexual, transgender and questioning (LGBTQ) youth between the ages of 13 and 24 in a safe and supportive environment. Moody's was honored by the Hetrick-Martin Institute at the 2013 Emery Awards Benefit, which raised more than \$1.3 million for the organization. Thomas Krever, HMI's Executive Director, noted the importance of Moody's financial and volunteer support as having been critical to two major projects: the cataloging of HMI's historical document library and the investment in HMI's efforts to analyze 35 years of intake data on LGBTQ youth.

100% 
scored on the Human
Rights Campaign's
Corporate Equality Index

143 
ERG events globally

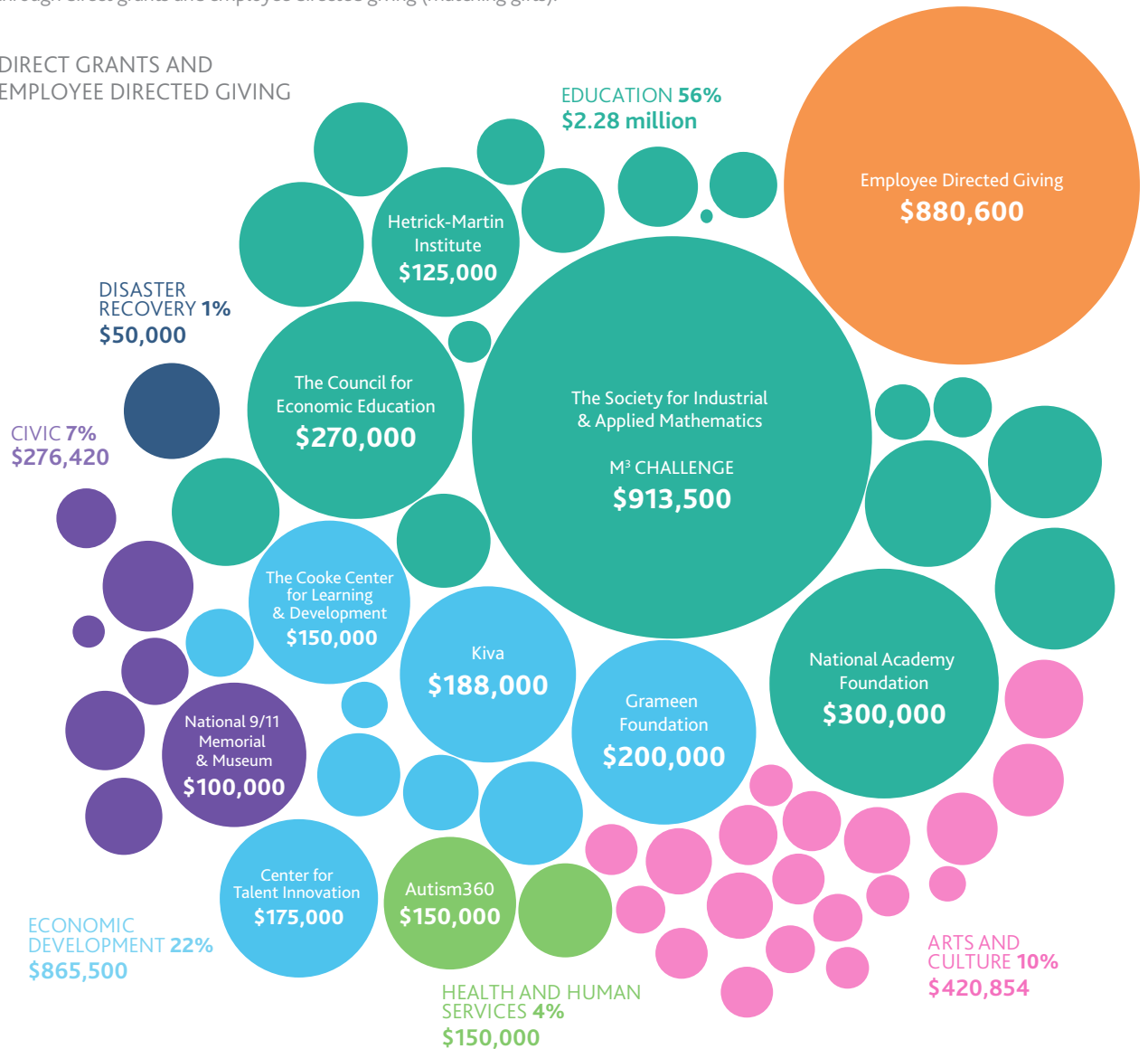
30% 
of the New York office
belongs to at least
one ERG



How We Give

The Moody's Foundation is committed to supporting education, in particular the study of mathematics, economics and finance. The Moody's Foundation also funds specific initiatives in the areas of economic development, civic, health and human services, as well as arts and culture. In 2013, The Moody's Foundation contributed more than \$4.9 million to more than 60 nonprofits in our communities, through direct grants and employee directed giving (matching gifts).

DIRECT GRANTS AND EMPLOYEE DIRECTED GIVING



Moody's Signature Program: Moody's Mega Math Challenge

Now in its eighth year, the Moody's Mega Math Challenge (M³) drew 6,000 students in 2013 from 28 states and the District of Columbia. Teams of three to five high school juniors and seniors competed in this Internet-based applied mathematics challenge, sponsored by The Moody's Foundation and administered by the Society for Industrial and Applied Mathematics (SIAM).

The annual M³ Challenge takes a timely real-world problem and challenges the student teams to develop the best solution. In 2013, the problem was called "Waste Not, Want Not: Putting Recyclables in Their Place." Students first had to quantify the plastic waste going into landfills in the United States and then, by modeling the relevant variables, come up with real recycling

solutions for three United States cities. Finally, students were asked to use that model to recommend nationwide recycling standards.

Members of current and past winning teams are invited to apply for summer internships at the company. In 2013, 10 M³ winners spent their summer at Moody's learning about what Moody's does and how an interest in math can turn into a career.

A key part of the M³ Challenge is showing participants how math is more than a classroom exercise. With sufficient data and application of analytical and critical thinking skills, math can be used to solve almost anything. Post-Challenge research showed that 25% of the participants were more interested in pursuing a career that uses math, economics or finance after they had participated in the Challenge, which is one of the most important goals of the program.

Moody's Research Seminar Series at Isenberg School of Management

To help educate students on the capital markets, Moody's sponsored a speaker series on the topic at the Isenberg School of Management at the University of Massachusetts at Amherst. The Moody's Research Seminar Series featured a stellar lineup of academics and experts in capital market theory and practice. Seminars were conducted every Friday during the academic year for interested faculty from across the university, Isenberg's PhD candidates and undergraduates who run an equity fund. Topics included: "An Update on Structural Reforms in the Euro Area Periphery," "Conventional and Unconventional Forms of Alpha in Manager Research" and "Portfolio Management and the United States Energy and Manufacturing Resurgence."

The seminars are just one of three parts of the program with Isenberg. In the second part, Isenberg students were invited to visit Moody's to meet with our senior managers to learn more about how the company supports the capital markets. For the third part of the program, Moody's is giving Isenberg faculty and students access to its capital markets research database for them to use in their studies.

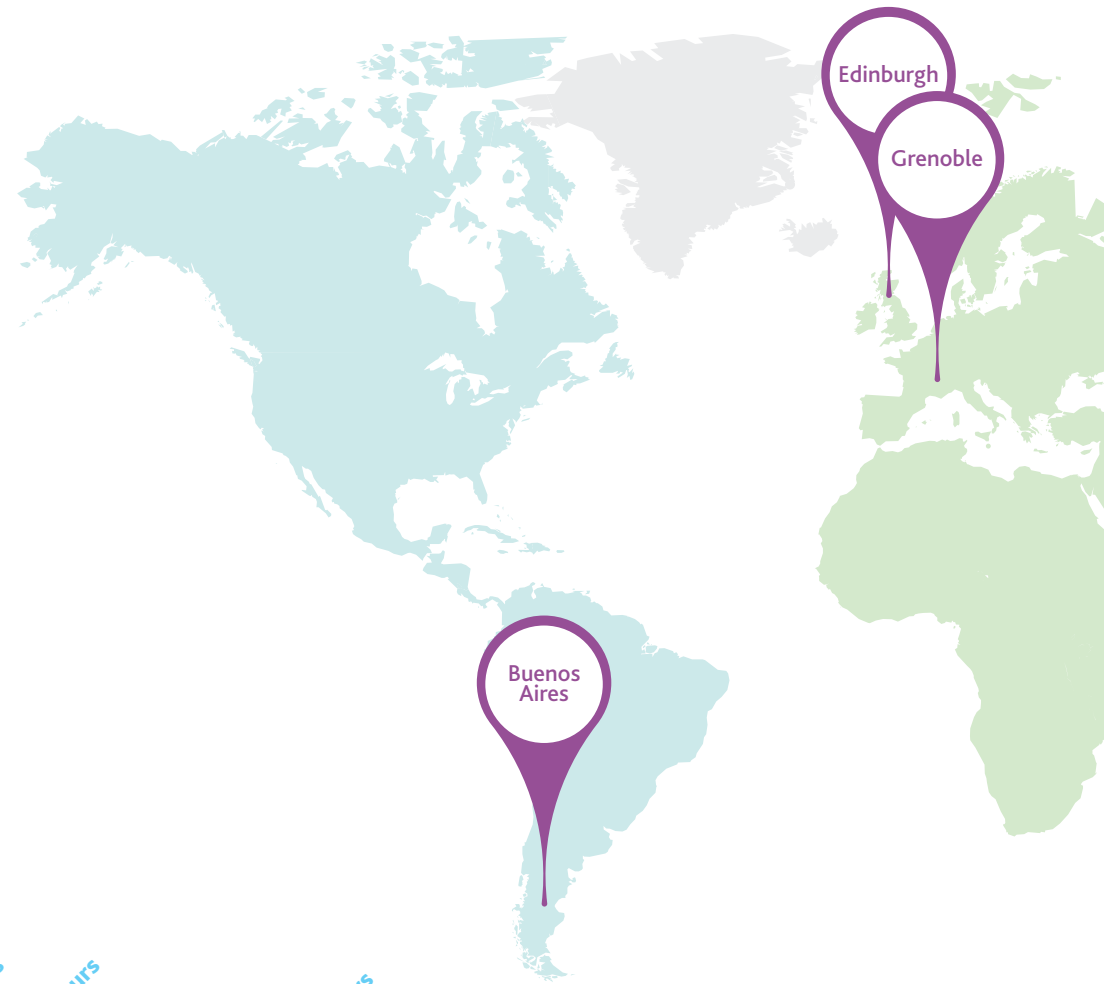


25%

of the participants were more interested in pursuing a career that uses math, economics or finance after they had participated in the M³ Challenge

Moody's Afternoon of Service Breaks Records

Since its launch in 2008, Moody's *Afternoon of Service* has grown by leaps and bounds. Moody's *Afternoon of Service* takes employees out into the community for a volunteer project during the workday. These half-day projects combine community service with team-building, positively impacting both the organization served and the Moody's volunteers. 2013 was a record-breaking year — 58% of Moody's employees participated in at least one community service event, and for the first time ever, 100% of Moody's offices were given the opportunity to participate.



Boston, MA: **1 Event • 12 Hours**
 Buenos Aires: **3 Events • 24 Hours**
 Chicago, IL: **1 Event • 55 Hours**
 Dallas, TX: **2 Events • 108 Hours**
 Mexico City: **1 Event • 39 Hours**
 Montreal: **2 Events • 63 Hours**
 New York, NY: **186 Events • 7,344 Hours**
 San Francisco, CA: **13 Events • 559 Hours**
 São Paulo: **1 Event • 66 Hours**
 Toronto: **6 Events • 258 Hours**
 West Chester, PA: **4 Events • 177 Hours**
 Dubai: **1 Event • 49.5 Hours**
 Edinburgh: **2 Events • 66 Hours**
 Frankfurt: **5 Events • 259 Hours**
 Grenoble: **3 Events • 96 Hours**
 Johannesburg: **1 Event • 35 Hours**
 Limassol: **2 Events • 56 Hours**
 London: **71 Events • 2,071 Hours**

AMERICAS • 220 EVENTS • 8,705 HOURS

EMEA • 93 EVENTS • 3,020.5 HOURS



6 new cities joined the *Afternoon of Service* program

- Madrid: 1 Event • 55 Hours
- Milan: 2 Events • 64 Hours
- Moscow: 1 Event • 64 Hours
- Paris & St. Cloud: 3 Events • 161 Hours
- Prague: 1 Event • 44 Hours
- Beijing: 1 Event • 42 Hours
- Hong Kong: 7 Events • 449 Hours
- Seoul: 1 Event • 24 Hours
- Shenzhen: 27 Events • 675.5 Hours
- Singapore: 3 Events • 111 Hours
- Sydney: 7 Events • 412 Hours
- Tokyo: 3 Events • 59 Hours

ASIA PAC • 49 EVENTS • 1,772.5 HOURS

100% 
of Moody's offices were offered the chance to participate in community service activities

58% 
of Moody's employees participated in at least one community service activity

13,498 
volunteer hours were completed by Moody's employees



98% 

of employees want
to participate in another
Afternoon of Service

93% 

of employees rated their
Afternoon of Service
experience as good
or excellent

93% 

of employees said that
the *Afternoon of Service*
made them proud to
work at Moody's

Moody's Reaches Out to Veterans and Military Families

Moody's further developed our support for programs targeted to serve veterans and military families in 2013. The company held four *Moody's Interview University* sessions in New York. Moody's invited clients of the nonprofits Edge4Vets, Four Block and The Posse Foundation to participate in our signature mock interview workshop program.

Active duty military families also benefited from Moody's community efforts. In May 2013, 63 employee volunteers used their lunch break to build bicycles for the USO's Bike Build program. Working in teams of three, Moody's employee volunteers built 50 bicycles in just three hours for children of United States service members. The event was held in partnership with the USO of Metropolitan New York. Nearly

20 military families from the New York City area were presented with the bikes by Moody's executives at a special ceremony.

Moody's Makes A Difference

Moody's Makes A Difference is a program designed to provide Moody's employees and its clients an opportunity to work together to complete a community service activity. Beyond the scope of the traditional conference agenda, Moody's recognizes that there is an opportunity to leverage the time, talent and extra hands to benefit the local city in which we hold conferences.

These brief, on-site volunteer projects are not time-intensive, but have big impact. Moody's is proud to partner with its clients and extend its culture of giving back beyond the employee population.

In 2013, 100 attendees of the annual Risk Practitioners Conference in Arizona assembled 150 care packages for children living in homeless shelters. Each care package consisted of a blanket, stuffed animal, book and handwritten note. Care packages were distributed through Project Night Night, a national nonprofit organization which equips children living in homeless or low-income situations with basic nighttime essentials.

Additionally, 200 attendees of the Economic Outlook Conference in Pennsylvania worked together to pack 75 backpacks for children in underserved schools. The backpacks were filled with the basic school supplies and essential math tools that students require to succeed. The backpacks were distributed through World Vision International, a global humanitarian aid and development organization.



Planet

Our commitment to the planet is spelled out in our Environmental Policy: Moody's Corporation is committed to doing our part to protect and care for the environments in which we live and work, including compliance with the letter and spirit of all relevant environmental legislation. This commitment is demonstrated by the continuous development and implementation of practical and effective corporate policies and programs that support the more efficient use of natural resources and reduce the impact of our businesses on the environment.



Environmentalism at Moody's

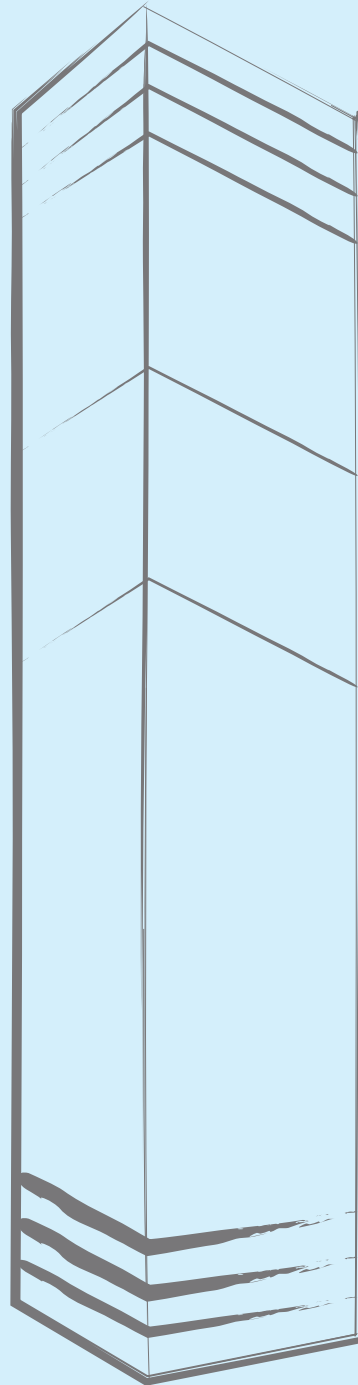
Every year, Moody's strives to find new ways to reduce our environmental footprint. Moody's is not a resource-intensive business. We don't have manufacturing plants or own any real estate. We are a people-intensive business. Therefore, the ways we can reduce our impacts are limited.

That doesn't stop us from trying. We've tackled all of the immediately accessible changes, such as installing energy-efficient lighting, motion sensors on lights, and recycled-content paper in our printers. We changed the default on our printers across the globe to double-sided printing—saving quite a bit of paper in the process. Like many multinationals, we have company-wide video and teleconferencing systems available to reduce our travel and thus our carbon footprint. Some employees telecommute part of the work week, which also has an environmental impact. We hold an Earth Day Fair in our New York office every year to help educate our employees on what we are doing and how they can contribute at work and at home.

Our programs and policies include reducing and eliminating waste, where feasible, through re-use, recovery and recycling. We make the policy available to the public and communicate it to employees to increase their awareness of environmental concerns and to further encourage them to minimize the impact they have on the environment.

Moody's has been reporting our available data to the Carbon Disclosure Project for many years and are excited about participating more fully in the future.

Additionally, we have created a new environmental policy for the company, which we think better captures our commitment to being an environmentally responsible citizen. Our new policy is featured on page 13.



7 WTC NEW YORK OUR HEADQUARTERS GROWS GREENER

In the coming years, Moody's will expand its footprint at 7 World Trade Center by three floors, enough space to house 600 more employees. These additional floors are designated LEED Certified for Commercial Interiors: built to comply with strict environmental standards for energy efficiency and, according to the U.S. Green Building Council, healthier for employees than standard construction.

U.S. GREEN BUILDING COUNCIL

WATER USE REDUCTION

ENERGY EFFICIENT HEATING, COOLING AND LIGHT FEATURES

HEALTHIER FOR EMPLOYEES



Eco-volunteerism Projects

Moody's employee volunteers know the importance of good corporate citizenship. Employees across all regions have shown interest in doing community service activities which benefit our planet. Globally, 1,027 employee volunteers in 10 offices donated 3,242 hours of service to environmentally focused projects in partnership with 17 nonprofit organizations.

Globally

Moody's employees volunteered their time to prepare 368 laptops and desktops that were then up-cycled to benefit 32 organizations around the world.

Edinburgh

Pruned an overgrown cycle path and beautified a local garden.

Hong Kong

Cleared a local beach of plastics and other litter.

London

Created 70 meters of pathway, weeded 4 raised beds and a pathway, built 3 loggeries, beautified 2 community gardens, cleaned a duck pond, and performed various tasks at local parks and gardens such as planting, clearing weeds, turning compost and clearing sticks and other debris to improve the environment for wildlife.

Moscow

Cleaned and beautified a public park.

New York

Beautified 1,500 linear feet of park space, 58 acres of land and 8 gardens. Planted 910 plants, 20 native shrubs and 3 magnolia beds. Weeded 3 garden beds and spread woodchips and mulch to prepare for plantings. Constructed 11 garden beds, 11 compost bins and a three-part aeration tube for central compost, 30 feet of snow fencing enclosure for compost outposts, 10 underwater pipe cages to benefit marine engineering, 4 chicken coops, 3 garden beds and 1 gate for a rabbit enclosure. Installed 35 feet of wildlife habitat fencing and 23 compost, recycling and education signs. Composted 51 bins of aerated static food scraps and green matter. Cut back raised beds, summer grasses and invasive species. Loaded 1 shipping container of oyster shells. Performed tree stewardship activities, post-Sandy cleanup projects and implemented erosion control measures covering a 3,600 square foot project area.

Paris & St. Cloud

Cleaned and weeded 600 square meters of open land and completed tasks to protect land around fruit trees from winter conditions.

San Francisco

Removed invasive plant species in a wetland plain, irrigated recently planted native species and performed plant care activities around a park's eco-center and upland habitats.

Shenzhen

Beautified one large park, making it a more enjoyable green space for the public to enjoy.


Singapore

Weeded, pruned and propagated plants in a spice garden within the Fort Canning National Park.

13%
*of Afternoon of Service
projects were
environmentally focused*

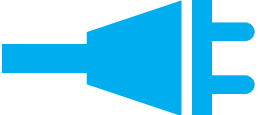
RESOURCES SAVED

4,817 TREES
22,361 GALLONS OF OIL

 **MORE THAN 2.1**
MILLION GALLONS
OF WATER

188,146
POUNDS OF
WOOD
RESOURCES

498
MILLION
BTUs


1.1 MILLION
KWH OF
ELECTRICITY



27.72 TONS
OF COMPOSTED
WASTE



310
GALLONS OF USED
COOKING OIL

2,307 
POUNDS OF
FOOD DONATED
TO CITY HARVEST

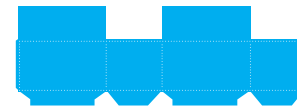
AMOUNT RECYCLED


5 TONS
OF CANS
& BOTTLES



225 TONS
OF PAPER

58 TONS
OF CARDBOARD




179,294
COFFEE PACKETS

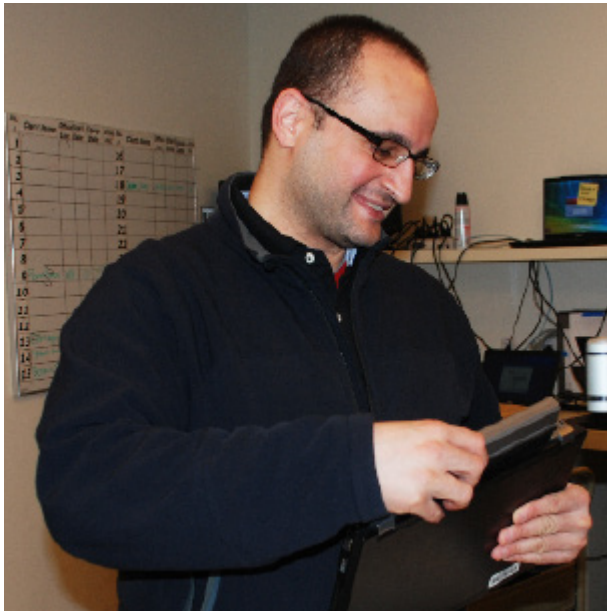
85 POUNDS OF NON-PCB BALLAST

595
POUNDS
OF LIGHT
BULBS

Moody's Community Reboot

In an effort to recycle computer technology and support nonprofits at the same time, *Moody's Community Reboot* asked employees to nominate nonprofits to receive refurbished Moody's computers. Launched in six international offices, the program donated more than 350 computers to 32 organizations.

Moody's Community Reboot was originally inspired by an employee initiative. Over two years ago, The Moody's Foundation, Moody's Information Technology, the Sourcing and Procurement Group and the Legal department came together to donate computers that Moody's employees were no longer using to a school for the deaf in Honduras. *Moody's Community Reboot* involved a dedicated steering committee and cross-department collaboration to make this program a global reality. Employees in Hong Kong, London, Mexico City, New York, San Francisco and São Paulo were invited to nominate nonprofits to apply for the available computers. Forty-two employees recommended nonprofits and most of the requests were fulfilled. This program not only generated goodwill among employees but also redirected usable computers to advance the mission of nonprofits around the world.



London

4 nonprofit organizations
133 computers donated

Hong Kong

1 nonprofit organization
53 computers donated

Mexico City

2 nonprofit organizations
20 computers donated



New York

21 nonprofit organizations
96 computers donated

São Paulo

2 nonprofit organizations
35 computers donated

San Francisco

2 nonprofit organizations
31 computers donated

Economic Development

Moody's contributions to a healthy planet include supporting economic development. At Moody's, this is done by contributing to the well-being of people in our communities via microfinance and workforce development.

Microfinance

Moody's has long been a supporter of microfinance—the practice of providing financial services such as loans, savings accounts and other basic financial products to the poor. As an economic development tool, microfinance is one way of helping people out of poverty—by giving them access to capital to start their own businesses.

Moody's takes a two-pronged approach to supporting and strengthening the microfinance sector: grants to nonprofits that work in the field, and product development focused on the social performance of microfinance institutions (MFIs). Grants from The Moody's Foundation will be discussed here, while a discussion of Moody's Social Performance Assessments is found on page 24 in the Profit section of this report.

Grameen Foundation

Grameen Foundation provides MFIs in poor communities with access to the capital they need to make micro-loans to people developing or expanding a small business. Among its services, Grameen Foundation develops and spreads technology and open-source software designed to help MFIs enhance efficiency and lower operating costs. The Moody's Foundation provided a two-year grant to Grameen Foundation to build new functionalities for the organization's TaroWorks™ product, which allows an MFI to collect client data in the field and to develop an appropriate, cost-efficient way to validate poverty-related data collected from MFI clients.

Kiva

Since 2010, The Moody's Foundation has funded four field specialists for Kiva, an online marketplace that connects social investors with entrepreneurs who do not have access to traditional banking systems through vetted MFIs. The Moody's Field Specialists are Kiva's representatives in the field, finding and vetting new MFI partners, monitoring existing partners and spreading best practices across the network. They are an important part of assessing risk for lenders while building Kiva's portfolio.



Women's World Banking

Women's World Banking (WWB) provides strategic support, technical assistance, training and information to a global network of 39 microfinance institutions and banks that offer financial services to 26 million low-income people—80% of whom are women. In 2011, WWB launched its Gender Performance Initiative, a multi-phase initiative aimed at expanding and improving the collection of gender-based financial and social performance indicators and reinforcing the business case for serving women. Moody's 2013 grant to WWB funded the final phase of the Gender Performance Initiative as well as beta testing of a Gender Analytics Tool based on WWB's gender research and its existing Portfolio Analytics Toolkit.

Workforce Development

Moody's focuses on workforce development in the communities where we operate by helping to train youth from disadvantaged backgrounds to succeed in the business world. Besides offering internships at Moody's itself, the company supports programs that we believe have significant impact on underserved youth.

National Academy Foundation

National Academy Foundation (NAF) is dedicated to bringing college-preparatory, career-themed academies to public high schools in urban areas around the country. NAF's

model combines industry-specific curricula with work-based learning experiences and relationships with business professionals to open doors for underserved students to viable careers. Career Academies UK (CAUK) is NAF's sister organization in the UK and employs the same model.

In 2013, Moody's deepened our relationship with NAF. The Moody's Foundation announced a three-year, \$500,000 grant to NAF to enhance the organization's Work-Based Learning Program, a critical component of NAF's model that provides students with real-world work experiences. The grant will ultimately make more internships available to NAF's growing number of students, will help NAF improve its data collection and analysis and will enable it to conduct long-term studies on how its programs change lives.

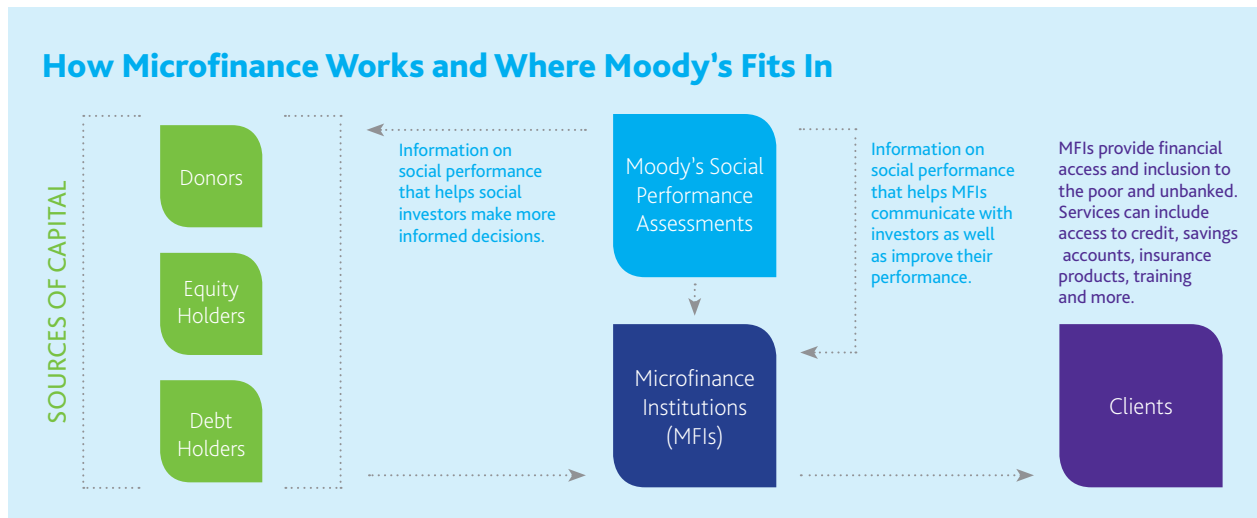
Moody's employee volunteers are highly engaged with NAF and its students studying both finance and information technology. For example, New York employees hosted students from Tottenville (Staten Island) High School's Academy of Finance in November 2013 to give them a close-up look at what a job in finance entails and how the skills they learn in school can be put in action in the workplace. Employees from Moody's Technology Information Department did the same for students in local Academies of Information Technology.

In London, Moody's provides Partners in Business mentors for CAUK students to support them in their transition through sixth form and college. The mentoring relationship lasts for 18 months and includes individual meetings and group events. In 2013, the office also hosted 45 CAUK students for a *Moody's Interview University* and a Capital Experience Day. The annual Capital Experience Day brings students from Career Academies across the UK to London for behind-the-scenes tours of large, influential employers.

Royal Docks Community School, Newham, UK

Sometimes a one-time *Afternoon of Service* youth mentoring event turns into a longer-term project. This is exactly what happened in 2013 with the Global Financial Institutions and Credit Policy teams in London. In March, 23 employee volunteers spent time at the Royal Docks Community School, which is a comprehensive school in the under-resourced London borough of Newham, to work with a group of students to build their soft skills and enhance their employability through discussion groups and interactive exercises, including a speed-networking activity.

The experience was so fulfilling that the group decided to continue working with the students throughout the year and into 2014. Led by Johannes Wassenberg (Managing Director, EMEA Banking, Moody's Investors Service) and Alastair Wilson (Managing Director - Chief Credit Officer, EMEA Credit Policy, Moody's Investors Service), the group put together a skills-based project to further enhance the students' understanding of finance and to help build their confidence to enter the business world. Over the five sessions, a group of 15 students learned about Moody's, explored factors involved in credit ratings and investments, set short-term goals and objectives and took part in a debate challenge. The first three sessions took place in the fall of 2013 and the final two sessions will take place in 2014.



Leveraging Our Partnerships: National Academy Foundation (NAF)

GRANT

In 2013, Moody's awarded NAF a three-year grant worth:

\$500,000

FOR



NAF's Performance Management System



Implementation of Work-Based Learning Plan

Grantee Since
2008

Total Previous Support
\$451,720

ENGAGEMENT

In 2013, Moody's employees engaged with NAF through:

83 
Volunteers

324 
Hours

12 Employee Engagement Opportunities



Moody's Afternoon of Service



Moody's Interview University



Job Shadow



Teaching Intro to Finance Seminar

BOARD MEMBER SERVICE

Moody's has an established relationship with the National Academy of Finance through our partnerships with:

High School of Economics and Finance

New York Academy of Finance

Career Academies UK (NAF's UK Partner)

Some top leaders from Moody's serve on NAF advisory boards:

FREDERIC DREVN

Managing Director,
Moody's Investors Service,
Global Banking

LINDA HUBER

Executive Vice President
& Chief Financial Officer

IRFAN MOTIWALA

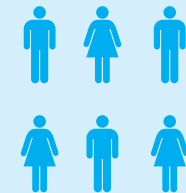
Managing Director,
Moody's Information
Technology

INTERNSHIPS

In 2013, Moody's hired 12 NAF students for fall internships.



12
NAF Fall Interns



Profit

Moody's is an essential component of the global capital markets, providing credit ratings, research, tools and analysis that contribute to transparent and integrated financial markets. 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.



MOODY'S

Moody's Role in the Global Capital Markets

Moody's is a global provider of objective research to the fixed income capital markets with respect to credit and risk. Moody's strives to provide ratings that are accurate, objective, transparent and insightful. Over time, Moody's credit ratings have proved to be high quality and predictive of default.

What makes Moody's a socially responsible business? As an important contributor to the efficiency of the capital markets, Moody's strives to conduct our business ethically and be worthy of the trust of our employees, shareholders, customers and the public. Moody's believes in conducting our business with the highest standards of integrity. Our corporate mission clearly defines our commitment to serve global financial markets as a leading authority on credit and risk. Our values of integrity, insight, intellectual leadership, inclusion and independence provide a behavioral framework to guide our employees in achieving that goal. Together, our mission and values establish the foundation for how we conduct our business and develop our employees.

Moody's Investors Service

Over its more than 100-year history, Moody's Investors Service (MIS) has become one of the leading providers of credit and risk opinions in the market. We have responded to a changing operating environment with initiatives designed to increase the performance and impact of our ratings. These have included harmonizing processes and practices across our organization, increasing investment in analytics and technology, and further strengthening the management of our data and ratings dissemination process. The success of these initiatives has enabled us to continue to meet regulatory requirements, improve our operating efficiency and market impact, and ensure that MIS continues to excel at its primary role—publishing predictive and high-quality ratings and research.

The publicly disseminated credit ratings provided by Moody's Investors Service play an essential role in financial markets and are used by a broad range of market participants, including issuers, regulators, investors, legislators and academic researchers. MIS rates debt issued by various entities including corporations, financial institutions, sovereigns, sub-sovereigns, nonprofits and public institutions.

As of December 31, 2013, Moody's Investors Service had ratings relationships with approximately 11,000 corporate issuers and approximately 21,000 public finance issuers. Additionally, the company has rated and currently monitors ratings on approximately 76,000 structured finance obligations (representing approximately 12,000 transactions). The aforementioned amounts relating to the number of issuers and transactions represent issuers or transactions that had an active rating at any point during the year ended December 31, 2013.

In addition to credit ratings, MIS publishes thousands of pages of research each year on capital markets, credit assessment, default rates, outlooks for different market segments, geographic areas and individual companies, and more. One example of this is the work of MIS's Global Public, Project & Infrastructure Finance Group. This group combines the expertise of a global team of analysts with extensive backgrounds in Public Finance, Corporate Finance and Project Finance to rate debt issued by both public and private infrastructure and project finance issuers, and electric, gas and water utilities. In 2013, in response to expert predictions that the infrastructure sector will face a funding gap (more demand for funds than supply), the Global Public, Project & Infrastructure Finance Group published research highlighting the credit performance of Project Finance in terms of default and recovery. This research is intended to help market participants better understand the credit risks associated with project and infrastructure investments.

“A greater percentage of participants cited Moody's research and ratings on corporate credit, bank credit and structured finance products as influencing investment decisions compared to the other two agencies.”

- *FinanceAsia*

Credit Risk Conferences and Seminars

As a complement to our research, Moody's holds conferences and seminars for market participants and academics around the world. In fact, MIS has the largest program of credit risk events in the market. Among our 2013 events was the inaugural joint sovereign economic seminar with the Petersen Institute for International Economics (PIIE) in Washington, D.C. PIIE is one of the foremost economic think tanks in the United States. MIS and PIIE will be presenting these seminars on sovereign risk semiannually. The April 2013 event focused on Moody's updated sovereign methodology as well as our sovereign outlooks for Latin America and Asia. The October 2013 topics were the global impact of Federal Reserve tapering of stimulus and the effects of debt restructuring and structural reform on signs of euro area stabilization.

Moody's also holds an annual briefing in Mexico City on topics related to credit risk in Latin America for investors, issuers, bankers and regulators. The 2013 briefing drew record attendance with more than 600 participants. The agenda included a global outlook as well as an overview of sovereign ratings and issues facing the region. Mexico's undersecretary of finance was the closing keynote speaker. Briefings are also held in Buenos Aires, New York and São Paulo to discuss finance trends in Latin America.

Other MIS-sponsored conferences in 2013 included the 10th Annual Structured Finance Workshop in Germany in conjunction with True Sale International GmbH, the 11th Annual EMEA Asset Backed Corporate Paper Conference in London, and the 2nd Annual China Academic Advisory Board meeting in Beijing.

Moody's Approach to Key Emerging Markets

Key emerging markets such as China, India, and Latin America are increasingly demanding credit opinions and risk products and services. Moody's Investors Service helps emerging market companies by broadening their access to both domestic and global credit markets. In countries where debt capital markets have yet to fully mature, Moody's Analytics sells risk management products and services to local financial institutions, enabling Moody's to establish a presence even before its traditional credit ratings are needed.

In addition to serving customers in emerging markets, Moody's has a significant portion of its employees based in key emerging markets. For example, Moody's Analytics operates a software development center in Shenzhen, China and provides outsourced research and analytics to financial institutions via our India-based subsidiary, Copal Amba.

Moody's Investors Service Named Best Credit Rating Agency by Institutional Investor Magazine

Among MIS's many accolades in 2013, the group was named Best Credit Rating Agency in Institutional Investor's U.S. Fixed Income Poll for the second year in a row. The poll is conducted among 1,800 portfolio managers and buy-side analysts at over 500 institutions managing an estimated \$9.6 trillion in fixed-income assets. It is the most important poll for sell-side, fixed-income analysts. Participants were asked to rank the credit-rating agencies that they consider the best and Moody's came out on top.

Moody's also took top honors in the Asian market. Asia Money named MIS the Best Credit Rating Agency in Asia for the second year in a row. FinanceAsia readers, too, cited Moody's as the top rating agency. A greater percentage of survey participants cited its research and ratings on corporate credit, bank credit and structured finance products as influencing investment decisions compared to the other two agencies. These accolades are particularly satisfying as they are from customers—ours and our competition's.

For a full list of awards, see Appendix 3 on page 30.

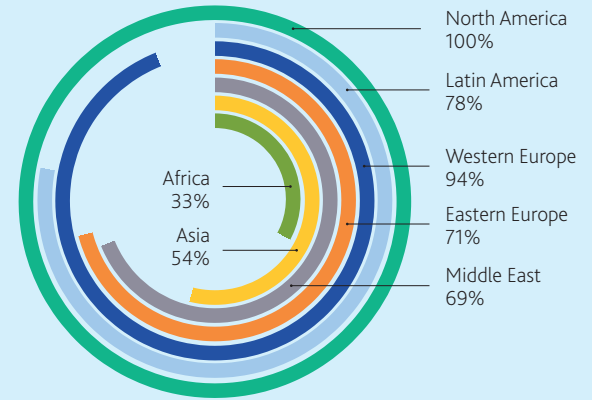
6.5 

trillion dollars of debt was issued by banks rated by MIS*

* This includes only unsecured long-term debt (>1 yr contractual maturity at time of issuance); majority is bank debt, but does include some securities firms and finance companies.

MIS 2013 Statistics

Percentage of Countries Rated in Each Region by MIS



Percentage of Countries Globally Rated by MIS



Percentage of World GDP Where MIS Issues Ratings



* Excluding offshore centers (e.g., Cayman Islands), Hong Kong and Macao

Moody's Analytics

Since its inception, Moody's Analytics (MA) has been at the forefront of the global financial risk management effort — offering award-winning solutions and best practices for measuring and managing risk. MA helps organizations answer critical risk-related questions, combining best-in-class software, analytics, data and services, training, and models. As governments and financial institutions around the world seek to reinvent their risk management practices and systems to ensure a safer global financial system and improve their businesses, MA has been a significant contributor and partner with its advanced research and leading-edge technology.

One of the strategic risk management tools that emerged after the financial crisis is the comprehensive stress testing of banks, both internally by the banks themselves and externally by regulators. MA offers a comprehensive solution for the entire stress testing process to help financial institutions improve strategic planning and meet regulatory requirements. The ScenarioAnalyzer™, MA's innovative stress testing solution, is one of many award-winning risk management solutions that MA has provided to the global financial community. MA has also been an undisputed thought leader on stress testing — hosting numerous conferences across the globe for both government and private sector participants and publishing numerous research papers, including two separate stress testing editions of its flagship publication, *Risk Perspectives*.

MA is also present every day in the lives of communities and small businesses worldwide. MA's economic research and forecasts are used by local governments to manage and plan their financial resources and by businesses to plan their next expansion. MA helps local banks lend to businesses through its RiskCalc™ and CreditEdge™ solutions, which have revolutionized how banks make their lending decisions.

In addition to its economic analysis and risk management tools, Moody's Analytics designs, develops and facilitates training programs and solutions for financial services institutions and individuals. Our experts help learners explore and understand credit across different types of institutions and develop decision-making skills in all credit-related areas. In 2013, the Development Bank of the Philippines appointed Moody's Analytics as its strategic training partner to implement a rigorous e-learning training and simulation program for the bank's commercial lending staff.

Moody's Analytics' Copal Amba business provides outsourced research and analytics to help our financial institution customers staff their investment banking, sell-side research and asset management practices most effectively. Copal Amba currently serves 9 of the top 10 global investment banks, as well as many other significant financial institutions.

Social Performance Assessments

In addition to being a service provider to the capital markets in the developed world, Moody's is at the forefront of the movement to provide objective and transparent information to the capital markets in the emerging world. To do so requires an understanding that the capital markets and allocation in emerging markets is at a different stage of development relative to the developed world. In some instances, lending institutions, particularly microfinance organizations, have a social objective in their mission. When this is the case, it becomes imperative to not only assess these institutions on their ability to provide a return on investment, but how well they accomplish their social objective.

Moody's Social Performance Assessments (SPAs), launched in 2012, were created to evaluate the adherence to social objectives of MFIs. Microfinance, which includes loans, savings, insurance and other products designed for low-income and financially excluded individuals for the purpose of growing or establishing a small business or to pay for needed expenses, is an important tool to help facilitate economic development in emerging or less developed countries.

Moody's completed its first SPA in June 2013, of Weaker Section Development Society, an MFI based in Manipur, India. Three more assessments were completed in 2013: Pro Mujer Nicaragua and Juhudi Kilimo and Kadet in Kenya. Several assessments are

in process and will be released in 2014. Moody's first *pro bono* rating, just one of many planned as part of a Clinton Global Initiative commitment, was also completed in 2013.


Evaluating Use of Environmental, Social and Governance Data in Fixed Income Investing

Sustainable and responsible investing (SRI) is an investment approach that takes into account environmental, social and governance (ESG) factors. For some investors, SRI means avoiding investing in certain industries altogether but for others it means incorporating ESG data in their investment research and portfolio construction.

These types of corporate social responsibility reports are in response to investors and other stakeholders wanting greater transparency from companies around their ESG policies and activities. An entire industry has developed to collect, analyze and disseminate ESG information for investors. Although most of the focus has been on equity investing, more investors are seeking to apply an SRI approach to their entire portfolio, which means taking ESG factors into account when making fixed income investments.

Moody's, with our deep knowledge of the credit markets, is in the midst of researching how asset managers and pension fund managers are viewing ESG information in making their fixed income investment decisions. Moody's is working with Mercer, a leading consultant to pension funds, to survey asset managers worldwide to discern the trends in this area. The two companies will jointly publish the findings for the benefit of asset managers, consultants, corporations and investors. Moody's hopes to add clarity around SRI in fixed-income investing, revealing the extent to which asset managers are currently using ESG and how they plan to use it in the future.

40,000 
individuals attended client
and market education
events across the globe

73,000 
phone calls and emails
were received through
Client Service and Support

Procurement and Sourcing Group

Moody's Procurement and Sourcing Group (PSG) has a mission: to ensure the timely and cost-effective procurement of goods and services. PSG acts on behalf of all lines of business, on a global basis, and is the primary point of contact for end-users of goods and services.

One of the team's key deliverables in 2013 was the creation of a new Vendor Selection and Contracting Policy that outlines the roles and responsibilities of PSG and those of its internal customers related to the sourcing and procurement process. The PSG team provides support to Moody's employees by closely reviewing the company's needs, the merits of each vendor or contractor and the costs and benefits of different proposals, and helps employees make the best and most cost-efficient decisions.

PSG conducted an awareness campaign in 2013 to help employees be more cost-conscious. A key part of the campaign was the distribution of tip sheets that pointed to specific actions employees can take to help the company save money.

Corporate Governance

The Moody's Board of Directors

Responsible corporate governance requires a board of directors with the diverse set of skills and expertise needed to guide a company. Moody's Board members have a variety of occupational and personal backgrounds and they bring a range of viewpoints and perspectives to each meeting. The Governance and Compensation Committee, comprised of only independent directors, periodically reviews the Board's composition and assesses the skills and experience of the individuals and group as a whole.

Dr. Henry A. McKinnell, Jr., Ph.D., serves as Chairman of the Board. Raymond W. McDaniel, Jr., is the only executive member

of the Board and is President and Chief Executive Officer of Moody's Corporation.

Moody's has three standing board committees:

- » **Audit:** responsible for overseeing the company's financial reporting, audit process and compliance with legal and regulatory requirements
- » **Governance and Compensation:** responsible for shaping the company's corporate governance, identifying and recommending nominees for the Board and overseeing executive compensation
- » **Moody's Investors Service:** responsible for overseeing certain activities of the Moody's Investors Service subsidiary related to its role as a United States nationally recognized statistical rating organization

In alignment with good governance, only independent directors serve on the Audit and Governance and Compensation committees. For more information on the committees, please see the Corporate Governance section of our Investor Relations website at moody.com/governance.

On December 16, 2013, Robert R. Glauber, a member of the Board of Directors of Moody's Corporation, notified the Board that he would not to stand for re-election to the Board at the company's 2014 Annual Meeting of Stockholders. Leslie F. Seidman was appointed to the Moody's Board on December 17, 2013. Mr. Glauber's retirement was effective on April 15, 2014.

Biographies of Moody's Board of Directors are listed in Appendix 1 on page 27.

Code of Business Conduct

Every employee and director of the company is expected to adhere to the Moody's Code of Business Conduct, which guides everything that we do. This comprehensive document governs the behavior of every Moody's employee and includes corporate policies on employee relations, ethical business practices, compliance with laws and regulations, confidentiality, acceptance of gifts, fair dealings, antitrust and competition, bribery and anti-corruption, marketing, and sponsorships, among other topics. Every Moody's employee and director receives a copy of Moody's Code of Business Conduct and must certify his or her understanding of and adherence to it on an ongoing basis. Violations of the Moody's Code of Business Conduct are taken seriously and processes are in place to address alleged violations confidentially and systematically. A copy of Moody's Code of Business Conduct is available at moody.com/CodeofConduct.

The Bottom Line

At Moody's, we strive for continuous improvement in our corporate social responsibility efforts. We're proud of what we accomplished in 2013 and look forward to great things in 2014. Thank you for taking the time to learn about Moody's and our triple bottom line: People, Planet and Profit.



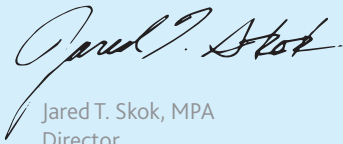
Assurance Letter

LBG Research Institute has completed the review of Moody's Corporation's disclosures for 2013 contained within the *2013 Corporate Social Responsibility Report*. The assessment process and the verification took place pursuant to the Global Reporting Initiative (GRI) G3.1 guidelines. Our review consisted of checking the self-declared GRI "C+" application level. This report does not constitute an audit of the financial or other data contained in the report.

The Moody's Corporation management approved the *2013 Corporate Social Responsibility Report* and assumes responsibility for the contents thereof.

LBG Research Institute has reviewed the economic, environmental and social disclosures in Moody's Corporation's *2013 Corporate Social Responsibility Report* and has concluded that they follow the GRI G3.1 reporting principles at the "C+" application level.

LBG Research Institute and the signatory below had no input or involvement in the planning or creation of Moody's Corporation's *2013 Corporate Social Responsibility Report*. The report was created with the assistance of LBG Associates, a separate organization. LBG Research Institute and the signatory received a copy of the report at its completion for this review.



Jared T. Skok, MPA
Director
LBG Research Institute

Appendix 1: Moody's Corporation Board of Directors

Basil L. Anderson, age 68, is Chairman of the Audit Committee and is a member of the Governance and Compensation and MIS Committees of the Board of Directors. Mr. Anderson served as Vice Chairman of Staples, Inc., an office products company, from September 2001 until his retirement in March 2006. Mr. Anderson is currently a director of Staples, Inc., Becton Dickinson and Hasbro, Inc.

Jorge A. Bermudez, age 62, is a member of the Audit, Governance and Compensation and MIS committees of the Board of Directors and was Chief Executive Officer of Citigroup's Commercial Business Group North America and Citigroup Texas from 2005-2007. Mr. Bermudez is currently a director of the Electric Reliability Council of Texas and the Federal Reserve Bank of Dallas and Chairman of the Board of Trustees of the Community Foundation of the Brazos Valley.

Darrell Duffie, Ph.D., age 59, is Chairman of the MIS Committee and is a member of the Audit and Governance and Compensation committees of the Board of Directors. Dr. Duffie is the Dean Witter Distinguished Professor of Finance at Stanford University's Graduate School of Business and has been a member of the finance faculty at Stanford since 1984. Dr. Duffie is a member of The Federal Reserve Bank of New York Financial Advisory Roundtable and the Board of The Pacific Institute of Mathematical Sciences, and is a Fellow and member of the Council of the Econometric Society and a Fellow of the American Academy of Arts & Sciences. He is Chairman of the Market Participants Group on Reference Rate Reform.

Robert R. Glauber, age 75, served as a member of the Audit, Governance and Compensation and MIS committees until his retirement from the Board of Directors in April 2014. Mr. Glauber served as an adjunct lecturer at the John F. Kennedy School of Government at Harvard University since July 2007 and as a senior advisor for Peter J. Solomon Company since November 2006. Mr. Glauber is Chairman of XL Group PLC and Northeast Bancorp and is Vice Chairman of the trustees of the International Accounting Standards Committee Foundation.

Kathryn M. Hill, age 57, is a member of the Audit, Governance and Compensation and MIS committees of the Board of Directors. Ms. Hill served as Executive Advisor from 2001-2013 and as Senior Vice President, Development Strategy & Operations from 2009-2011 for Cisco Systems, Inc. Ms. Hill is currently a director of NetApp, Inc. and is a member of the Board of Trustees for the Anita Borg Institute for Women and Technology.

Ewald Kist, age 70, is a member of the Audit, Governance and Compensation and MIS committees of the Board of Directors. Mr. Kist was Chairman of ING Groep N.V. ("ING Group"), a financial services company, from 2000 until his retirement in June 2004. Mr. Kist is a director of The DSM Corporation, Royal Philips Electronics and Stage Entertainment.

Raymond W. McDaniel, Jr., age 56, is a member of the MIS Committee of the Board of Directors. Mr. McDaniel is President and Chief Executive Officer of Moody's Corporation. In this role, Mr. McDaniel is responsible for all activities of the Corporation and its two operating divisions: Moody's Investors Service, the credit rating agency; and Moody's Analytics. Mr. McDaniel is a director of John Wiley and Sons, Inc.

Henry A. McKinnell, Jr., Ph.D., age 71, is Chairman of the Board of Directors and is a member of the Audit, Governance and Compensation and MIS committees of the Board of Directors. Dr. McKinnell served as Chief Executive Officer of Optimer Pharmaceuticals, Inc. from February 2013-October 2013. He served as Chairman of the Board of Pfizer Inc. from May 2001 until his retirement in December 2006 and Chief Executive Officer from January 2001 to July 2006. Dr. McKinnell is Chairman of Emmaus Life Sciences, Inc. and the Accordia Global Health Foundation and until October 2013 served as Chairman of Optimer Pharmaceuticals, Inc.

Leslie F. Seidman, age 51, is a member of the Audit, Governance and Compensation and MIS committees of the Board of Directors. Ms. Seidman serves as the Executive Director of the Center for Excellence in Financial Reporting at Pace University's Lubin School of Business. She served as the Chairman of the Financial Accounting Standards Board (FASB) from December 2010 to June 30, 2013 and was first appointed to the FASB in 2003.

John K. Wulff, age 65, is Chairman of the Governance and Compensation Committee and is a member of the Audit and MIS committees of the Board of Directors. Mr. Wulff served as Chairman of the Board of Hercules Incorporated, a manufacturer and supplier of specialty chemical products, from December 2003 until Ashland Inc.'s acquisition of Hercules in November 2008. Mr. Wulff is a director of Celanese Corporation and Chemtura Corporation.

How to Contact the Board

Stockholders and other stakeholders may communicate with the Board, or with a specific director or directors, by writing to:

c/o Corporate Secretary
Moody's Corporation
7 World Trade Center
250 Greenwich Street
New York, NY 10007



Appendix 2: 2013 Grant Recipients

In 2013, The Moody's Foundation awarded grants to the following organizations:

Education

- » Academy of Finance
- » Achievement First Endeavor Middle School
- » Bank Street - Liberty LEADS
- » Brunel University - Urban Scholars
- » Career Academies UK
- » The Charles A. Melton Center for Arts & Education
- » The Council for Economic Education
- » Gladesmore Community School
- » High School of Economics & Finance
- » Hetrick-Martin Institute
- » Knowledge Is Power Program
- » National Academy Foundation
- » National Merit Scholarship Corporation
- » The Posse Foundation
- » Prep for Prep
- » P.S. 234 Independence School
- » The Society for Industrial & Applied Mathematics (M³ Challenge)
- » Working in Support of Education (Euro Challenge)
- » Youth About Business

Economic Development

- » Catalyst
- » Center for Talent Innovation
- » The Cooke Center for Learning and Development
- » Coro New York Leadership Center
- » Grameen Foundation
- » Kiva
- » Management Leadership for Tomorrow
- » Women's World Banking

Arts and Culture

- » American Museum of Natural History
- » Battery Dance Company
- » Big Apple Circus
- » Brooklyn Academy of Music
- » Brooklyn Botanic Garden
- » Brooklyn Children's Museum
- » Brooklyn Museum of Art
- » Children's Museum of Manhattan
- » Exploratorium
- » The Franklin Institute
- » The Frick Collection
- » The Jewish Museum
- » Joyce Theater
- » Liberty Science Center
- » Manhattan Theater Club
- » Metropolitan Museum of Art
- » Museum of Modern Art
- » National Gallery
- » New York Botanical Garden
- » New York Hall of Science
- » The Museum of Mathematics
- » Paper Mill Playhouse
- » River to River Festival
- » Solomon R. Guggenheim Museum
- » Staten Island Children's Museum
- » Whitney Museum of American Art
- » Wildlife Conservation Society

Civic

- » National September 11 Memorial & Museum
- » The Battery Conservancy
- » East London Business Alliance
- » HandsOn Bay Area
- » New York Cares
- » Volunteer Consulting Group

Health and Human Services

- » Autism360

Disaster Relief and Recovery

- » American Red Cross

Appendix 3: Awards

This list only includes awards presented or announced in 2013. Visit moody.com for a complete list.

MOODY'S

League of American Communications Professionals

- » *Best Annual Report Letter to Shareholders* – Gold (Americas Region) for our 2012 Annual Report

Institutional Investor's 2014 All-America Executive Team

- » Moody's ranked in Business, Education & Professional Services for:
 - Best Investor Relations – Third Place – Nominated by the Sell Side
 - Best Investor Relations Professional – Third Place – Salli Schwartz – Nominated by the Buy Side
 - Best Investor Relations Professional – Third Place – Salli Schwartz – Nominated by the Sell Side

Rivel 5.0 Program

- » Investor Relations won in the following categories:
 - IR Knowledge
 - Overall Effectiveness of IR Program
 - IR Usefulness
 - IR Responsiveness
 - IR Management Access

Human Rights Campaign Foundation

- » Moody's scored 100% on the 2014 Corporate Equality Index and was named one of its Best Places to Work.

MOODY'S ANALYTICS

Risk Technology Rankings 2013

- » Voted Overall Top 10 Vendor
 - #1 Risk Capital Calculation, Regulatory
 - #1 Risk Capital Calculation, Economic
 - #4 Enterprise-Wide Risk Management
 - #4 Regulatory Compliance and Reporting

RiskTech 100® Rankings 2014

- » Voted 5th in Overall Rankings
- » Organizational Strength category winner for the second year in a row

Asia Risk Technology Rankings 2013

- » #1 in Economic Capital Calculation and Management for the third consecutive year
- » #2 Regulatory Capital Calculation and Management
- » #5 Liquidity Risk Management

Fintech 100 2013

- » Ranked 40th in Overall Rankings - up two spots from last year
- » Moody's Analytics was voted a Preferred Vendor in the annual Financial Technology 100

InsuranceRisk Awards 2013

- » #1 - Best Regulatory Reporting Software
- » #1 - Best Data Management Service Provider

Structured Products Technology Rankings 2013

- » Ranked in the top 5 for two Risk Management categories:
 - #3 Regulatory/Economic Capital Calculation
 - #5 Credit

MOODY'S INVESTORS SERVICE

Institutional Investor

- » Best Credit Rating Agency

FinanceAsia

- » Best Credit Rating Agency in Asia

AsiaMoney

- » Best Credit Rating Agency in Asia



THE MOODY'S FOUNDATION

Battery Dance Company

- » Opening Night Performance and Gala Honored Moody's Corporation

Federation of Protestant Welfare Agencies

- » Impact Award for Corporate Volunteerism

The Hetrick-Martin Institute

- » Emery Award

The Posse Foundation

- » Power of 10

Appendix 4: Benefits of Employment

Moody's employees who work at least 20 hours a week are eligible for a comprehensive set of benefits. Although benefits vary by location and operating unit, we offer here a look at some of the health, retirement, insurance and other benefits we offer in the United States. These benefits help maximize the health, wellness and financial future of Moody's employees, whether they are new to the company or about to retire.

Health

- » Medical
- » Dental
- » Vision
- » Flexible Spending Accounts
- » Health Savings Accounts
- » Paid Sick Days

Retirement

- » Profit Participation Plan (401(k))
- » Retirement contribution
- » Discounted Employee Stock Purchase Plan
- » Healthcare Benefits

Insurance

- » Company-Paid Life
- » Basic Life
- » Group Universal Life
- » Dependent Life
- » Short-Term Disability
- » Long-Term Disability
- » Voluntary Group Accident
- » Business Travel Accident
- » Long-Term Care

Additional Benefits*

- » Educational Assistance
- » Adoption Assistance
- » FMLA
- » Paid Maternity and Paternity Leave
- » Flexible Spending Accounts: Childcare
- » Subsidized Childcare
- » Backup Childcare
- » LifeCare Resource and Referral Service
- » Health Advocate
- » Financial Planning
- » Commuter Benefit Plan
- » Employee Assistance Program
- » Vacation and Holidays
- » Alternative Work Arrangements
- » Referral Program
- » U.S. Savings Bonds
- » Matching Gift Program
- » Dollars for Doers
- » Elder Care
- » Elder Care Subsidy
- » Bonus Program
- » Bereavement Leave
- » Relocation Assistance
- » Professional Membership

*Varies by location and operating unit

Appendix 5: GRI Index

DISCLOSURE	DESCRIPTION	LOCATION
Strategy and Analysis		
1.1	Statement from the most senior decision-maker of the organization.	Pg. 1
Organizational Profile		
2.1	Name of the organization.	Pg. 2, 21
2.2	Primary brands, products, and/or services.	Pg. 2, 21
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	Pg. 2
2.4	Location of organization's headquarters.	Pg. 2
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Pg. 2
2.6	Nature of ownership and legal form.	Pg. 2
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Pg. 2, 22-24
2.8	Scale of the reporting organization.	Pg. 2
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	None
2.10	Awards received in the reporting period.	Pg. 30
Report Parameters		
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	Pg. i
3.2	Date of most recent previous report (if any).	Pg. i
3.3	Reporting cycle (annual, biennial, etc.)	Pg. i
3.4	Contact point for questions regarding the report or its contents.	Pg. i
3.5	Process for defining report content.	Pg. i
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	Pg. i
3.7	State any specific limitations on the scope or boundary of the report.	None
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	2013 Annual Report
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	None
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	None
3.12	Table identifying the location of the Standard Disclosures in the report.	Pg. 32

DISCLOSURE	DESCRIPTION	LOCATION
Governance, Commitments, and Engagement		
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	Pg. 25
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	Pg. 25
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	Pg. 25, 27-28
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Pg. 28
4.14	List of stakeholder groups engaged by the organization.	Pg. i, 22
4.15	Basis for identification and selection of stakeholders with whom to engage.	Pg. i
Economic Performance Indicators		
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Pgs. 2, 7, 16, 19, 20, 2013 Annual Report
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	Pgs. 6, 9-20
Environmental Performance Indicators		
EN6	Energy saved due to conservation and efficiency improvements.	Pg. 16
Social Performance Indicators		
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	Pg. 2 (partial)
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Pg. 4, 31
LA4	Percentage of employees covered by collective bargaining agreements.	Pg. 2
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Pg. 6
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Pg. 5-6
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	Pg. 9, 10, 15
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	Pg. 5
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Pg. 5, 25

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