

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

(MARK ONE)

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE FISCAL YEAR ENDED December 31, 2024

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE TRANSITION PERIOD FROM TO
COMMISSION FILE NUMBER 1-14037

MOODY'S CORPORATION

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

Delaware
(STATE OF INCORPORATION)

13-3998945
(I.R.S. EMPLOYER IDENTIFICATION NO.)

7 World Trade Center at 250 Greenwich Street, New York, New York 10007
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)
(ZIP CODE)
REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: (212) 553-0300.

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

TITLE OF EACH CLASS	TRADING SYMBOL(S)	NAME OF EACH EXCHANGE ON WHICH REGISTERED
Common Stock, par value \$0.01 per share	MCO	New York Stock Exchange
1.75% Senior Notes Due 2027	MCO 27	New York Stock Exchange
0.950% Senior Notes Due 2030	MCO 30	New York Stock Exchange

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:
NONE

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer ☒ Accelerated Filer ☐ Non-accelerated Filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C.7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of Moody's Corporation Common Stock held by nonaffiliates* on June 30, 2024 (based upon its closing transaction price on the New York Stock Exchange on such date) was approximately \$77 billion.

As of January 31, 2025, 180.0 million shares of Common Stock of Moody's Corporation were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Registrant's definitive proxy statement for use in connection with its annual meeting of stockholders scheduled to be held on April 15, 2025, are incorporated by reference into Part III of this Form 10-K.

The Index to Exhibits is included as Part IV, Item 15(3) of this Form 10-K.

* Calculated by excluding all shares held by executive officers and directors of the Registrant without conceding that all such persons are "affiliates" of the Registrant for purposes of federal securities laws.

Auditor

Name: KPMG LLP Auditor Location: New York, NY Auditor Firm ID: 185

MOODY'S CORPORATION
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GLOSSARY OF TERMS AND ABBREVIATIONS

The following terms, abbreviations and acronyms are used to identify frequently used terms in this report:

TERM	DEFINITION
Acquisition-Related Intangible Amortization Expense	Amortization expense relating to definite-lived intangible assets acquired by the Company from all business combination transactions
Adjusted Diluted EPS	Diluted EPS excluding the impact of certain items as detailed in the section entitled "Non-GAAP Financial Measures"
Adjusted Net Income	Net Income excluding the impact of certain items as detailed in the section entitled "Non-GAAP Financial Measures"
Adjusted Operating Income	Operating income excluding the impact of certain items as detailed in the section entitled "Non-GAAP Financial Measures"
Adjusted Operating Margin	Adjusted Operating Income divided by revenue
AI	Artificial Intelligence
Americas	Represents countries within North and South America, excluding the U.S.
AOCI(L)	Accumulated other comprehensive income (loss); a separate component of shareholders' equity
ARR	Annualized Recurring Revenue; a supplemental performance metric to provide additional insight on the estimated value of MA's recurring revenue contracts at a given point in time, excluding the impact of FX and contracts related to acquisitions
ASC	The FASB Accounting Standards Codification; the sole source of authoritative GAAP as of July 1, 2009 except for rules and interpretive releases of the SEC, which are also sources of authoritative GAAP for SEC registrants
Asia-Pacific	Represents Australia and countries in Asia including but not limited to: China, India, Indonesia, Japan, Republic of South Korea, Malaysia, Singapore, Sri Lanka and Thailand
ASU	The FASB Accounting Standards Update to the ASC. Provides background information for accounting guidance and the bases for conclusions on the changes in the ASC. ASUs are not considered authoritative until codified into the ASC
AUD	Australian dollar
BES	Business Engagement Survey; A Moody's employee survey that focuses on purpose, leadership, manager effectiveness, well-being, connection and empowerment
BitSight	A provider that helps global market participants understand cyber risk through ratings, analytics, and performance management tools; the Company acquired a minority investment in BitSight in 2021
Board	The board of directors of the Company
BPS	Basis points
BRG	Business Resource Group
CAO	Chief Administrative Officer
CAD	Canadian dollar
CCXI	China Cheng Xin International Credit Rating Co. Ltd.; the first and largest domestic credit rating agency approved by the People's Bank of China; the Company acquired a 49% interest in 2006 and currently Moody's owns 30% of CCXI
CCPA	California Consumer Privacy Act; a privacy law enacted in 2018 by the state of California to regulate the way businesses all over the world can collect, use and share the personal information of California residents
CDP	An international nonprofit organization that helps companies, cities, states and regions to manage their environmental impact through a global disclosure system
CEO	Chief Executive Officer
CFG	Corporate finance group; an LOB of MIS

TERM	DEFINITION
CISO	Chief Information Security Officer
CLO	Collateralized loan obligation
CMBS	Commercial mortgage-backed securities; an asset class within SFG
CODM	Chief Operating Decision Maker; identified as the Company's CEO
COLI	Corporate-Owned Life Insurance
Common Stock	The Company's common stock
Company	Moody's Corporation and its subsidiaries; MCO; Moody's
Compensation expense	Compensation expenses include salaries, benefits, incentive and stock based compensation and other related expenses for employees. These expenses are charged to income as incurred.
Competition and Markets Authority	Government department in the U.K. responsible for strengthening business competition and preventing and reducing anti-competitive activities
COVID-19	An outbreak of a novel strain of coronavirus resulting in an international public health crisis and a global pandemic
CP	Commercial Paper
CP Notes	Unsecured commercial paper issued under the CP Program
CP Program	A program entered into on August 3, 2016 allowing the Company to privately place CP up to a maximum of \$1 billion for which the maturity may not exceed 397 days from the date of issue, and which is backstopped by the 2024 Facility
CPRA	California Privacy Rights Act of 2020; an amendment to the CCPA, which adds additional consumer privacy rights and obligations for businesses
CRAs	Credit rating agencies
CRE	Commercial Real Estate
CTSO	Chief Technology Services Officer
Cyber Committee	The Cyber Risk Enterprise Risk Management Committee
Data and Information (D&I)	LOB within MA which provides vast data sets on companies and securities via data feeds and data applications products
DBPPs	Defined benefit pension plans
Decision Solutions (DS)	LOB within MA that provides subscription-based solutions supporting banking, insurance, and KYC workflows. This LOB utilizes components from the Data & Information and Research & Insights LOBs to provide risk assessment solutions
Dodd-Frank Act	Dodd-Frank Wall Street Reform and Consumer Protection Act
DORA	The European Union Digital Operational Resilience Act
EBITDA	Earnings before interest, taxes, depreciation and amortization
EMEA	Represents countries within Europe, the Middle East and Africa
EPS	Earnings per share
ESG	Environmental, Social and Governance
ESMA	European Securities and Markets Authority
ESTR	Euro Short-Term Rate
ESPP	Employee stock purchase plan
ETR	Effective tax rate
EU	European Union

TERM	DEFINITION
EU AI Act	A European regulation adopted in 2024 to introduce a common regulatory and legal framework for artificial intelligence
EUR	Euros
Eurozone	Monetary union of the EU member states which have adopted the euro as their common currency
Excess Tax Benefits	The difference between the tax benefit realized at exercise of an option or delivery of a restricted share and the tax benefit recorded at the time the option or restricted share is expensed under GAAP
Exchange Act	The Securities Exchange Act of 1934, as amended
External Revenue	Revenue excluding any intersegment amounts
FASB	Financial Accounting Standards Board
FCA	Financial Conduct Authority; supervises Credit Rating Agencies in the U.K. in order to ensure credit ratings are independent, objective and of adequate quality
FIG	Financial institutions group; an LOB of MIS
Free Cash Flow	Net cash provided by operating activities less cash paid for capital additions
FTC	Federal Trade Commission
FTSE	Financial Times Stock Exchange
FX	Foreign exchange
GAAP	U.S. Generally Accepted Accounting Principles
GBP	British pounds
GCR (Global Credit Rating Company Limited and subsidiaries)	A domestic credit rating agency with operations spanning Africa; the Company acquired a controlling financial interest in GCR in July 2024; the Company previously accounted for GCR as an equity method investment
GDP	Gross domestic product
GDPR	General Data Protection Regulation; a European regulation implemented in 2018 to enhance EU citizens' control over the personal data that companies can legally hold. GDPR was simultaneously implemented in the U.K., with slight modification to the EU's regulation in 2021 following the withdrawal of the U.K. from the EU
Gen AI	Generative Artificial Intelligence
GLoBE	Global Anti-Base Erosion, also known as "Pillar II"; tax model issued by the OECD in 2023
HM Treasury	His Majesty's Treasury; the department of the Government of the United Kingdom responsible for developing and executing the government's public finance policy and economic policy
ICRA	ICRA Limited; a provider of credit ratings and research in India.
Incident Response Plan	The Company's Information Security Incident Response Plan
INR	Indian rupee
IRS	Internal Revenue Service
ISO 27001	An international standard to manage information security
JPY	Japanese yen
kompany	360kompany AG; a platform for business verification and Know Your Customer (KYC) technology solutions acquired by the Company in February 2022
KMV	KMV LLC and KMV Corporation ("KMV"); a provider of market-based quantitative services for banks and investors in credit-sensitive assets acquired by Moody's in April 2002
KYC	Know-your-customer

TERM	DEFINITION
LLM	Large language model used in the context of Gen AI
LOB	Line of business
MA	Moody's Analytics - a reportable segment of MCO; consists of three LOBs - Decision Solutions; Research and Insights; and Data and Information
ML	Machine Learning
MAKS	Moody's Analytics Knowledge Services; formerly known as Copal Amba; provided offshore research and analytic services to the global financial and corporate sectors; business was divested in the fourth quarter of 2019 and a reporting unit within the MA reportable segment
MCO	Moody's Corporation and its subsidiaries; the Company; Moody's
MD&A	Management's Discussion and Analysis of Financial Condition and Results of Operations
M&A	Mergers and acquisitions
MIS	Moody's Investors Service - a reportable segment of MCO; consists of five LOBs - CFG; SFG; FIG; PPIF; and MIS Other
MIS Other	Consists of financial instruments pricing services in the Asia-Pacific region, ICRA non-ratings revenue, and revenue from professional services. These businesses are components of MIS; MIS Other is an LOB of MIS
MNPI	Material non-public information
Moody's	Moody's Corporation and its subsidiaries; MCO; the Company
Moody's Local	A ratings platform focused on providing credit rating services in Latin American capital markets
MSS	Moody's Shared Services; primarily consists of information technology and support staff such as finance, human resources and legal that support both MA and MIS
NAV	Net asset value
Net Income	Net income attributable to Moody's Corporation, which excludes net income from consolidated noncontrolling interests belonging to the minority interest holder
Net Zero Assessments	An independent assessment of an entity's carbon transition plan relative to a global net zero pathway, consistent with the goals of the 2015 Paris Agreement on climate change
NIST Framework	NIST Cybersecurity Framework; a set of cybersecurity best practices and recommendations from the National Institute of Standards and Technology (NIST)
NM	Percentage change is not meaningful
Non-compensation expense	Non-compensation expenses include costs incurred that are not related to employee compensation. This includes, but is not limited to, consulting and professional service fees, hosting expenses, rent, and marketing expenses. These expenses are charged to income as incurred.
Non-GAAP	A financial measure not in accordance with GAAP; these measures, when read in conjunction with the Company's reported results, can provide useful supplemental information for investors analyzing period-to-period comparisons of the Company's performance, facilitate comparisons to competitors' operating results and to provide greater transparency to investors of supplemental information used by management in its financial and operational decision making
NRSRO	Nationally Recognized Statistical Rating Organization, which is a credit rating agency registered with the SEC
Numerated	A provider of commercial lending platforms; the Company acquired Numerated in November 2024
OCI(L)	Other comprehensive income (loss); includes gains and losses on cash flow and net investment hedges, certain gains and losses relating to pension and other retirement benefit obligations and foreign currency translation adjustments
OECD	Organization for Economic Co-operation and Development

TERM	DEFINITION
Operating segment	Term defined in the ASC relating to segment reporting; the ASC defines an operating segment as a component of a business entity that has each of the three following characteristics: i) the component engages in business activities from which it may recognize revenue and incur expenses; ii) the operating results of the component are regularly reviewed by the entity's chief operating decision maker; and iii) discrete financial information about the component is available.
Other Retirement Plans	Moody's Postretirement Medical and Life Insurance Plan
PCS	Post-Contract Customer Support
Pillar II	Tax model issued by the OECD in 2023; also referred to as the "Global Anti-Base Erosion" or "GLOBE" rules
PPIF	Public, project and infrastructure finance; an LOB of MIS
Praedicat	A provider of casualty insurance analytics; the Company acquired a controlling financial interest in Praedicat in September 2024; the Company previously accounted for Praedicat as an equity method investment
Profit Participation Plan	Defined contribution profit participation plan that covers substantially all U.S. employees of the Company
Recurring Revenue	For MA, represents subscription-based revenue and software maintenance revenue. For MIS, represents recurring monitoring fees of a rated debt obligation and/or entities that issue such obligations, as well as revenue from programs such as commercial paper, medium-term notes and shelf registrations. For MIS Other, represents financial instrument pricing services.
Reform Act	Credit Rating Agency Reform Act of 2006
Reporting unit	The level at which Moody's evaluates its goodwill for impairment under U.S. GAAP; defined as an operating segment or one level below an operating segment
Research and Insights (R&I)	LOB within MA that provides models, scores, expert insights and commentary. This LOB includes credit research; credit models and analytics; economics data and models; and structured finance solutions
Retirement Plans	Moody's funded and unfunded pension plans, the healthcare plans and life insurance plans
Revenue Accounting Standard	Updates to the ASC pursuant to ASU No. 2014-09, "Revenue from Contracts with Customers (ASC Topic 606)." This accounting guidance significantly changed the accounting framework under U.S. GAAP relating to revenue recognition and to the accounting for the deferral of incremental costs of obtaining or fulfilling a contract with a customer
RMBS	Residential mortgage-backed securities; an asset class within SFG
RMS	A global provider of climate and natural disaster risk modeling and analytics; acquired by the Company in September 2021
ROU Asset	Assets which represent the Company's right to use an underlying asset for the term of a lease
SaaS	Software-as-a-Service
SASB	Sustainability Accounting Standards Board
SEC	U.S. Securities and Exchange Commission
Second Party Opinions	An independent assessment of how debt instruments or financing frameworks align to sustainability principles and the extent to which they are expected to contribute to long-term sustainable development
Securities Act	Securities Act of 1933, as amended
SFG	Structured finance group; an LOB of MIS
SG&A	Selling, general and administrative expenses
SGD	Singapore dollar
SOC 1	An examination of controls at a service organization that are likely to be relevant to user entities' internal control over financial reporting, as defined by the American Institute of Certified Public Accountants
SOC 2	A report on controls at a service organization relevant to security, availability, processing integrity, confidentiality, or privacy, as defined by the American Institute of Certified Public Accountants

TERM	DEFINITION
SOFR	Secured Overnight Financing Rate
SSP	Standalone selling price
Strategic and Operational Efficiency Restructuring Program	Multi-year restructuring program approved by the CEO of Moody's on December 19, 2024 relating to the Company's strategy to realign the business toward high priority growth areas and to consolidate certain functions to simplify the organizational structure to enable efficiency and improved operating leverage; includes a reduction in staff, the rationalization and exit of certain real estate leases and incremental amortization of certain software
T&M	Time-and-Material
Tax Act	The "Tax Cuts and Jobs Act" enacted into U.S. law on December 22, 2017, which significantly amended the tax code in the U.S.
TCFD	Task Force on Climate-Related Financial Disclosures
Transaction Revenue	For MA, represents perpetual software license fees and revenue from software implementation services, risk management advisory projects, and training and certification services. For MIS (excluding MIS Other), represents the initial rating of a new debt issuance as well as other one-time fees. For MIS Other, represents revenue from professional services
U.K.	United Kingdom
U.S.	United States
USD	U.S. dollar
UTPs	Uncertain tax positions
WACC	Weighted Average Cost of Capital
2022 - 2023 Geolocation Restructuring Program	Restructuring program approved by the CEO of Moody's on June 30, 2022 relating to the Company's post-COVID-19 geolocation strategy and other strategic initiatives; includes the rationalization and exit of certain real estate leases and a reduction in staff, including the relocation of certain job functions from their current locations

PART I

ITEM 1. BUSINESS

Background

As used in this report, except where the context indicates otherwise, the terms “Moody’s” or the “Company” refer to Moody’s Corporation, a Delaware corporation, and its subsidiaries. The Company’s executive offices are located at 7 World Trade Center at 250 Greenwich Street, New York, NY 10007 and its telephone number is (212) 553-0300.

THE COMPANY

Company Overview

In a world shaped by increasingly interconnected risks, Moody’s data, insights, and innovative technologies help customers develop a holistic view of their world and unlock opportunities. With a rich history of experience in global markets and a diverse workforce of approximately 16,000 across more than 40 countries, Moody’s gives customers the comprehensive perspective needed to act with confidence and thrive.

Moody’s is helping customers accelerate value creation in an era of exponential risk.

Moody's

<div>Ratings</div> <div>Agency of choice</div>	<div>Research & insights</div> <div>Premier fixed income research business</div>	<div>Data & information</div> <div>Unparalleled database on companies & credit</div>	<div>Decision solutions KYC Banking Insurance</div> <div>Subscription-based business(es) serving mission-critical KYC, Banking and Insurance workflows</div>
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We provide tools that enable Banks, Insurers, Investors, Corporations and Governments to...

What do we do?	Issue, Originate, Select, Underwrite	Identify, Measure, Monitor & Manage Risk	Verify, Comply, Plan & Report
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Leveraging an unrivaled set of data, analytics, & domain expertise across...

How do we do this?	Credit	Properties	People	ESG
	Companies	Securities	Economies	Climate

Moody’s has two reportable segments: MA and MIS.

<div>Moody's Analytics</div> <div>MA provides data, intelligence and analytical tools to help business and financial leaders make confident decisions.</div>	<div>Moody's Investors Service</div> <div>For more than 115 years, MIS has been a leading provider of credit ratings, research, and risk analysis helping businesses, governments, and other entities around the globe.</div>
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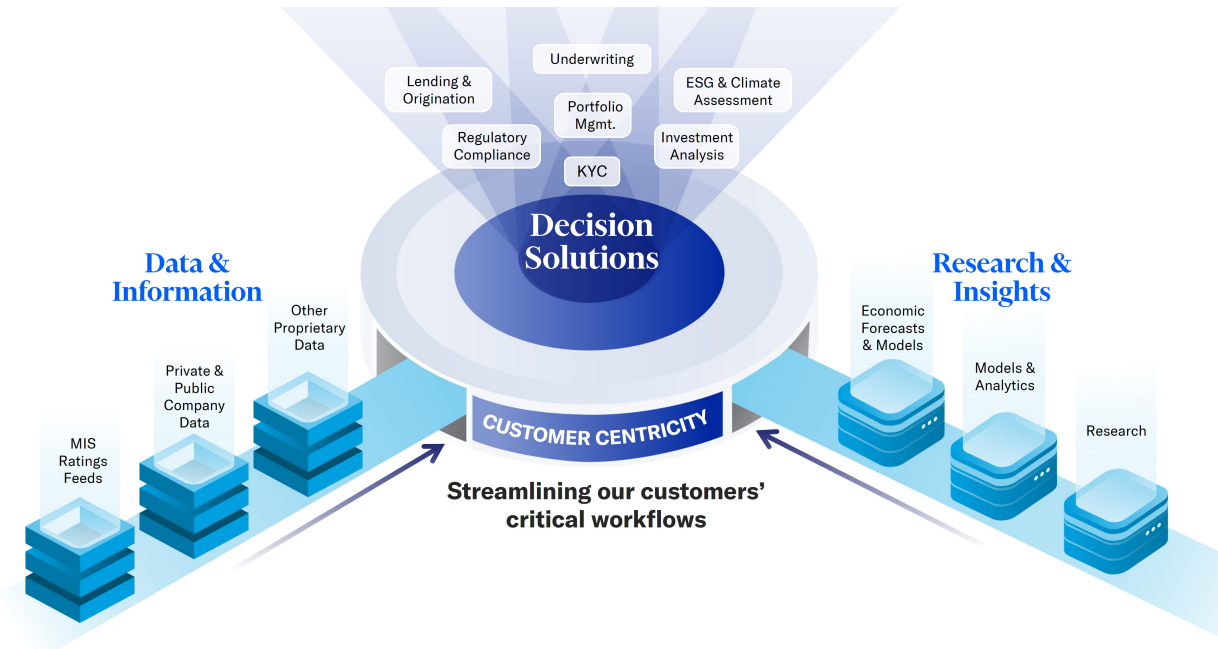
Financial information and operating results of these segments, including revenue, expenses and Adjusted Operating Income, are included in Part II, Item 8. Financial Statements of this annual report and are herein incorporated by reference.

Moody's Analytics Overview

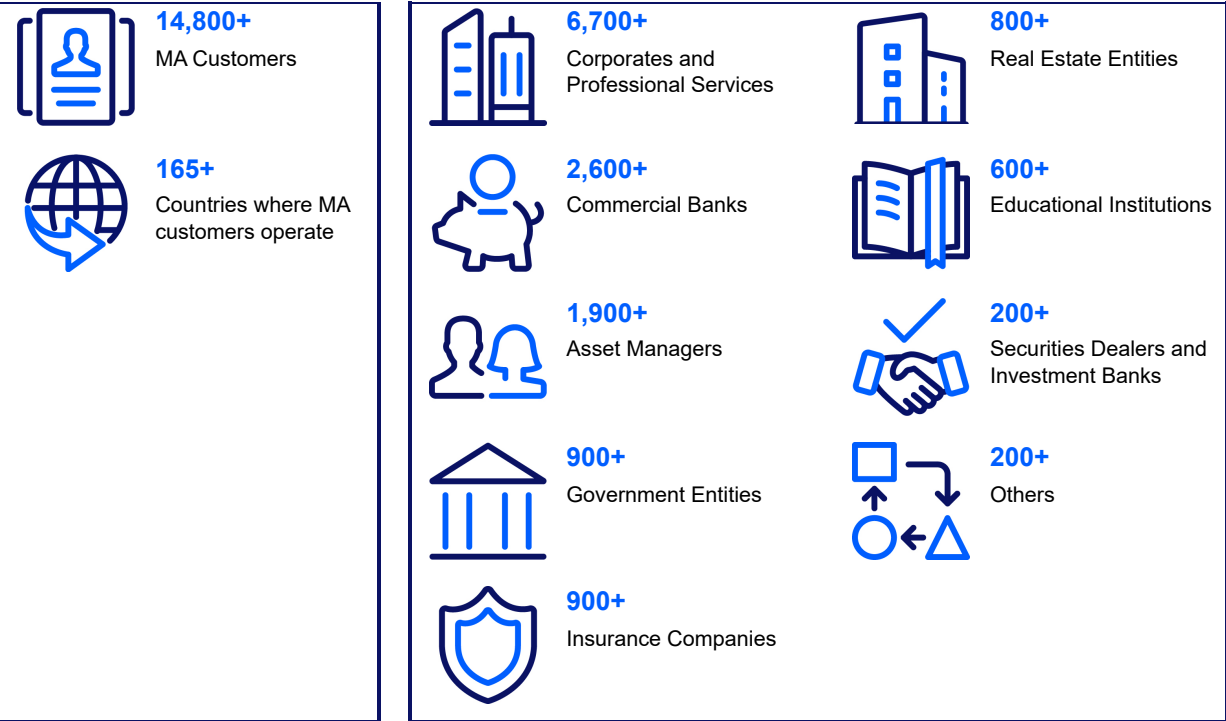
MA empowers financial services, corporate and public sector customers to anticipate risks, adapt and thrive in a new era of exponential risk. MA's combined data, analytics and cloud-based software tools deliver integrated solutions that help customers to start business relationships, monitor and manage risk, and comply and report based on global laws, rules and regulations.

MA is comprised of: i) a premier fixed income and economic research business (Research & Insights); ii) a data business powered by the world's largest database on companies and credit (Data & Information); and iii) three cloud-based subscription businesses serving banking, insurance and KYC workflows (Decision Solutions).

MA creates a holistic view on risk provided by our vast set of proprietary data, analytics, and domain expertise across a range of areas, including credit, companies, properties, securities, people, economies, ESG, climate and more. MA's integrated and technology-enabled solutions provide unique capabilities and insights that are embedded in customer workflows.



MA by the Numbers



Moody's Investors Service Overview

MIS is a leading global provider of credit ratings, research, and risk analysis. A rating from Moody's enables issuers to create timely, go-to-market debt strategies with the ability to capture wider investor focus and provides investors with a comprehensive view of global debt markets through our credit ratings and research. Moody's trusted insights can help decision-makers navigate the safest path through market turmoil and volatility.

MIS publishes credit ratings and provides assessment services on a wide range of debt obligations, programs and facilities, and the entities that issue such obligations in markets worldwide, including various corporate, financial institution and governmental obligations, and structured finance securities.

The Benefits of a Moody's Rating

Investors seek Moody's opinions and particularly value the knowledge of its analysts and the depth of Moody's research



Access to capital

- Moody's opinions on credit are used by institutional investors throughout the world, making an issuer's debt potentially more attractive to a wide range of buyers.
- A Moody's rating may facilitate access to both domestic and international debt capital.



Transparency, credit comparison and market stability

- Signals a willingness by issuers to be transparent and provides issuers with an independent assessment against which to compare creditworthiness.
- Moody's ratings and research reports may help maintain investor confidence, especially during periods of market stress.



Planning and budgeting

- May help issuers when formulating internal capital plans and funding strategies.



Analytical capabilities


- Among ratings advisors, Moody's has a strong position and is well-recognized for the depth and breadth of its analytical capabilities.

MIS by the Numbers




\$75.8+ trillion

Total Rated Debt Outstanding




33,300+

Rated Organizations and Structured Deals




190+

Rating Methodologies




4,800+

Non-Financial Corporates




14,400+

U.S. Public Finance Issuers




1,000+

Infrastructure & Project Finance Issuers




140+

Sovereigns




3,300+

Financial Institutions




8,900+

Structured Finance Deals



380+

Sub-Sovereigns



50

Supranational Institutions

MIS also generates revenue from certain non-ratings-related operations, which primarily consist of financial instruments pricing services in the Asia-Pacific region, revenue from Second Party Opinions and Net Zero Assessments and revenue from ICRA's non-ratings operations. The revenue from these operations is included in the MIS Other LOB and is not material to the results of the MIS segment.

Sustainability

Moody's aims to deliver value to all stakeholders, including customers, employees, partners, communities, and stockholders. We consider sustainability in our operations, products, and services. We use our expertise to make a positive impact, helping others understand the link between sustainability and global markets. In 2024, Moody's received multiple awards for its sustainability efforts, including:

- Recognized among America's 100 Most JUST Companies by JUST Capital and CNBC for its commitment to serving its workforce, customers, communities, the environment, and stockholders for its sustainability-related efforts;
- Made CDP's 2023 Climate Change 'A' List, in recognition of Moody's leadership in corporate transparency and actions taken in response to climate change;
- Named to the 2023 Dow Jones Sustainability Indices - World and North America, an annual listing of publicly traded companies, recognizing Moody's for its strong corporate sustainability practices; and
- Recognized as a 2023 CDP Supplier Engagement leader for the fourth consecutive year, ranking among the top 4% of companies assessed for supplier engagement on climate change.

The Board oversees sustainability matters via the Audit, Governance & Nominating, and Compensation & Human Resources Committees, as part of its oversight of management and the Company's overall strategy. The Audit Committee oversees financial, risk and other disclosures made in the Company's annual and quarterly reports related to sustainability. The Governance & Nominating Committee oversees sustainability matters, including significant issues of corporate social and environmental responsibility, as they pertain to the Company's business and to long-term value creation for the Company and its stockholders, and makes recommendations to the Board regarding these issues. Finally, the Compensation & Human Resources Committee oversees inclusion of sustainability-related performance goals for determining compensation of all senior executives. The Board also oversees Moody's policies for assessing and managing the Company's exposure to risk, including climate-related risks such as business continuity disruption and reputational or credibility concerns stemming from incorporation of climate-related risks into our credit rating methodologies, or analysis of such risks within our products and services. The Board maintains its collective knowledge of sustainability topics through ongoing education, such as regular presentations from management.

Three Pillars of Moody's Sustainability Strategy



Our Actions

the decisions and actions we can take related to impacts under our direct control



Our Influence

the actions that we can request from entities providing us with products and services



Our Support

the steps we take to support or enable direct action by other organizations or communities

HUMAN CAPITAL

Our employees are vital to Moody's continued success, and we seek to create an environment that attracts, develops and sustains a highly skilled, performance-oriented and engaged workforce. Our approach is oriented around the following pillars:

- providing market-competitive compensation, benefits and wellness programs as part of our Total Rewards program;
- implementing a robust talent management, employee engagement and retention strategy; and
- fostering an inclusive environment where all employees have a sense of belonging and are given the opportunity to perform their best.

Total Rewards

Moody's Total Rewards programs are designed to attract and maintain a high-performing, engaged and motivated global workforce. The Company's compensation packages include market-competitive salaries, performance-based annual bonuses, and equity grants aligned to our long-term performance for certain employees.

The Company's industry leading benefits programs offer comprehensive resources to support physical, mental and financial well-being. We invest in AI powered technologies in order to provide our employees with a world-class experience accessing and managing their benefits. We continuously evaluate our market benchmarks and employee feedback so that our benefits are competitive and support the attraction of the best talent. For example, in recent years we implemented a global paid parental leave policy to give parents time off to care for and bond with a new child and updated our tuition reimbursement program.

The Company also promotes flexible work arrangements, which support the Company's efforts to create a work atmosphere in which people feel valued and inspired to give their best. The Company has implemented a "PurposeFirst" framework, which fosters purpose-driven decisions relating to how and where Moody's teams work.

Talent Management, Employee Engagement and Retention

Moody's believes that our long-term success depends on our ability to attract, develop and retain a high-performing workforce. Our goal is to create an environment where colleagues can thrive personally and professionally and can maximize their potential. Our culture is one of continuous learning, which we believe is crucial for colleagues to thrive as part of our organization and to feel a sense of accomplishment and purpose, and our leaders are key in reinforcing this at Moody's.

Moody's talent strategy helps us create integrated, cohesive talent activities that support the growth and success of our employees and the business. This strategy informs all of our talent programs, guiding our efforts to attract, develop and retain top talent. It also helps us remain aligned with Moody's overall business objectives and values while designing programs to meet the evolving needs of our organization.

Moody's offers various talent development programs and resources through Moody's University that are focused on building professional, technical and leadership skills to support employees' goals and objectives. Moody's also places significant emphasis on our high-potential and high-performance programs, which are designed to identify and nurture emerging leaders within the organization. These programs provide tailored development opportunities, mentorship and the chance to work on strategic projects that drive our business forward.

Moody's Employee Experience function conducts listening sessions with our employees and creates targeted plans to act on the feedback provided. We measure employee engagement via multiple channels, including the BES for employees to provide anonymous and candid feedback to management. This periodic survey helps Moody's management understand our employees' level of engagement in critical areas, which include, but are not limited to, purpose, leadership, managerial effectiveness, connection, enablement and empowerment and well-being. Managers are accountable for identifying opportunity areas and taking targeted actions based on survey results. The feedback received through the BES is used as a vital input into making decisions to improve employee experience and retention. As we strive to make Moody's a place people want to come and stay, management also carefully monitors global employee turnover rates.

Inclusion and Belonging

Moody's believes that a workforce comprised of individuals with varied thoughts, backgrounds and experiences fosters an environment that makes our opinions stronger, our products more innovative, our workplace more welcoming and improves how we relate and respond to our customers. We are committed to cultivating a culture where every individual feels a sense of belonging and has an equal opportunity to succeed.

Our Inclusion Operating and Governance Model turns our inclusion strategy into reality by providing a functional framework to guide how our People team, councils, sponsors, BRGs and committees work together. The Global Inclusion Council, chaired by our CEO and composed of senior leaders, is charged with oversight of our global inclusion strategy and its progress. The members of the council meet quarterly.

Our governance model also includes three Regional Inclusion Councils tasked with overseeing the inclusion strategy within their respective regions. Each council meets on a quarterly basis.

Our operating model includes 11 active BRGs which represent 48 chapters. These groups are open to all Moody's employees, with more than 4,800 employees participating globally as of December 31, 2024.

Workforce Overview

As of December 31, 2024 and 2023, the number of Moody's employees was as follows:

		December 31,		Change
		2024	2023 ⁽¹⁾	%
MA	U.S.	2,989	2,992	— %
	Non-U.S.	5,156	4,872	6 %
	Total	8,145	7,864	4 %
MIS	U.S.	1,571	1,490	5 %
	Non-U.S.	4,186	3,870	8 %
	Total	5,757	5,360	7 %
MSS	U.S.	696	749	(7) %
	Non-U.S.	1,240	1,187	4 %
	Total	1,936	1,936	— %
Total MCO	U.S.	5,256	5,231	— %
	Non-U.S.	10,582	9,929	7 %
	Total	15,838	15,160	4 %

⁽¹⁾ Certain reclassifications have been made to 2023 amounts to reflect certain departmental reorganizations and M&A integrations

- MA's employee population primarily consists of software engineers, product managers and strategists, data and operations analysts, advisory and implementation teams and economists, as well as sales, business development, and sales support professionals.
- The MIS employee population primarily consists of credit analysts, data and operations analysts, credit strategy and methodology professionals, software engineers, sales and sales operations, and international strategy teams.
- The MSS employee population primarily consists of information technology professionals and other professional staff such as finance, human resources, compliance, and legal that support both MA and MIS.

CLIMATE CHANGE

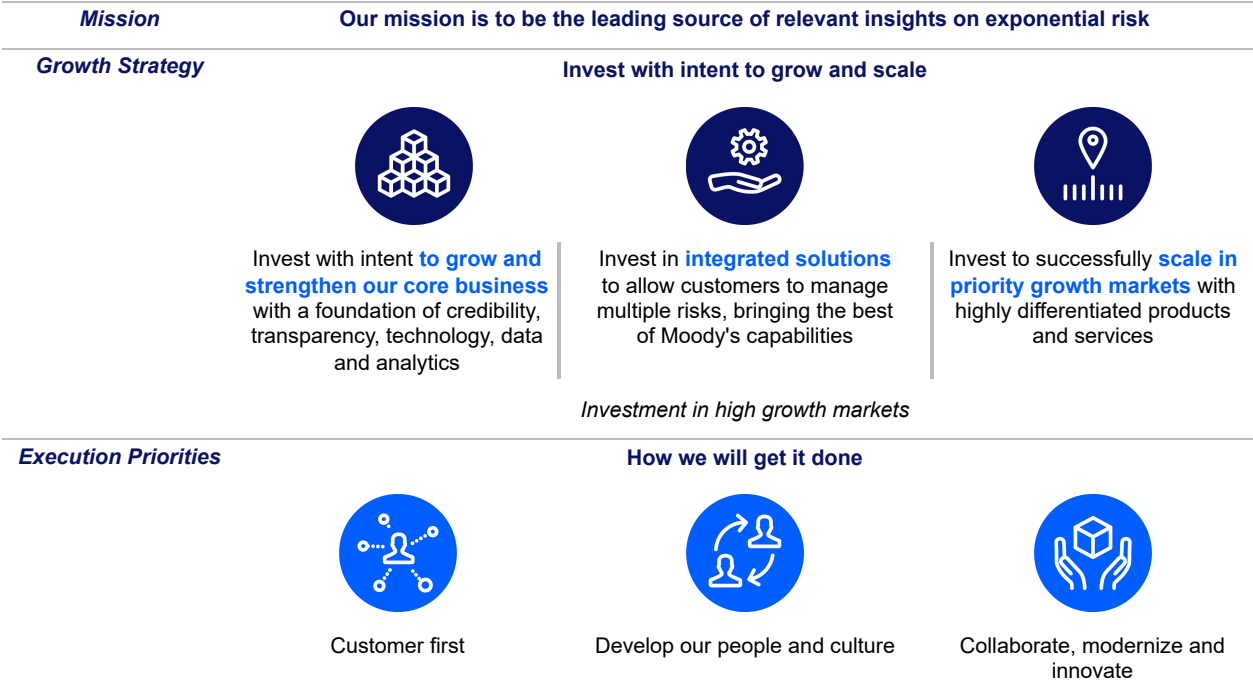
Climate change is a major challenge that demands action from all of us. While Moody's has a limited direct environmental impact, we do have an important role to play in demonstrating proactive corporate responsibility and best practices when it comes to climate change mitigation. As such, the Company is taking steps to reduce emissions across its operations and value chain in accordance with its decarbonization strategy.

Our decarbonization plan outlines tangible strategies for realizing our climate ambitions, including the procurement of 100% of renewable electricity in the Company's office spaces and optimizing efficiencies in its operations through its hybrid work program. The costs associated with the implementation of the decarbonization plan are not expected to be material.

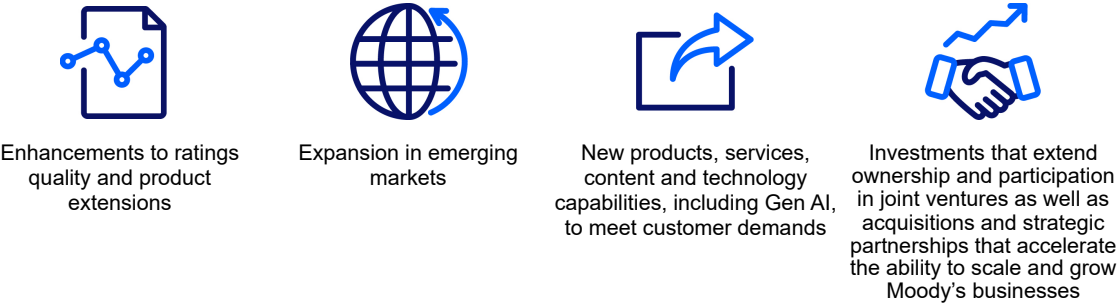
The acquisition of RMS allowed us to expand our climate data and analysis capabilities. The Company continues to take steps to integrate these capabilities into existing offerings to provide its analysts and researchers with streamlined access to consistent and high-quality climate insights. Additionally, we have launched a Net Zero Assessment framework to provide an independent and comparable evaluation of the strength of an entity's carbon transition plan.

MOODY’S STRATEGY

Moody’s is a global integrated risk assessment firm that empowers organizations to anticipate, adapt and thrive in a new era of exponential risk. Our data, analytical solutions and insights help decision-makers identify opportunities and manage the risks of doing business with others.



Moody’s invests in initiatives to implement the Company’s strategy, including internally-led organic development and targeted acquisitions. Illustrative examples include:




In this era of exponential risk, we know that risks are interconnected, and organizations want a complete view of risk. This includes having a greater breadth and depth of understanding around how risks connect.


Our integrated approach provides stakeholders with a more comprehensive view of risk, helping them to make better decisions and unlock opportunities. Moody’s brings together multiple data sets and develops risk analysis solutions to assess multiple risk factors (e.g., supply chain failures; cyberattacks; geopolitical tensions; sanctions and security issues; and extreme weather events).

PROSPECTS FOR GROWTH


Moody's believes that the overall long-term outlook remains favorable for continued growth from the offerings of both of our reportable segments. Moody's growth is influenced by a number of trends that impact the market for our products, including:




Enablement of Gen AI




Health of the world's major economies




Debt capital markets activity




Disintermediation of credit markets



Fiscal and monetary policy of governments



Expansion of market for integrated data and analytics solutions



Business investment spending, including mergers and acquisitions

In an environment of increasing financial complexity and exponential risk, Moody's expects to be well positioned to benefit from continued growth in global fixed-income market activity and more widespread use of credit ratings and integrated risk solutions. Moreover, pricing opportunities aligned with customer value creation and advances in technology present growth opportunities for Moody's.

Over the last decade, Moody's has leveraged the power of AI and ML to better serve our customer base. As an early adopter of Gen AI, Moody's expects to be well positioned to benefit from the capabilities of this technology, which will help our customers make better decisions by unlocking deeper, more integrated perspectives on risk. Through enablement of Gen AI, both internally and through certain strategic partnerships, we are in the process of evolving how we deliver insights on exponential risk to our customers.

Moody's operations are subject to various risks, as more fully described in Part I, Item 1A "Risk Factors," inherent in conducting business on a global basis.

MA Prospects for Growth

MA provides insights on the evolving risks of our customers and supports their ability to capitalize on related opportunities. Growth in MA is likely to be driven by landing new customers and expanding customer relationships across use cases over time. Our trusted and curated data is key in an environment that is increasingly using Gen AI, and we expect that the integration of our platforms will enable effective cross-selling of models, data and applications. MA's growth is also likely to be driven by quickly addressing new use cases and incorporating new risk data and analytics as needed.

Strategic growth drivers:



NEW PRODUCT DEVELOPMENT



STRONG CUSTOMER RETENTION RATES



CROSS-SELLING, UPGRADES & PRICING



CONTINUED SAAS TRANSITION



INCREASED DISTRIBUTION CAPACITY AND PRODUCTIVITY

Market growth drivers:

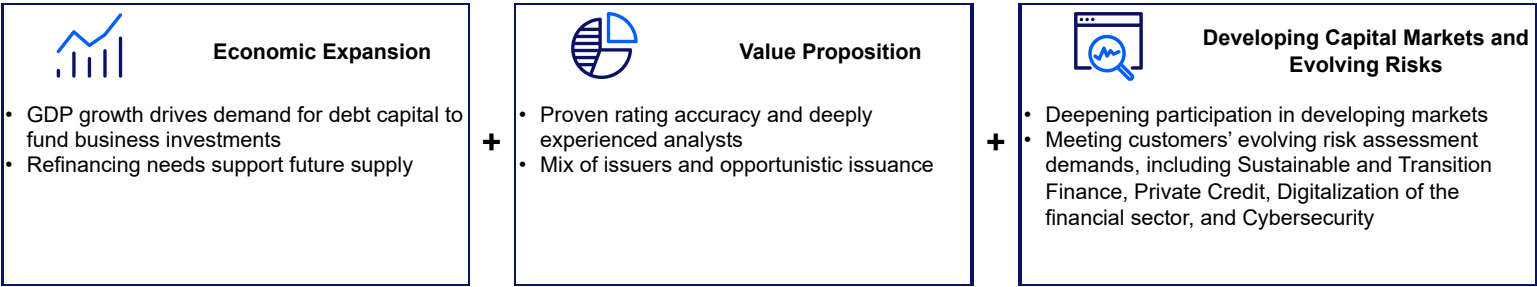
Customers need to understand a large range of interconnected and emerging risks. Our comprehensive solutions support the transformation underway across various industries due to:



MIS Prospects for Growth

Strong secular trends should continue to provide long-term growth opportunities in MIS. Key growth drivers include:

Long-term Growth Building Blocks



In addition to the factors noted above, growth in global fixed income markets in a given year is dependent on many macroeconomic and capital market factors including:



Rating fees paid by debt issuers account for most of the revenue of MIS. Therefore, a substantial portion of MIS's revenue is dependent upon the dollar-equivalent volume and number of ratable debt securities issued in the global capital markets. However, annual fee arrangements with frequent debt issuers, annual fees from debt monitoring, commercial paper and medium-term note programs, bank deposit ratings, insurance company financial strength ratings, mutual fund ratings, and other areas partially mitigate MIS's dependence on the volume or number of new debt securities issued in the global fixed-income markets.

Within MIS, we remain firmly committed to ratings quality, timely and insightful research, and engagement with issuers and investors. In the past year, we have enhanced our footprint in domestic markets by increasing our majority share in the GCR Africa affiliate and expanding in Latin American markets through Moody's Local domestic rating business. This strategic expansion has solidified our domestic rating agency's position, enhancing its capacity and reach.

Competition

MA competes broadly in the financial information and enterprise risk software industries against various diversified competitors. MA's main competitors within DS are providers of software and analytic solutions. In R&I, MA faces competition from providers of economic data, financial research and analysis. MA's main competitors within D&I are providers of commercial and financial data.

MIS competes with other CRAs and with investment banks and brokerage firms that offer credit opinions and research. Many users of MIS's ratings also have in-house credit research capabilities.

Regulation

MIS, certain of the Company's credit rating affiliates, and many of the issuers and/or securities that MIS and the affiliates rate, are subject to extensive regulation in the U.S. (including by state and local authorities), EU, U.K. and in other countries. In addition, some of the services offered by MA and its affiliates are subject to regulation in a number of countries. MA also derives a significant amount of its sales from banks and other financial services providers who are subject to regulatory oversight and who are required to conduct due diligence and pass through certain regulatory requirements to key suppliers such as MA by contract. Existing and proposed laws and regulations can impact the Company's operations, products and the markets in which the Company operates. Additional laws and regulations have been proposed or are being considered. Each of the existing, adopted, proposed and potential laws and regulations can increase the costs and legal risk associated with the Company's operations, including the issuance of credit ratings, and may negatively impact the Company's profitability and ability to compete, or result in changes in the demand for the Company's products and services, in the manner in which the Company's products and services are utilized, and in the manner in which the Company operates.

In the U.S., CRAs are subject to extensive regulation primarily pursuant to Section 15E of the Exchange Act and rules thereunder. MIS is registered with the SEC as an NRSRO and is subject to the SEC's oversight and examination authority.

In the EU, the CRA industry is registered and supervised through a pan-EU regulatory framework. ESMA has direct supervisory responsibility for registered CRAs throughout the EU. MIS's EU CRA subsidiaries are registered with and are subject to CRA regulation in the EU and periodic inspection by ESMA.

The European Parliament and the Council of the EU, the EU co-legislators, announced they had reached agreement on the text of the Regulation on ESG Ratings Activities in February 2024. The Regulation will become law after it has been published in the EU Official Journal. The regulation will apply after an 18 month implementation period from its publication, and will subject ESG rating and/or score providers to formal regulation and supervision by ESMA. Certain products offered by MIS may fall in scope of the Regulation and we continue to assess and prepare for the implications. We do not expect MA products to fall into scope.

The EU AI Act was published in the EU Official Journal in July 2024, though elements of the Act have different implementation periods. We continue to assess and prepare for any implications both for MA and MIS.

In December 2022, the EU adopted DORA, which will apply from early 2025. As a credit rating agency, MIS is in scope of DORA, and accordingly, is required to undertake certain steps to ensure that its oversight and risk management of its information technology, including any functions outsourced to third-parties that provide information communication technologies, is resilient. MA provides certain products and services to clients that may be regulated financial institutions in the EU and therefore fall in the scope of DORA. It is therefore expected that MA may receive queries from such clients in relation to those products and services, as well as requests for contractual commitments, to ensure their compliance with DORA.

In the U.K., MIS U.K. is registered with and regulated by the FCA. In March 2023, the FCA initiated a review of competition in the markets for certain types of wholesale market data, including credit ratings data. The review concluded at the end of February 2024. In its final report, the FCA declined to make a market investigation reference to the Competition and Markets Authority nor did it consider any specific remedies or other specific interventions in respect of credit ratings data.

Additionally, HM Treasury published a consultation in March 2023 on whether regulation for providers of ESG ratings should be introduced, and the potential scope of a regulatory regime. The U.K. Government has said it intends to take forward such legislation in 2025.

Intellectual Property

Moody's and its affiliates own and control a variety of intellectual property, including but not limited to:



Proprietary information



Publications




Databases



Trademarks and Patents



SaaS and other software tools and applications



Domain names



Research



Models and methodologies



Other proprietary materials that, in the aggregate, are of material importance to Moody's business

Management of Moody's believes that the trademarks and related corporate names, marks and logos relating to its businesses, including those containing the term "Moody's", are of material importance to the Company.

The Company, primarily through MA and its affiliates, provides access to certain of its databases, SaaS and other software applications, credit risk models, assessments, research and other publications and services that contain intellectual property to its customers. These licenses are provided pursuant to standard agreements containing customary restrictions and intellectual property protections.

In addition, Moody's licenses from third parties certain technology, data and other intellectual property rights. Specifically, Moody's obtains licenses from third parties to use financial information (such as market and index data, financial statement data, research data, default data and security identifiers) as well as software development tools and libraries. In addition, certain of the Company's affiliates obtain from third-party information providers certain financial, credit risk, compliance, firmographic, management, ownership, news and/or other data worldwide, which are distributed through Moody's information products. The Company obtains such technology and intellectual property rights from generally available commercial sources. The Company also utilizes generally available open-source software and libraries subject to appropriately permissive open-source licenses, to carry out routine functions in certain of the Company's software products. Most of such technology and intellectual property is available from a variety of sources. Although certain financial information (particularly security identifiers, certain pricing or index data, and company financial data in selected geographic markets) is available from a limited number of sources, Moody's does not believe it is dependent on any one data source for a material aspect of its business.

The names of Moody's products and services referred to herein are trademarks, service marks or registered trademarks or service marks owned by or licensed to Moody's or one or more of its affiliates. The Company owns patents (including granted, allowed and pending patents). None of the Company's intellectual property is subject to a specific expiration date, except to the extent that the patents and the copyright in items that the Company holds (such as credit reports, research, software, and other written opinions) expire pursuant to relevant law.

The Company considers its intellectual property to be proprietary, and Moody's relies on a combination of copyright, trademark, trade secret, patent, non-disclosure and other contractual and technological safeguards for protection. Moody's also pursues instances of third-party infringement of its intellectual property in order to protect the Company's rights.

Available Information

Moody's investor relations internet website is <https://ir.moody's.com/>. Under the "SEC Filings" tab at this website, the Company makes available free of charge its annual reports on Form 10-K, proxy and other information statements, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports as soon as reasonably practicable after they are filed with, or furnished to, the SEC.

The SEC maintains an internet website that contains annual, quarterly and current reports, proxy and other information statements that the Company files electronically with the SEC. The SEC's internet website is <https://www.sec.gov/>.

Information About Our Executive Officers

Name, Age, Position and Biographical Data



Robert Fauber, 54
President and Chief Executive Officer

Mr. Fauber has served as the Company's President and Chief Executive Officer since January 2021. Mr. Fauber joined the Board of Directors in October 2020 and he currently serves on the Executive Committee of the Board of Directors. Prior to serving as CEO, Mr. Fauber served as Chief Operating Officer from November 2019 to December 2020, as President of MIS from June 2016 to October 2019, as Senior Vice President—Corporate & Commercial Development of Moody's Corporation from April 2014 to May 2016, and was Head of the MIS Commercial Group from January 2013 to May 2016.

Name, Age, Position and Biographical Data

**Noémie Heuland, 47***Senior Vice President and Chief Financial Officer*

Ms. Heuland has served as the Company's Senior Vice President and Chief Financial Officer since April 2024. She joined the Company most recently from Ceridian HCM Holding Inc. (which changed its name to Dayforce, Inc. on January 1, 2024), a global leader of human capital management technology, where she served as Executive Vice President, Chief Financial Officer from September 2020 to December 2023. From April 2018 to September 2020, Ms. Heuland held the position of Senior Vice President, Chief Financial Officer at SAP Latin America and Caribbean region, and held various other finance leadership roles in Europe and the Americas at SAP beginning in 2008. Prior to joining SAP, a global software company, Ms. Heuland spent eight years at PricewaterhouseCoopers. Ms. Heuland is a certified public accountant.

**Richard Steele, 55***Senior Vice President and General Counsel*

Mr. Steele has served as the Company's Senior Vice President and General Counsel since September 2023. Mr. Steele joined Moody's KMV Company in 2006 as its Chief Legal Officer, and was named General Counsel of Moody's Analytics in January 2008. Prior to joining the Company, Mr. Steele was a corporate lawyer at Wilson Sonsini Goodrich & Rosati, and also held senior legal positions at several firms in financial technology, software and venture capital.

**Caroline Sullivan, 56***Chief Accounting Officer and Corporate Controller*

Ms. Sullivan has served as the Company's Chief Accounting Officer and Corporate Controller since December 2018. She served as the Interim Chief Financial Officer from September 2023 to April 2024. Prior to joining the Company, Ms. Sullivan served in several roles at Bank of America from 2011 to 2018, where her last position held was Managing Director and Global Banking Controller. Prior to that role, Ms. Sullivan supported the Global Wealth & Investment Management business from 2015 to 2017 in a variety of positions, including Controller. Ms. Sullivan, a CPA, previously held various senior positions at several banks and a major accounting firm.

Name, Age, Position and Biographical Data



Stephen Tulenko, 57
President, Moody's Analytics

Mr. Tulenko has served as President of Moody's Analytics since November 2019. Mr. Tulenko served as Executive Director of Moody's former Enterprise Risk Solutions LOB from 2013 to October 2019 and as Executive Director of Global Sales, Customer Service and Marketing from 2008 to 2013. Prior to the formation of Moody's Analytics, he held various sales, product development and product strategy roles at Moody's Investors Service, Inc. Mr. Tulenko joined Moody's in 1990.



Michael West, 56
President, Moody's Investors Service

Mr. West has served as President of Moody's Investors Service, Inc. since November 2019. Mr. West served as Managing Director—Head of MIS Ratings and Research from June 2016 to October 2019. Previously, Mr. West served as Managing Director—Head of Global Structured Finance from February 2014 to May 2016 and Managing Director—Head of Global Corporate Finance from January 2010 to January 2014. Earlier in his career, he was also responsible for the research strategy for the ratings businesses and before that led Corporate Finance for the EMEA Region, European Corporates and the EMEA leveraged finance business.

ITEM 1A. RISK FACTORS

Please carefully consider the following discussion of significant factors, events and uncertainties that make an investment in the Company's securities risky and provide important information for the understanding of the "forward-looking" statements discussed in Item 7 of this Form 10-K and elsewhere. These risk factors should be read in conjunction with the other information in this annual report on Form 10-K.

The events and consequences discussed in these risk factors could, in circumstances the Company may not be able to accurately predict, recognize, or control, have a material adverse effect on Moody's business, financial condition, operating results (including components of the Company's financial results such as sales and profits), cash flows and stock price. These risk factors do not identify all risks that Moody's faces. The Company could also be affected by factors, events, or uncertainties that are not presently known to the Company or that the Company currently does not consider to present significant risks. In addition to the effects of general economic conditions, including inflation and related monetary policy actions in response to inflation, changes in international conditions, including the impact of ongoing or new developments in the Russia-Ukraine military conflict and the military conflict in the Middle East, and resulting global disruptions on our business and operations discussed in Item 7 of this Form 10-K and in the risk factors below, additional or unforeseen effects from the global economic climate may give rise to or amplify many of these risks discussed below.

A. Legal and Regulatory Risks

Moody's Faces Risks Related to Laws and Regulations that Affect the Financial Industry, Including the Credit Rating Industry, Moody's Businesses and Moody's Customers.

Moody's is subject to extensive regulation by federal, state and local authorities in the U.S. and by foreign jurisdictions. These regulations, the most important of which are discussed in further detail below, are complex, continually evolving and have tended to become more stringent over time. Additionally, changes in the Presidential administration, changes in Congress, and recent judicial actions may increase the uncertainty with regard to potential changes in these laws and regulations and the enforcement of any new or existing legislation or directives by government authorities. See "Regulation" in Part I, Item 1 of this annual report on Form 10-K for more information.

Further, speculation concerning the impact of legislative and regulatory initiatives, including initiatives related to the emerging technology of AI systems, operational resilience, data privacy and climate-related risks, among others, that our products and services incorporate, and the increased uncertainty over potential liability and adverse legal or judicial determinations may negatively affect Moody's stock price, affect demand for our products and services, increase our costs of operations and impact our future business plans. Further, the Company's compliance and efforts to reduce the risk of fines, penalties or other sanctions can result in significant expenses. Legal proceedings that are increasingly lengthy can result in uncertainty over and exposure to liability.

Moody's Investors Service. MIS operates in a highly regulated industry. The current U.S. laws and regulations relating to MIS, including the Reform Act and the Dodd-Frank Act:

- seek to encourage, and may result in, increased competition among CRAs and in the credit rating business;
- may result in alternatives to credit ratings, changes in the pricing of credit ratings, and/or diminished intellectual property protection relating to credit ratings and related research produced by MIS;
- restrict the use of information in the development or maintenance of credit ratings;
- increase regulatory oversight of the credit markets and CRA operations;
- provide the SEC with direct jurisdiction over CRAs that seek NRSRO status, and grant authority to the SEC to inspect the operations of CRAs; and
- provide for enhanced oversight standards and specialized pleading standards, which may result in increases in the number of legal proceedings claiming liability for losses suffered by investors on rated securities and aggregate legal defense costs.

In addition to the extensive and evolving U.S. laws and regulations governing the credit rating industry, foreign jurisdictions have taken measures to regulate CRAs and the markets for credit ratings that significantly impact the operations and the markets for the Company's ratings-related products and services. In particular, the EU has adopted a common regulatory framework for CRAs operating in the EU, continues to monitor the credit rating industry and analyze approaches that may strengthen existing regulation. The U.K. also has adopted a regulatory framework for CRAs that is based on the EU version. Credit ratings emanating from outside the EU are subject to ESMA's oversight if they are endorsed into the EU, and ratings endorsed into the U.K. are similarly subject to oversight of the FCA. Additionally, other foreign jurisdictions, such as Australia and Hong Kong and China, have taken measures to increase regulation of CRAs and markets for credit ratings. A failure to comply with these procedural and substantive requirements also exposes MIS to the risk of regulatory enforcement action which could result in financial penalties or, in serious cases, affect its ability to conduct credit rating activities in certain jurisdictions. For example:

- MIS is subject to formal regulation and periodic or other inspections in the EU and other foreign jurisdictions, such as, but not limited to, the U.K., Australia, Singapore, Japan, and Hong Kong, where it operates through registered subsidiaries.
- In the EU and the U.K., applicable rules include procedural requirements with respect to credit ratings of sovereign issuers, liability for intentional or grossly negligent failure to abide by applicable regulations, mandatory analyst rotation requirements, and restrictions on CRAs or their shareholders if certain ownership thresholds are crossed. Additional procedural and substantive requirements include conditions for the issuance of credit ratings, rules regarding the organization of CRAs, restrictions on activities deemed to create a conflict of interest, including requirements that fees be based on costs and non-discriminatory, special requirements for credit ratings of structured finance instruments.
- In Hong Kong, applicable rules include liability for the intentional or negligent dissemination of false and misleading information and procedural requirements for the notification of certain matters to regulators. In addition, MIS Hong Kong is subject to a code of conduct applicable to CRAs that imposes procedural and substantive requirements on the preparation and issuance of credit ratings, restrictions on activities deemed to create a conflict of interest including the disclosure of its compensation arrangements with rated entities and special requirements for credit ratings of structured finance instruments.
- In China, while MIS is not a licensed CRA, it does issue global credit ratings on Chinese issuers from offices outside of China. In addition, the Company holds a 30% investment in CCXI, a domestic CRA licensed in China. China has laws applicable to domestic CRAs as well as foreign investment in such entities and entities in general (including national security review).
- In Australia, unless an exemption applies, CRAs are required to hold an Australian financial services license (AFSL) if they carry on a business of providing credit ratings in Australia. MIS Australia holds an AFSL authorizing it to provide general advice to wholesale clients only by issuing a credit rating. It is therefore required to comply with obligations as an AFSL holder including the requirement to provide financial services efficiently, honestly, and fairly, to manage conflicts of interest, and to comply with the conditions of its AFSL (which conditions include specific conditions about credit ratings).

Future laws and regulations could extend to products and services not currently regulated. These regulations could:

- affect the need for debt securities to be rated;
- expand supervisory remits to include credit ratings issued outside the home jurisdiction;
- increase the level of competition for credit ratings, including the distribution of credit ratings;
- establish criteria for credit ratings or limit the entities authorized to provide credit ratings;
- restrict the collection, use, accuracy, correction and sharing of information by CRAs; or
- regulate pricing (for example to require fees that are based on costs and are non-discriminatory) on products and services provided by MA such as those products that incorporate credit ratings and research originated by MIS.

In turn, such developments may affect MIS's communications with issuers as part of the rating assignment process, alter the manner in which MIS's credit ratings are developed, assigned and communicated, affect the manner in which MIS or its customers or users of credit ratings operate, impact the demand for MIS's credit ratings or alter the economics of the credit ratings business, including by restricting or mandating business models for CRAs. It is difficult to accurately assess the future impact of legislative

and regulatory requirements on MIS's business and its customers' businesses. If these laws and regulations, and any future rulemaking or court rulings, reduce demand for credit ratings or increase costs, MIS may be unable to pass such costs through to customers. Additionally, legislative and regulatory initiatives that apply to CRAs and credit markets generally may affect Moody's in a disproportionate manner. Each of these developments increase the costs and legal risk associated with the issuance of credit ratings and can have a material adverse effect on Moody's operations, profitability and competitiveness, the demand for credit ratings and the manner in which such ratings are utilized.

Moody's Analytics. Certain of MA's subscription products contain credit ratings data and related research produced by MIS, and often are used by MA customers for regulatory compliance purposes, including determination of capital charges and regulatory reporting.

Regulations concerning the issuance of credit ratings and the activities of CRAs, including the dissemination of ratings data, are likely to continue to be considered in the future, including, for example, provisions regarding fair and reasonable availability of ratings data, the terms and conditions associated with such data feeds, remuneration for data and the nature of the information to be included in credit opinions. Other laws, regulations and rules are being considered or are likely to be considered in the future may impact MA products and services, for example, by requiring certain information to be provided free of charge.

MA's other products and services, in particular its offering of products and services relating to sanctions, KYC and financial crime, are potentially subject to various laws and regulations affecting the collection, processing and sale of data-driven solutions. These laws and regulations generally are designed to protect information relating to individuals and small businesses, including information used for consumer credit reporting purposes, the data rights of individuals, and to prevent the unauthorized collection, access to and use of personal or confidential information available in the marketplace and prohibit certain deceptive and unfair acts. Additionally, refer to the risk factor entitled "*The Company Is Exposed to Risks Related to Protection of Confidential and Personal Information.*"

New laws and regulations are likely to be enacted and existing laws and regulations may change or be interpreted and applied differently over time and from jurisdiction to jurisdiction, and it is possible they will be interpreted and applied in ways that will materially and adversely affect our business. As a result of current and future laws and regulations, our customers' and other third parties' use of our products and services, as well as our use of information supplied by our suppliers and other third parties, can lead to regulatory inquiries or actions or related private litigation against us. Changes in the applicability of laws and regulations could require MA to modify its data processing practices and policies and restrict or dictate how MA collects, maintains, combines and disseminates information, which could have a material adverse effect on Moody's business, financial condition or results of operations. In the future, the Company may be subject to significant additional expense to ensure continued compliance with laws and regulations applicable to MA and to investigate, defend or remedy actual or alleged violations. Additionally, refer to the risk factor entitled "*The Company Is Exposed to Risks Related to Protection of Confidential and Personal Information.*"

Further, MA's bank and financial services customers are subject to additional regulatory oversight. For example:

- U.S. banking regulators, including the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System and the Consumer Financial Protection Bureau, as well as many state agencies, have issued guidance to insured depository institutions and other providers of financial services on assessing and managing risks associated with third-party relationships, which include all business arrangements between a financial services provider and another entity, by contract or otherwise, and generally requires banks and financial services providers to exercise comprehensive oversight throughout each phase of a bank or financial service provider's business arrangement with third-party service providers, and instructs banks and financial service providers to adopt risk management processes commensurate with the level of risk and complexity of their third-party relationships. This guidance requires more rigorous oversight of third-party relationships that involve certain "critical activities."
- Regulators in Europe and other foreign markets in which MA is active have issued guidance similar to that issued in the U.S. relating to financial institutions' assessment and management of risks associated with third-party relationships. For example, in December 2022, the EU adopted DORA, which will apply from early 2025 and will require EU financial institutions to have a comprehensive governance and control framework of the management of information and communications technology risks, including risks relating to third-party providers of technology and data such as MA. In light of this, MA's existing or potential bank and financial services customers subject to this guidance have sought to and may further revise their third-party risk management policies and processes and the terms on which they do business with MA.
- In China, MA is licensed to provide subscriptions to credit research and ratings data and other information relevant to the financial markets. China has laws applicable to Moody's that are broadly crafted, and the implementation, interpretation and enforcement of such laws are subject to the broad discretion of Chinese regulators, which could affect the Company's ability to conduct business in China.

The EU AI Act has introduced a risk-based framework for regulating AI systems which applies different obligations to various actors in the AI supply chain. These rules apply to, among others, product manufacturers incorporating AI systems into regulated products sold into the EU as well as to providers whose AI systems or their outputs are made available in the EU. This Act will increase costs to MA including cost of establishing processes and procedures around applicability and implementation of the Act's requirements for MA products and services. MA also faces a risk of cost of penalties or fines due to noncompliance.

Legal and regulatory developments can result in delayed or reduced sales to MA's customers, adversely affect MA's relationship with such customers, increase the costs of doing business with such customers and/or result in MA assuming greater financial and legal risk under its agreements with such customers.

The Company Faces Exposure to Litigation and Government Regulatory Proceedings, Investigations and Inquiries (Including Competition Market Studies) Related to Rating Opinions and Other Business Practices.

Moody's faces exposure to litigation and government and regulatory proceedings, investigations and inquiries (including market studies) related to MIS's ratings actions, as well as other business practices and products within both MIS and MA. When the market value of credit-dependent instruments has declined or defaults have occurred, whether as a result of difficult economic times, rapid changes in interest rates, decreased liquidity, turbulent markets or otherwise, the number of investigations and legal proceedings that Moody's has faced has increased significantly. Parties who invest in securities rated by MIS or issued by MIS-rated entities have pursued claims against MIS or Moody's for losses they faced in their portfolios. For instance, Moody's faced numerous class action lawsuits and other litigation, government investigations and inquiries (including market studies) concerning events linked to the U.S. subprime residential mortgage sector and broader deterioration in the credit markets during and after the financial crisis of 2007-2008. Evolving and/or inconsistent expectations regarding climate-risk and other sustainability disclosures and reporting could also result in increased regulatory scrutiny and new regulatory actions at a corporate and business unit level. MA's offering of products and services relating to sanctions, KYC and financial crime may result in increased regulatory scrutiny and could expose the Company to increased risk of litigation from data subjects and other third-parties, including due to potential inaccuracies in the products and services we offer, as well as regulatory recordkeeping requirements associated with our services. Additionally, as Moody's develops its Gen AI product offerings and/or increases its use of Gen AI, the Company may face increased regulatory scrutiny and exposure to increased litigation. Legal proceedings and regulatory inquiries and investigations impose additional expenses on the Company and require the attention of senior management to an extent that may significantly reduce their ability to devote time to addressing other business issues, and any of these proceedings, investigations or inquiries (including market studies) could ultimately result in adverse judgments, damages, fines, penalties or activity restrictions. Risks relating to legal proceedings are heightened in foreign jurisdictions that lack the legal protections or liability standards comparable to those that exist in the U.S. In addition, new laws and regulations have been and may continue to be enacted that establish lower liability standards, shift the burden of proof or relax pleading requirements, thereby increasing the risk of successful litigations in the U.S. and in foreign jurisdictions. These litigation risks are often difficult to assess or quantify. Moody's may not have adequate insurance or reserves to cover these risks, and the existence and magnitude of these risks often remain unknown for substantial periods of time. Furthermore, when Moody's is unable to achieve dismissals at an early stage and litigation matters proceed to trial, the aggregate legal defense costs incurred by Moody's increase substantially, as does the risk of an adverse outcome.

Additionally, as litigation or the process to resolve pending matters progress, Moody's will continue to review the latest information available and may change its accounting estimates, which could require Moody's to record or increase liabilities in the consolidated financial statements in future periods. See Note 21 to the consolidated financial statements for more information regarding ongoing investigations and civil litigation that the Company currently faces. Due to the potential number of these proceedings and the significant amount of damages that could be sought, there is a risk that Moody's will be subject to judgments, settlements, fines, penalties or other adverse results that have a material adverse effect on its business, operating results and financial condition.

The Company Is Exposed to Risks Related to Its Compliance and Risk Management Programs.

Moody's operates in a number of countries, and as a result the Company is required to comply with and quickly adapt to numerous international and U.S. federal, state and local laws and regulations. The Company's ability to comply with applicable laws and regulations, including anti-corruption, antitrust, economic and trade sanctions, and securities trading laws, the Reform Act, the Dodd-Frank Act and regulations thereunder, is largely dependent on its establishment and maintenance of compliance, review and reporting systems, as well as its ability to attract and retain qualified compliance and risk management personnel. Moody's policies and procedures to identify, evaluate and manage the Company's risks, including risks resulting from acquisitions and from Gen AI developments (such as maintaining the quality and integrity of data of Gen AI product offerings), may not be fully effective, and Moody's employees or agents may engage in misconduct, fraud or other errors. It is not always possible to deter such errors, and the precautions the Company takes to prevent and detect this activity may not be effective in all cases. If Moody's employees violate its policies or if the Company's risk management methods are not effective, the Company may be subject to criminal and civil liability, the suspension of the Company's employees, fines, penalties, regulatory sanctions, injunctive relief, exclusion from certain markets or other penalties, and may suffer harm to its reputation, financial condition and operating results.

Moody's Faces Risks Related to Protecting Its Intellectual Property Rights.

Moody's considers many aspects of its products and services to be proprietary. Failure to protect the Company's intellectual property adequately could harm its reputation and affect the Company's ability to compete effectively. Businesses the Company acquires also involve intellectual property portfolios, which increase the challenges the Company faces in protecting its strategic advantage. In addition, the Company's operating results can be adversely affected by inadequate or changing legal and technological protections for intellectual property and proprietary rights in some jurisdictions and markets, including if and how rights in these markets evolve to address unauthorized or unintended use of intellectual property from new technologies like Gen AI. The lack of strong legal and technological intellectual property protections in foreign jurisdictions in which we operate may increase our vulnerability and may pose risks to our business. From time to time, laws are passed that require publication of certain information, in some cases at no cost, that the Company considers to be its intellectual property and that it currently sells or licenses for a fee, which could result in lost revenue.

Unauthorized third parties may also try to obtain and use technology or other information that the Company regards as proprietary. It is also possible that Moody's competitors or other entities could obtain patents or other intellectual property rights related to the types of products and services that Moody's offers, and attempt to require Moody's to stop developing or marketing the products or services, to modify or redesign the products or services to avoid infringing, or to obtain licenses from the holders of the intellectual property in order to continue developing and marketing the products and services. Even if Moody's attempts to assert or protect its intellectual property rights through litigation, it may require considerable cost, time and resources to do so, and there is no guarantee that the Company will be successful. The Company's ability to establish, maintain and protect its intellectual property and proprietary rights against theft, misappropriation or infringement could be materially and adversely affected by insufficient and/or changing proprietary rights and intellectual property legal protections in some jurisdictions and markets. These risks, and the cost, time and resources needed to address them, may increase as the Company's business grows and its profile rises in countries with intellectual property regimes that are less protective than the rules and regulations applied in the United States.

Moody's Faces Risks Related to Tax Matters, Including Changes in Tax Rates or Tax Rules.

As a global company, Moody's is subject to taxation in the United States and various other countries and jurisdictions. As a result, our effective tax rate is determined based on the taxable income and applicable tax rates in the various jurisdictions in which the Company operates. Moody's future tax rates could be affected by changes in the composition of earnings in countries or states with differing tax rates or other factors, including by increased earnings in jurisdictions where Moody's faces higher tax rates, losses incurred in jurisdictions for which Moody's is not able to realize the related tax benefit, or changes in foreign currency exchange rates. Changes in the tax, accounting and other laws, treaties, regulations, policies and administrative practices, or changes to their interpretation or enforcement, including changes applicable to multinational corporations such as the Base Erosion Profit Shifting and the global minimum tax rate initiatives being led by the OECD, which requires companies to disclose more information to tax authorities on operations around the world, and the EU's state aid rulings, could have a material adverse effect on the Company's effective tax rate, results of operations and financial condition and may lead to greater audit scrutiny of profits earned in various countries.

In addition, Moody's is subject to regular examination of its income tax returns by the IRS and other tax authorities around the world. Moody's regularly assesses the likelihood of favorable or unfavorable outcomes resulting from these examinations to determine the adequacy of its provision for income taxes, including unrecognized tax benefits; however, developments in an audit or litigation could materially and adversely affect the Company. Although the Company believes its tax estimates and accruals are reasonable, there can be no assurance that any final determination will not be materially different than the treatment reflected in its income tax provisions, accruals and unrecognized tax benefits, which could materially and adversely affect the Company's business, operating results, cash flows and financial condition.

During 2023, multiple foreign jurisdictions in which the Company operates have enacted legislation to adopt a minimum tax rate described in the GloBE or Pillar II, tax model rules issued by the OECD. A minimum ETR of 15% would apply to multinational companies with consolidated revenue above €750 million with an effective date beginning in 2024. Under the GloBE rules, a company would be required to determine a combined ETR for all entities located in a jurisdiction. If the jurisdictional tax rate is less than 15%, an additional tax will be due to bring the jurisdictional effective tax rate up to 15%. While the Pillar II minimum tax requirement is not currently anticipated to have a material impact on the Company's results of operations or financial position, management is evaluating and will continue to monitor the potential impact of the Pillar II global minimum tax proposals on our consolidated financial statements and related disclosures.

B. Risks Related to our Business

The Company is Exposed to Legal, Economic, Operational and Regulatory Risks of Operating in Multiple Jurisdictions.

Moody's conducts operations in various countries outside the U.S. and derives a significant portion of its revenue from foreign sources. Changes in the economic condition of the various foreign economies in which the Company operates have an impact on the Company's business. For example, economic uncertainty in the Eurozone or elsewhere, including, but not limited to, in Latin America, China or the Middle East, affects the number of securities offerings undertaken within those particular areas. In addition to the risks addressed elsewhere in this section, operations abroad expose Moody's to a number of legal, economic and regulatory risks such as:

- economic and geopolitical events and market conditions, such as the Russia-Ukraine military conflict and the military conflict in the Middle East, including the effect of these events and conditions on customers, customer retention and demands for our products and services;
- fluctuations in interest rates and credit spreads, and exposure to exchange rate movements between foreign currencies and USD;
- restrictions on the ability to convert local currency into USD and the costs, including the tax impact, of repatriating cash held by entities outside the U.S.;
- U.S. laws affecting overseas operations, including domestic and foreign export and import restrictions, tariffs and other trade barriers and restrictions, such as those related to the U.S.'s relationship with China and embargoes and sanctions laws with respect to Russia, including the Russia-Ukraine military conflict. For example, U.S. economic sanctions have increasingly targeted Chinese persons. In response, China issued a blocking statute that establishes a framework for limiting the effect of foreign sanctions on Chinese persons. Blocking statutes typically create conflicts of law. An entity that is subject to conflicting

laws in multiple jurisdictions may need to determine a means to comply with such laws. Such conflicts could eventually affect the ability of entities to adhere to applicable laws or continue to operate in certain jurisdictions;

- differing and potentially conflicting legal or civil liability, compliance and regulatory standards;
- current and future regulations relating to the imposition of mandatory rotation requirements on CRAs hired by issuers of securities;
- uncertain, evolving and new laws and regulations, including those applicable to the financial services industries, such as the EU's implementation of DORA in January 2025, and to the protection of intellectual property and to the emergence of LLMs in the context of Gen AI and other technologies, such as the EU AI Act, including the effect of these laws and regulations on our customers and on the products and services that we offer;
- uncertainty regarding the future relationship and increasing tensions between the U.S. and China, which may result in further restrictions or actions by the U.S. government with respect to doing business in China and/or by the Chinese government with respect to business conducted by foreign entities in China;
- the possibility of nationalization, expropriation, price controls and other restrictive governmental actions;
- competition with CRAs that have greater familiarity, longer operating histories and/or support from local governments or other institutions;
- uncertainties in obtaining reliable data and creating products and services relevant to particular geographic markets;
- reduced protection for intellectual property rights;
- longer payment cycles and possible problems in collecting receivables;
- differing accounting principles and standards;
- difficulties in staffing and managing foreign operations;
- difficulties and delays in translating documentation into foreign languages;
- potentially adverse tax consequences; and
- complexities of compliance with employment laws, various proposed and enacted data privacy laws, and cybersecurity rules in numerous jurisdictions.

Additionally, Moody's is subject to complex U.S., foreign and other local laws and regulations that are applicable to its operations abroad, such as laws and regulations governing economic and trade sanctions, tariffs, embargoes, and anti-corruption including the Foreign Corrupt Practices Act of 1977, the U.K. Bribery Act of 2010 and other similar local laws. The internal controls, policies and procedures and employee training and compliance programs to deter prohibited practices the Company has implemented may not be effective in preventing employees, contractors or agents from violating or circumventing such internal policies or from material violations of applicable laws and regulations. Any determination or allegations, even if unfounded, that the Company has violated sanctions, anti-bribery or anti-corruption laws could have a material adverse effect on Moody's business, operating results and financial condition. Compliance with international and U.S. laws and regulations that apply to the Company's international operations increases the cost of doing business in foreign jurisdictions. Violations of such laws and regulations may result in severe fines and penalties, criminal sanctions, administrative remedies and restrictions on business conduct and could have a material adverse effect on Moody's reputation, its ability to attract and retain employees, its business, operating results and financial condition.

Moody's Operations are Exposed to Risks from Infrastructure Malfunctions or Failures.

Moody's ability to conduct business may be materially and adversely impacted by a disruption in the infrastructure that supports its businesses and the communities in which Moody's is located, including: (i) New York City, the location of Moody's headquarters, (ii) major cities worldwide in which Moody's has offices, and (iii) locations that may be affected by the Russia-Ukraine military conflict and the military conflict in the Middle East. This may include a disruption involving physical or technological infrastructure (whether or not controlled by the Company), including the Company's electronic delivery systems, the Company's data center facilities, or the Internet, used by the Company or third parties with or through whom Moody's conducts business. Many of the Company's products and services are delivered electronically and the Company's customers depend on the Company's ability to receive, store, process, transmit and otherwise rapidly handle very substantial quantities of data and transactions on computer-based networks. Some of Moody's operations require complex processes and the Company's extensive controls to reduce the risk of error inherent in our operations cannot eliminate such risk completely. To the extent the Company grows through acquisitions, newly acquired businesses may not have invested in technological infrastructure and disaster recovery to the same extent as Moody's has. As their systems are integrated into Moody's, a vulnerability could be introduced, which could impact platforms across the Company. The Company's customers also depend on the continued capacity, reliability and security of the Company's telecommunications, data centers, networks and other electronic delivery systems, including its websites and connections to the Internet. The Company's employees also depend on these systems for internal use. Any significant failure, compromise, cyber-breach, interruption or a significant slowdown of operations of the Company's infrastructure, whether due to human error, capacity constraints, hardware failure or defect, weather (including climate-related risks), natural disasters, fire, power loss, telecommunication failures, break-ins,

sabotage, intentional acts of vandalism, acts of terrorism, political unrest, pandemic, war or otherwise, may impair the Company's ability to deliver its products and services.

Moody's efforts to secure and plan for potential disruptions of its major operating systems may not be successful. The Company also relies on third-party providers, including, increasingly, cloud-based service providers, to provide certain essential services. While the Company believes that such providers are generally reliable, the Company has limited control over the performance of such providers. To the extent any of the Company's third-party providers ceases to provide these services in an efficient, cost-effective manner or fails to adequately expand its services to meet the Company's needs and the needs of the Company's customers, the Company could experience lower revenues and higher costs. Additionally, refer to the risk factor entitled "*The Company Is Dependent on the Use of Third-Party Software, Data, Hosted Solutions, Data Centers, Cloud and Network Infrastructure (Together, the "Third-Party Technology"), and Any Reduction in Third-Party Product Quality or Service Offerings, Could Have a Material Adverse Effect on the Company's Business, Financial Condition or Results of Operations.*"

Additionally, although the Company maintains processes to prevent, detect and recover from a disruption, the Company also does not have fully redundant systems for most of its smaller office locations and low-risk systems, and its disaster recovery plan does not include restoration of non-essential services. If a disruption occurs in one of Moody's locations or systems and its personnel in those locations or those who rely on such systems are unable to utilize other systems or communicate with or travel to other locations, such persons' ability to service and interact with Moody's customers will suffer. The Company cannot predict with certainty all of the adverse effects that could result from the Company's failure, or the failure of a third party, to efficiently address and resolve these delays and interruptions. A disruption to Moody's operations or infrastructure may have a material adverse effect on its reputation, business, operating results and financial condition.

The Economics of the Company's Business is Dependent on the Volume of Debt Securities Issued in Domestic and/or Global Capital Markets. Recent Financial Market Conditions, Including Decreased Asset Levels and Flows into Investment Vehicles, Increases in Interest Rates and Other Volatility Has Had, and May Continue to Have, a Material Adverse Impact on the Volume of Debt Securities Issued.

Moody's business is impacted by general economic conditions and volatility in world financial markets. Furthermore, issuers of debt securities have increasingly elected to issue securities without ratings or securities which are rated or evaluated by non-traditional parties such as financial advisors, rather than traditional CRAs, such as MIS. Companies are also increasingly accessing alternative sources of financing, such as loans and debt financing from non-bank lenders that do not involve a CRA-issued credit rating. A majority of Moody's credit-rating-based revenue is transaction-based, and therefore it is especially dependent on the number and dollar volume of debt securities issued in the capital markets. Conditions that reduce issuers' ability or willingness to issue debt securities, such as interest rate and market volatility, declining growth, currency devaluations, changes in laws (including tax-related laws) or other adverse economic trends, reduce the number and dollar-equivalent volume of debt issuances for which MIS provides ratings services and thereby adversely affect the fees Moody's earns in its ratings business.

Current market, economic and government factors could negatively impact the volume of debt securities issued in global capital markets and the demand for credit ratings, which is materially and adversely affect the Company's business, operating results and financial condition. These factors include increases in or uncertainty around interest rates (as well as related monetary policy by governments in the response to factors such as inflation, inflationary pressures, increases or volatility in mortgage rates, widening credit spreads, regulatory and political developments (including the change in the U.S. Presidential administration and uncertainty in various jurisdictions where Moody's operates), difficult economic conditions, growth in the use of alternative sources of credit, and defaults by significant issuers. Further declines or other changes in the markets for debt securities may materially and adversely affect the Company's business, operating results, financial condition, cash flows and prospects.

Moody's initiatives to reduce costs to counteract a decline in its business may not be sufficient. Cost reductions may be difficult or impossible to obtain in the short term, due in part to rent, technology, compliance, compensation and other fixed costs associated with some of the Company's operations as well as the need to monitor outstanding ratings. Further, cost-reduction initiatives, including those under-taken to date, could make it difficult for the Company to rapidly expand operations in order to accommodate any unexpected increase in the demand for ratings. Further volatility in the financial markets, including decreases in the volumes of debt securities, increases in interest rates, and fluctuations in credit spreads, may have a material adverse effect on the business, operating results and financial condition, which the Company may not be able to successfully offset with cost reductions.

The Introduction of Competing Products, Technologies or Services by Other Companies Can Negatively Impact the Nature and Economics of the Company's Business.

The markets for credit ratings, research, credit risk management services, business intelligence and analytical services are highly competitive and characterized by rapid technological change, including change based on our Gen AI offerings, disruption by the Gen AI offerings of others, changes in customer and investor demands, and evolving regulatory requirements, industry standards and market preferences. The ability to develop and successfully launch and maintain innovative products, technologies and services that anticipate customers' and investors' changing requirements and utilize emerging technological trends in a timely and cost-effective manner is a key factor in maintaining a competitive market position. Moody's competitors include both established companies with significant financial resources, brand recognition, market experience and technological expertise, and smaller companies which may be more agile and better poised to quickly adopt new or emerging technologies or respond to customer requirements. Competitors may develop quantitative methodologies or related services, including services based on Gen AI, for assessing credit risk that customers and market participants may deem preferable, more cost-effective or more valuable than the credit risk assessment methods currently employed by Moody's, or may position, price or market their products in manners that differ from those utilized by Moody's. The increased presence of Gen AI in the market could also lead to increased expectations from customers and market participants that higher quality information will be delivered on advanced timelines. Moody's also

competes indirectly against consulting firms and technology and information providers, some of whom are also suppliers to Moody's; these indirect competitors could in the future choose to compete directly with Moody's, cease doing business with Moody's or change the terms under which they do business with Moody's in a way that could negatively impact our business. In addition, customers or others may develop alternative, proprietary systems for assessing risk, including credit and climate risk. Such developments could affect demand for Moody's products and services and its growth prospects. Further, the increased availability in recent years of free or relatively inexpensive information, online and through the use of Gen AI, may reduce the demand for Moody's products and services. Moody's growth prospects and operating margins also could be adversely affected by Moody's failure to make necessary or optimal capital infrastructure expenditures and improvements and the inability of its information technologies to provide adequate capacity and capabilities to meet increased demands of producing quality ratings and research products at levels achieved by competitors. Any inability of Moody's to compete successfully may have a material adverse effect on its business, operating results and financial condition.

The Company Faces Increased Pricing Pressure from Competitors and/or Customers.

There is price competition in the credit rating, research, and credit risk management segments, as well as in the segment for research, business intelligence and analytical services offered by MA. Moody's faces competition globally from other CRAs and from investment banks and brokerage firms that offer credit opinions in research, as well as from in-house research operations. Competition for customers and market share has spurred more aggressive tactics by some competitors in areas such as pricing and services, as well as increased competition from non-NRSROs that evaluate debt risk for issuers or investors. In addition, the emergence of Gen AI and other technologies may further intensify these pressures, as the Company's competitors may use these tools to deliver solutions at lower prices, or these tools may be used in a way that significantly increases access to publicly available information. At the same time, a challenging business environment and consolidation among both competitors and customers, particularly those involved in structured finance products and commercial real estate, and other factors affecting demand may enhance the market power of competitors and reduce the Company's customer base. Recent weak economic growth has intensified competitive pricing pressures, which may result in customers' use of free or lower-cost information that is increasingly becoming available from alternative sources or their development of alternative, proprietary systems for assessing credit risk that replace the products currently purchased from Moody's. While Moody's seeks to compete primarily on the basis of the quality of its products and services, it can lose market share when its pricing is not sufficiently competitive. In addition, the Reform Act was designed to encourage competition among rating agencies. The formation of additional NRSROs may increase pricing and competitive pressures. Furthermore, in some of the countries in which Moody's operates, governments may provide financial or other support to local rating agencies. Any inability of Moody's to compete successfully with respect to the pricing of its products and services will have a material adverse impact on its business, operating results and financial condition.

The Company Is Exposed to Reputation and Credibility Concerns.

Moody's reputation and the strength of its brand are key competitive strengths. To the extent that the credit rating business as a whole or Moody's, relative to its competitors, suffers a loss in credibility, Moody's business will be significantly impacted. Factors that may have already affected credibility and could potentially continue to have an impact in this regard include the appearance of conflicts of interest, the performance of securities relative to the ratings assigned to such securities, the timing and nature of changes in ratings and rating methodologies, a major compliance failure, negative perceptions or publicity and increased criticism by users of ratings, regulators and legislative bodies, including as to the ratings process, or the Company's recent sustainability strategies and our incorporation of climate- and other sustainability-related risks in the Company's rating process, and intentional, poor representation of our products and services by our partners or agents, manipulation of our products and services by third parties, or unintentional misrepresentations of Moody's products and services in advertising materials, public relations information, social media or other external communications. Operational errors, including calculation or methodological errors, or errors in software or data, whether by Moody's or a Moody's competitor, could also harm the reputation of the Company or the industries in which the Company operates. Additionally, as Moody's develops its Gen AI product offerings, the Company may incur risks or challenges in its adoption, such as falling behind market expectations for the performance and cost savings related to these offerings, as well as for Moody's perceived expertise regarding these offerings, that could lead to reputational harm. Damage to reputation and credibility could have a material adverse impact on Moody's business, operating results and financial condition, as well as on the Company's ability to find suitable candidates for acquisition.

Our reputation or business could be negatively impacted by ESG matters and our reporting of such matters

Over the past several years, both in the United States and internationally, regulators, certain investors and other stakeholders have focused on various environmental, social policy, human rights, and other sustainability matters. We communicate certain sustainability initiatives, goals and commitments (including with respect to environmental matters, social matters and other matters), in our various public disclosures, Task Force on Climate-related Financial Disclosures Report, on our website, in our filings with the SEC and elsewhere. These goals or commitments could be challenging to achieve and costly to implement, and could result in scrutiny, criticism or claims from certain stakeholders, including governmental authorities, regulators, shareholders and customers that could negatively impact our business or reputation. Furthermore, MIS incorporates climate and other sustainability-related risks in its rating process, which also could cause reputational risk or could lead to litigation. The Company could fail to achieve, or be perceived to fail to achieve, our net zero 2040 commitment or other sustainability-related initiatives, goals or commitments. Furthermore, we could be criticized for the timing, scope or nature of these initiatives, goals or commitments, or for any changes to them. To the extent that our required and voluntary disclosures about such sustainability matters increase, we could be criticized for the accuracy, sufficiency or completeness of such disclosures. We could be subject to litigation or regulatory enforcement actions regarding the accuracy, sufficiency or completeness of our sustainability-related

disclosures. Our actual or perceived failure to achieve our sustainability-related initiatives, goals or commitments could negatively impact our reputation or otherwise materially harm our business.

Moody's Is Exposed to Risks Related to Loss of Skilled Employees and Related Compensation Cost Pressures.

Moody's success depends upon its ability to recruit, retain and motivate highly skilled, experienced professionals, including financial analysts, data scientists and software engineers. Competition for skilled individuals in the financial services and technology industries is intense, and Moody's ability to attract high quality employees could be impaired if it is unable to offer competitive compensation and other incentives or if the regulatory environment mandates restrictions on or disclosures about individual employees that would not be necessary in competing industries. Rising expenses including wage inflation, and global labor shortages could adversely affect Moody's ability to attract and retain high-quality employees. As greater focus has been placed on executive compensation at public companies, in the future, Moody's may be required to alter its compensation practices in ways that adversely affect its ability to attract and retain talented employees. Investment banks, investors and competitors may seek to attract analyst talent by providing more favorable working conditions or offering significantly more attractive compensation packages than Moody's. Moody's also may not be able to identify and hire the appropriate qualified employees in some markets outside the U.S. with the required experience or skills to perform sophisticated credit analysis. We could also fail to effectively respond to evolving perceptions and goals of those in our workforce or whom we might seek to hire, including with respect to flexible or remote working arrangements or other matters. Also, the emergence and adoption Gen AI technologies has required and will continue to require upskilling and additional training of Moody's employees, making retention and training increasingly important. There is a risk that even when the Company invests significant resources in attempting to attract, train and retain qualified personnel, it will not succeed in its efforts, and its business could be harmed. Further, employee expectations in areas such as ESG have been evolving. A failure to adequately meet employee expectations may result in an inability to attract and retain talented employees.

Moody's is highly dependent on the continued services of Robert Fauber, the Company's President and Chief Executive Officer, and other senior officers and key employees. The loss of the services of skilled personnel for any reason and Moody's inability to replace them with suitable candidates quickly or at all, as well as any negative market perception resulting from such loss, could have a material adverse effect on Moody's business, operating results and financial condition.

Moody's Acquisitions, Dispositions and Other Strategic Transactions or Investments May Not Produce Anticipated Results Exposing the Company to Future Significant Impairment Charges Relating to Its Goodwill, Intangible Assets or Property and Equipment.

Moody's regularly evaluates and enters into acquisitions, dispositions or other strategic transactions and investments to strengthen its business and grow the Company. Such transactions and investments present significant challenges and risks. The Company faces intense competition for acquisition targets, especially in light of industry consolidation, which may affect Moody's ability to complete such transactions on favorable terms or at all. Additionally, the Company makes significant investments in technology, including software for internal use, which can be expensive, time-intensive and complex to develop and implement.

The anticipated growth, synergies and other strategic objectives of completed transactions may not be fully realized, and a variety of factors may adversely affect any anticipated benefits from such transactions. Any strategic transaction involves a number of risks, including unanticipated challenges regarding integration of operations, technologies and new employees; the existence of liabilities or contingencies not disclosed to or otherwise known by the Company prior to closing a transaction; unexpected regulatory and operating difficulties and expenditures; scrutiny from competition and antitrust authorities; failure to retain key personnel of the acquired business; future developments that impair the value of purchased goodwill or intangible assets; diversion of management's focus from other business operations; failure to implement or remediate controls, procedures and policies appropriate for a larger public company at acquired companies that prior to the acquisition lacked such controls, procedures and policies; disputes or litigation arising out of acquisitions or dispositions; challenges retaining the customers of the acquired business; coordination of product, sales, marketing and program and systems management functions; integration of employees from the acquired business into Moody's organization; integration of the acquired business's accounting, information technology, human resources, legal and other administrative systems with Moody's; risks that acquired systems expose us to cybersecurity risks; and for foreign transactions, additional risks related to the integration of operations across different cultures and languages, and the economic, political and regulatory risks associated with specific countries. The anticipated benefits from an acquisition or other strategic transaction or investment may not be realized fully, or may take longer to realize than expected. As a result, the failure of acquisitions, dispositions and other strategic transactions and investments to perform as expected may have a material adverse effect on Moody's business, operating results and financial condition.

At December 31, 2024, Moody's had \$5,994 million of goodwill and \$1,890 million of intangible assets on its balance sheet. Approximately 94% of the goodwill and intangible assets reside in the MA business and are allocated to the two reporting units within MA. The remaining 6% of goodwill and intangible assets reside in MIS and primarily relate to ICRA. Failure to achieve business objectives and financial projections in any of these reporting units could result in a significant asset impairment charge, which would result in a non-cash charge to operating expenses. Goodwill and intangible assets are tested for impairment on an annual basis and also when events or changes in circumstances indicate that impairment may have occurred. Determining whether an impairment of goodwill exists can be especially difficult in periods of market or economic uncertainty and turmoil, and requires significant management estimates and judgment. In addition, the potential for goodwill impairment is increased during periods of economic uncertainty. An asset impairment charge could have a material adverse effect on Moody's business, operating results and financial condition.

Our business could be negatively impacted by climate change.

As a global company, our employees and offices are subject to risks related to the impact of climate change. We have offices in locations that are vulnerable to the effects of climate change and extreme weather. In addition, continued reliable energy sources are critical for business continuity globally and those sources too can be impacted by extreme weather. The frequency and impact of extreme weather events on critical infrastructure has the potential to disrupt the Company's ongoing operations, as well as the operations of our vendors and customers, and may result in losses and additional costs to maintain or resume operations.

C. Technology Risks

The Company Is Exposed to Risks Related to Cybersecurity and Protection of Confidential Information.

The Company's operations rely on the secure processing, storage and transmission of confidential, sensitive, proprietary and other types of information. Such information relates to its business operations and confidential and sensitive information about its customers and employees in the Company's computer systems and networks, and in those of its third-party vendors. The Company also often has access to MNPI and other confidential information concerning its customers, including public and private companies, sovereigns, and other third parties, and their customers, suppliers or transaction counterparties. Unauthorized disclosure of the foregoing information could cause our customers to lose faith in our ability to protect their confidential information, affecting the trading of their securities, damage their reputations or competitive positions and therefore cause customers to cease doing business with us, and potentially expose us to risk of litigation.

The risks the Company faces range from cyber-attacks common to most industries, to more advanced threats that target the Company because of its prominence in the global marketplace, or due to its ratings of sovereign debt and corporate issuers. The Company and its third-party service providers, including our vendors, regularly experience cyber-attacks and data breaches of varying degrees. Cyber-attacks targeting Moody's or Moody's vendors' technology and systems, whether from circumvention of security systems, denial-of-service attacks, ransomware, malware, hacking, social engineering or "phishing" attacks, deepfake attacks, computer viruses, employee or insider threats, malfeasance, supply chain attacks, physical breaches, vendor email compromise, payment fraud or other cyber-attacks some of which may be carried out by state-sponsored actors, may result in unauthorized access, exfiltration, manipulation or corruption of sensitive data, material interruptions or malfunctions in the Company's or such vendors' web sites or systems, applications, data processing, or disruption of other business operations. Such events may compromise the confidentiality, integrity, or availability of material information held by the Company (including information about Moody's business, employees or customers), as well as other sensitive data, including personally identifiable information, the disclosure of which could lead to identity theft. The Company's MNPI concerning customers and clients could be improperly used by authorized or unauthorized parties, including for insider trading. The Company has implemented administrative, technical, and physical measures to detect and prevent unauthorized activity, but such precautions may not be successful.

As the Company has grown and acquired businesses, IT guidelines have been developed and applied within business units or inherited from legacy organizations, which can result in internal differences in the Company's approach to IT standards until acquired entities are integrated. This creates a risk of developing unintended vulnerabilities and could result in additional costs, difficulty meeting new regulatory standards, or failing to meet customer expectations. The Company may be exposed to additional threats as it migrates its data from legacy systems to cloud-based solutions, and increased dependence on third-parties to store cloud-based data subjects the Company to further cyber risks. Further, many of our employees work remotely, which magnifies the importance of the integrity of our remote access security measures and may expose the Company to additional cyber risks.

The Company has invested and continues to invest in risk management and information security measures in order to protect its systems and data, including employee training, disaster plans, and technical defenses. Although Moody's devotes significant resources to maintain and regularly update such systems and processes, measures that Moody's takes to avoid, detect, mitigate or recover from material incidents can be expensive, and may be insufficient, circumvented, or may become ineffective. Further, Moody's relies on third-party technical subject matter experts to assist in managing its cyber security risk management processes. While Moody's employs such third parties to assist in strengthening its cybersecurity defenses, there can be no guarantee that any action taken as advised by such third party will be adequate or sufficient to address the evolving threat landscape. Additionally, any measures that Moody's takes in connection with such third parties to avoid, detect, mitigate or recover from material cyber security threats or incidents can be expensive, and may be insufficient, circumvented, or may become ineffective.

Additionally, the cost and operational consequences of implementing, maintaining and enhancing further data or system protection measures could increase significantly to overcome increasingly intense, complex and sophisticated global cyber threats. Gen AI has contributed to an increase in the prevalence and sophistication of cyber threats, expanding the Company's exposure to disruptions. Despite the Company's best efforts, it is not fully insulated from, and has in the past experienced, security threats and system disruptions. Although past incidents have not had a material adverse effect on the Company's operating results, there can be no assurance of a similar result in the future. Because the methods used for these systems cyberattacks are rapidly changing, the Company or its third-party vendors, despite significant focus and investment, may be unable to anticipate and/or deploy sufficient protections against such incidents. Further, the extent of a particular security incident and the steps needed to investigate may not be immediately clear, and it may take a significant amount of time before such an investigation can be completed and full and reliable information about the incident, including the extent of the harm and how best to remediate it, is known. Recent well-publicized security breaches at other companies have led to enhanced government and regulatory scrutiny of the measures taken by companies to protect against cyber-attacks, and may in the future result in heightened cybersecurity compliance requirements, including additional regulatory expectations for oversight of third-party vendors and service providers. Cybersecurity incidents, including the accidental loss, inadvertent disclosure or unapproved dissemination of proprietary information or sensitive or

confidential data, could cause reputational harm, loss of customers and revenue, fines, regulatory actions and scrutiny, sanctions or other statutory penalties, litigation, liability for failure to safeguard the Company's customers' information, or financial losses that are either not insured against or not fully covered through any insurance maintained by the Company. In addition, disclosure or media reports of actual or perceived security vulnerabilities to the Company's systems or those of the Company's third parties, even if no breach has been attempted or occurred, could lead to reputational harm, loss of customers and revenue, or increased regulatory actions oversight and scrutiny.

Any of the foregoing may have a material adverse effect on Moody's business, operating results and financial condition.

The Company Is Exposed to Risks Related to Protection of Confidential and Personal Information

To conduct its operations, the Company regularly moves data across national borders, and consequently is subject to a variety of continuously evolving and developing laws and regulations in the U.S. and abroad regarding privacy, data protection and data security, such as the Federal Trade Commission Act in the U.S., the GDPR in the EU, the GDPR in the U.K., the Cyber Security Law, the Data Security Law, and the Personal Information Protection Law in China and various other international, federal, state and local laws and regulations. The scope of the laws that may be applicable to Moody's is often uncertain and may be conflicting, particularly with respect to foreign laws. For example, GDPR greatly increased the jurisdictional reach of European Union privacy law and added a broad array of requirements for processing personal data, including the public disclosure of significant data breaches. Failure to comply with GDPR requirements could result in penalties of up to 4% of annual worldwide revenue. Additionally, other countries have enacted or are enacting data localization laws that require data to stay within their borders. Further, laws such as the California Consumer Privacy Act of 2018 ("CCPA"), require among other things, covered companies to provide disclosures to consumers, and affords consumers the ability to opt-out of certain sales of personal information. A number of U.S. states have enacted data privacy laws, including the California Privacy Rights Act of 2020 ("CPRA"), and laws in Virginia, Colorado, Connecticut, Utah, Montana, Oregon and Texas, which became effective in 2023 and 2024. Data privacy laws have also been passed in numerous U.S. states, including Iowa, Indiana, Tennessee, Delaware, New Jersey, Kentucky, Maryland, Minnesota, Nebraska, New Hampshire and Rhode Island that will go into effect over the course of 2024, 2025 and 2026. The effects of non-compliance with the CCPA, CPRA and other similar data privacy laws are significant, and may require the Company to modify its data processing practices and policies and to incur additional costs and expenses. All of these evolving compliance and operational requirements have required or could require in the future, changes to certain business practices, thereby increasing costs, requiring significant management time and attention, and subjecting the Company to negative publicity, as well as remedies that may harm its business, including fines, modified demands or orders, the cessation of existing business practices and exposure to litigation, regulatory actions, sanctions or other statutory penalties.

The Company Is Dependent on the Use of Third-Party Software, Data, Hosted Solutions, Data Centers, Cloud and Network Infrastructure (Together, the "Third-Party Technology"), and Any Reduction in Third-Party Product Quality or Service Offerings, Could Have a Material Adverse Effect on the Company's Business, Financial Condition or Results of Operations.

Moody's relies on Third-Party Technology in connection with its product development and offerings and operations. The Company depends on the ability of Third-Party Technology providers to deliver and support reliable products, provide sufficient cloud computing capacity to meet demand, enhance their current products, develop new products on a timely and cost-effective basis, provide data necessary to develop and maintain its products and respond to emerging industry standards and other technological changes. The Third-Party Technology Moody's uses can become obsolete or restrictive, incompatible with future versions of the Company's products, fail to be comprehensive or accurate, unavailable or fail to operate effectively, and Moody's business could be adversely affected when the Company is unable to timely or effectively replace such Third-Party Technology. In addition, certain aspects of the Company's business rely on a concentrated group of vendors, and a cybersecurity breach or event and/or an error caused by one or more of such vendors could have a significant impact on the Company's operations, as well as the operations of the Company's customers and other Third-Party Technology.

The Company also monitors its use of Third-Party Technology to comply with applicable license and other contractual requirements. Despite the Company's efforts, the Company cannot ensure that such third parties will permit Moody's use in the future, resulting in increased Third-Party Technology acquisition costs and loss of rights. In addition, the Company's operating costs could increase if license or other usage fees for Third-Party Technology increase or the efforts to incorporate enhancements to Third-Party Technology are substantial. Some of these third-party suppliers are also Moody's competitors, increasing the risks noted above.

In the ordinary course, third-parties, including the Company's vendors, are subject to various forms of cyber-attacks or security incidents. Vulnerabilities in our vendors' software, system or networks or failure of their safeguards, policies or procedures may cause material interruptions to Moody's or our vendors' websites, applications, or data processing, or could compromise the confidentiality or integrity of the impacted information. Additionally, the Company may be exposed to additional threats as the Company migrates its data from legacy systems to cloud-based solutions, and becomes increasingly dependent on third parties to store cloud-based data subjects. To date, such attacks have not resulted in a material adverse impact to Moody's business operations, but there can be no guarantee the Company will not experience such an impact in the future.

If any of these risks materialize, they could have a material adverse effect on the Company's business, financial condition or results of operations.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY AND RISK MANAGEMENT

Governance

Management

The Company maintains a dedicated internal cybersecurity team that interacts with executive management and its business units to identify, assess, manage, and respond to cybersecurity risks and incidents relating to the Company's information systems and operations. In addition, this internal cybersecurity team is responsible for managing detection, mitigation and remediation of cybersecurity incidents. The internal cybersecurity team is managed by the CISO, who reports to the CAO, who is a member of the executive leadership team. At December 31, 2024, the Company's internal cybersecurity team consisted of members located in various countries and time zones across the world. The team has members with experience in governance, risk management and compliance, threat monitoring, threat emulation, penetration testing and cyber incident management. Team members have both individual responsibilities and a team focus, covering areas such as network, endpoint device, and e-mail security engineering as well as operations and threat management, monitoring, and response.

The Cyber Committee, chaired by the CISO, and whose members include the CTSO, CAO and Chief Risk & Resiliency Officer, as well as other members of senior management and the legal team, is responsible for identifying cybersecurity risks and threats, recommending mitigating actions to strengthen cybersecurity resilience, and meeting risk tolerance thresholds established by senior management. The Cyber Committee also validates that the Company has appropriate people, process and technology capabilities to identify, mitigate and report on cybersecurity risks to the executive leadership team and the Board of Directors. The Cyber Committee meets regularly to allow members of the internal cybersecurity team to present concerns and recommendations for decisions on preventing, identifying, mitigating, and remediating risks and threats. To the extent warranted, the Cyber Committee may additionally be convened on an ad hoc basis. The Cyber Committee makes decisions regarding the reporting of cybersecurity concerns to the executive leadership team, who escalate issues to the Board and/or the Audit Committee as necessary. In the case of incidents that arise, the Cyber Committee, under the direction of the Board and/or executive leadership team when appropriate, works to involve all appropriate personnel with the aim of resolving the incident, performing any required remediation/reporting, and taking appropriate steps to comply with applicable laws and regulations. The process that the Cyber Committee follows upon emergence of incidents is documented in the Company's Incident Response Plan. Additionally, cybersecurity risks and the adequacy of associated mitigations are analyzed by senior leadership as part of the enterprise risk assessments that are reported to and discussed by the Board.

The CISO has extensive cybersecurity knowledge and skills, gained from over 20 years' experience working in regulated industries. The CISO holds a number of cybersecurity related certifications, including the Certified Information Systems Security Professional and Certified Information Security Manager. In addition to the CISO, the CTSO has been a close partner and advocate for cybersecurity at the Company, and is consulted or informed on all decisions or risks that affect the Company's technology systems and/or implicate cybersecurity. The CAO is responsible for overseeing the cybersecurity team at the executive leadership level.

Board of Directors and Audit Committee

The Board provides oversight of management's efforts to assess and manage cybersecurity risks and respond to cybersecurity incidents and threats. In addition, the Audit Committee of the Board of Directors regularly receives reports from management regarding the Company's financial and compliance risks, including, but not limited to, risks relating to internal controls and cybersecurity risks.

The Board receives regular updates from the CISO, CTSO, and CAO regarding matters related to technology and cybersecurity. The Company has protocols, as discussed below, by which certain cybersecurity concerns, incidents and threats are escalated within the Company and, where appropriate, reported in a timely manner to the Board.

Risk Management and Strategy

The objective of the Company's comprehensive cybersecurity program is to assess, identify, and manage risks from cybersecurity incidents and threats. The Company's cybersecurity program leverages the NIST Framework and it incorporates training and awareness coupled with ongoing monitoring and assessment. The cybersecurity program is an important part of the Company's enterprise risk management (ERM), with the head of the Company's ERM program (the Chief Risk & Resiliency Officer) sitting on the Cyber Committee, and sets forth a process for escalating certain incidents to the Company's ERM group integrated into the Company's Incident Response Plan.

As part of the cybersecurity program, the Company's cybersecurity environment is monitored by automated tools on an ongoing basis and an internal cybersecurity team that reviews threats, alerts, and incidents. The Company's Incident Response Plan provides governance and guidance in responding to information security incidents and is tested regularly for calibration against existing and emerging threats. The Incident Response Plan describes the process to be followed by the Cyber Committee in connection with the oversight of the cybersecurity environment and specific events that occur from time to time. The cybersecurity program undergoes periodic internal and external reviews. In addition, the Company's Internal Controls Department performs an independent assessment of the design and operating effectiveness of the Company's network of cybersecurity controls in accordance with the NIST Framework. The results of the assessment are periodically shared with the Cyber Committee.

The Company's cybersecurity environment is also subject to routine vulnerability assessment processes. Internal and external teams, including the Cyber Committee, conduct activities such as penetration testing, red teaming, tabletop exercises and phishing drills. Results are measured and assessed for possible improvements. In addition to these ongoing efforts, the Company has a set

of third-party risk management tools through which it monitors for cybersecurity risks and threats associated with its third-party service providers. The Incident Response Plan includes processes that define how the Company manages and responds to such risks or threats associated with its third-party service providers.

The Company contracts with reputable third parties to conduct annual external assessments of its cybersecurity program and its components. Government agencies and their contracted agents also conduct periodic reviews in certain jurisdictions where the Company operates. Insurance agents, customers and other market participants routinely assess the Company's security posture relative to their own standards.

Security Policy and Requirements

The Company has an Information Security Policy and Information Security Standards, which, taken together, describe the standards and minimum requirements that are expected of all business and information security personnel to protect the Company's information and technology assets. The policy provides a framework guided by security principles designed to address the confidentiality, integrity and availability of the Company's information assets in the context of internal, external, deliberate and accidental threats, while supporting the Company's information creation and sharing needs.

The Company is subject to various privacy laws in the jurisdictions where it operates including CCPA and GDPR, as well as U.S. Federal regulation by the FTC, for certain privacy-related aspects of its business, and the Sarbanes-Oxley Act of 2002. The Company is audited in connection with requirements set forth in the Sarbanes-Oxley Act of 2002, and Moody's Analytics obtains third-party audits in connection with the ISO 27001 certification and SOC 1 and SOC 2 attestation reports, respectively, for certain products. As previously mentioned, the Company also aligns with NIST standards in connection with information security, which it uses to evaluate its cybersecurity readiness and resilience, and is required to make various filings and comply with requirements in certain jurisdictions in which it operates.

The Company's cybersecurity program also includes an information security training and awareness program called InfoSafe for all employees. The program includes annual certification to having read and understood the Company's IT Use Policy, continuing education on phishing awareness, regular communications about cybersecurity best practices, and participation in annual events like Cybersecurity Awareness Month. Employees are expected to complete annual cybersecurity training, and compliance is monitored. The Company uses general and targeted phishing simulations to help employees better recognize and respond to potential threats. The training program is further enhanced by cybersecurity experts speaking at educational events. The Company also offers specialized training modules on emerging cybersecurity threats for its software development teams. The Company's IT Use Policy outlines a detailed escalation process under which employees are to immediately report any suspected cybersecurity incident.

The cybersecurity threat landscape is dynamic and volatile, and requires significant investment on the part of the Company in terms of talent recruitment and retention, as well as procuring and deploying the correct tools to address threats. Additional information on cybersecurity risks is discussed in Item 1A of Part I, "Risk Factors," under the heading "Technology Risks," which should be read in conjunction with the foregoing information.

ITEM 2. PROPERTIES

Moody's corporate headquarters is located at 7 World Trade Center at 250 Greenwich Street, New York, New York 10007. As of December 31, 2024, Moody's operations were conducted from 29 U.S. offices and 102 non-U.S. office locations, all of which are leased. These properties are geographically distributed to meet operating and sales requirements worldwide. These properties are generally considered to be both suitable and adequate to meet current operating requirements.

ITEM 3. LEGAL PROCEEDINGS

For information regarding legal proceedings, see Part II, Item 8 – "Financial Statements," Note 19 "Contingencies" in this Form 10-K.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY, RELATED SHAREHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Information in response to this Item is set forth under the captions below.

MOODY'S PURCHASES OF EQUITY SECURITIES

For the three months ended December 31, 2024:

Period	Total Number of Shares Purchased ⁽¹⁾	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Program	Approximate Dollar Value of Shares That May Yet Be Purchased Under The Program ⁽²⁾
October 1- 31	382,909	\$ 471.64	374,250	\$1,870 million
November 1- 30	304,282	\$ 474.26	304,006	\$1,726 million
December 1- 31	329,465	\$ 486.13	326,742	\$1,567 million
Total	1,016,656	\$ 477.15	1,004,998	

⁽¹⁾ Includes surrender to the Company of 8,659; 276; and 2,723 shares of common stock in October, November and December, respectively, to satisfy tax withholding obligations in connection with the vesting of restricted stock issued to employees.

⁽²⁾ As of the last day of each of the months.

On February 5, 2024, the Board of Directors authorized \$1 billion in share repurchase authority. On October 15, 2024, the Board authorized an additional \$1.5 billion in share repurchase authority. At December 31, 2024, there was approximately \$1.6 billion of share repurchase authority remaining under these authorizations. There is no established expiration date for the remaining authorizations.

During the fourth quarter of 2024, Moody's issued a net 83 thousand shares under employee stock-based compensation plans.

COMMON STOCK INFORMATION

The Company's common stock trades on the New York Stock Exchange under the symbol "MCO". The number of registered shareholders of record at January 31, 2025 was 1,362. A substantially greater number of the Company's common stock is held by beneficial holders whose shares of record are held by banks, brokers and other financial institutions.

EQUITY COMPENSATION PLAN INFORMATION

The table below sets forth, as of December 31, 2024, certain information regarding the Company's equity compensation plans.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights ⁽²⁾	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding Securities Reflected in Column (a))
	(a)	(b)	(c)
Equity compensation plans approved by security holders	2,563,379 ⁽¹⁾	\$ 267.64	18,949,656 ⁽³⁾
Equity compensation plans not approved by security holders	—	\$ —	—
Total	2,563,379	\$ 267.64	18,949,656

⁽¹⁾ Includes 1,927,315 options and unvested restricted stock units outstanding under the Company's 2001 Key Employees' Stock Incentive Plan, 31,168 options and unvested restricted stock units outstanding under the Risk Management Solutions, Inc. 2015 Equity Incentive Plan and 5,300 unvested restricted stock units outstanding under the 1998 Non-Employee Directors' Stock Incentive Plan. This number also includes a maximum of 599,596 performance shares outstanding under the Company's 2001 Key Employees' Stock Incentive Plan, which is the maximum number of shares issuable pursuant to performance share awards assuming the maximum payout of the target award for performance shares granted in 2022, 2023 and 2024. Assuming payout at target, the number of shares to be issued upon the vesting of outstanding performance share awards is 315,665.

⁽²⁾ Does not reflect unvested restricted stock units or performance share awards included in column (a) because these awards have no exercise price.

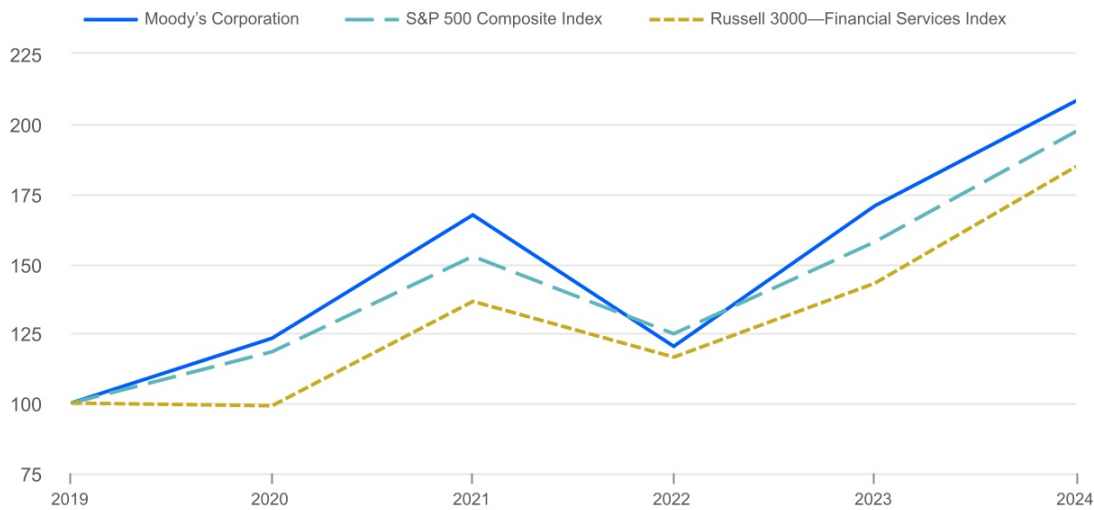
⁽³⁾ Includes 15,206,030 shares available for issuance as under the 2001 Stock Incentive Plan, of which all may be issued as options and 9,584,545 may be issued as awards of unrestricted shares, restricted stock, restricted stock units, performance shares or any other stock-based awards under the 2001 Stock Incentive Plan, 466,831 shares available for issuance as options or restricted stock units under the Risk Management Solutions, Inc. 2015 Equity Incentive Plan, and 861,174 shares available for issuance as options, shares of restricted stock, restricted stock units or performance shares under the 1998 Directors Plan, and 2,415,621 shares available for issuance under the Company's Employee Stock Purchase Plan.

PERFORMANCE GRAPH

The following graph compares the total cumulative shareholder return of the Company to the performance of Standard & Poor's 500 Composite Index and the Russell 3000 Financial Services Index.

The comparison assumes that \$100.00 was invested in the Company's common stock and in each of the foregoing indices on December 31, 2019. The comparison also assumes the reinvestment of dividends, if any. The total return for the Company's common stock was 108% during the performance period as compared with a total return during the same period of 97% and 85% for the S&P 500 Composite Index and the Russell 3000 Financial Services Index, respectively.

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN
Among Moody's Corporation, the Standard & Poor's 500 Composite Index, and
the Russell 3000 Financial Services Index



	Year Ended December 31,					
	2019	2020	2021	2022	2023	2024
Moody's Corporation	\$ 100.00	\$ 123.28	\$ 167.13	\$ 120.32	\$ 170.28	\$ 208.01
S&P 500 Composite Index	\$ 100.00	\$ 118.40	\$ 152.39	\$ 124.79	\$ 157.59	\$ 197.02
Russell 3000—Financial Services Index	\$ 100.00	\$ 98.99	\$ 136.16	\$ 116.49	\$ 142.90	\$ 184.70

The comparisons in the graph above are provided in response to disclosure requirements of the SEC and are not intended to forecast or be indicative of future performance of the Company's common stock.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This discussion and analysis of financial condition and results of operations should be read in conjunction with the Moody's Corporation consolidated financial statements and notes thereto included elsewhere in this annual report on Form 10-K.

This Management's Discussion and Analysis of Financial Condition and Results of Operations contains Forward-Looking Statements. See "Forward-Looking Statements" commencing on page 61 and Item 1A. "Risk Factors" commencing on page 23 for a discussion of uncertainties, risks and other factors associated with these statements.

The Company

Moody's is a global integrated risk assessment firm that empowers organizations to anticipate, adapt and thrive in a new era of exponential risk. Moody's reports in two segments: MA and MIS.

MA is a global provider of: i) research and insights; ii) data and information; and iii) decision solutions, which help companies make better and faster decisions. MA leverages its industry expertise across multiple risks such as credit, market, financial crime, supply chain, catastrophe and climate to deliver integrated risk assessment solutions that enable business leaders to identify, measure and manage the implications of interrelated risks and opportunities.

MIS publishes credit ratings and provides assessment services on a wide range of debt obligations, programs and facilities, and the entities that issue such obligations in markets worldwide, including various corporate, financial institution and governmental obligations, and structured finance securities.

Critical Accounting Estimates

Moody's discussion and analysis of its financial condition and results of operations are based on the Company's consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires Moody's to make estimates and judgments that affect reported amounts of assets and liabilities and related disclosures of contingent assets and liabilities at the dates of the financial statements and revenue and expenses during the reporting periods. These estimates are based on historical experience and on other assumptions that are believed to be reasonable under the circumstances. On an ongoing basis, Moody's evaluates its critical accounting estimates. Actual results may differ from these estimates under different assumptions or conditions. The following accounting estimates are considered critical because they are particularly dependent on management's judgment about matters that are uncertain at the time the accounting estimates are made and changes to those estimates could have a material impact on the Company's consolidated results of operations or financial condition.

Goodwill and Other Acquired Intangible Assets

At July 31st of each year, Moody's evaluates its goodwill for impairment at the reporting unit level, defined as an operating segment (i.e., MA and MIS), or one level below an operating segment (i.e., a component of an operating segment).

The Company has four reporting units: two reporting units within MA consisting of businesses that offer: i) data and data-driven analytical solutions; and ii) risk-management software, workflow and CRE solutions, and two within the Company's ratings business (one for the ICRA business and one that encompasses all of Moody's other ratings operations).

The Company evaluates the recoverability of goodwill using a two-step impairment test approach at the reporting unit level. In the first step, the Company assesses various qualitative factors to determine whether the fair value of a reporting unit may be less than its carrying amount. If a determination is made based on the qualitative factors that an impairment does not exist, the Company is not required to perform further testing. If the aforementioned qualitative assessment results in the Company concluding that it is more likely than not that the fair value of a reporting unit may be less than its carrying amount, the fair value of the reporting unit will be quantitatively determined and compared to its carrying value including goodwill. If the fair value of the reporting unit exceeds the carrying value of the net assets assigned to that unit, goodwill is not impaired, and the Company is not required to perform further testing. If the fair value of the reporting unit is less than the carrying value, the Company will record a goodwill impairment charge for the amount by which the carrying value exceeds the reporting unit's fair value. The Company evaluates its reporting units on an annual basis, or more frequently if there are changes in the reporting structure of the Company due to acquisitions, realignments or if there are indicators of potential impairment. For the reporting units where the Company is consistently able to conclude that no impairment exists using only a qualitative approach, the Company's accounting policy is to perform the second step of the aforementioned goodwill impairment assessment at least once every three years.

At July 31, 2024, the Company performed quantitative assessments for each of the four reporting units in accordance with the aforementioned policy. These quantitative assessments resulted in fair values that significantly exceeded carrying value for all reporting units.

Determining the fair value of a reporting unit involves the use of significant estimates and assumptions, which are more fully described below. In addition, the Company also makes certain judgments and assumptions in allocating shared assets and liabilities to determine the carrying values for each of its reporting units.

Other assets and liabilities, including applicable corporate assets, are allocated to the extent they are related to the operation of respective reporting units.

Methodologies and significant estimates utilized in determining the fair value of reporting units:

The following is a discussion regarding the Company's methodology for determining the fair value of its reporting units, excluding ICRA, as of July 31, 2024. As ICRA is a publicly traded company in India, the Company was able to observe its fair value based on its market capitalization.

The fair value of each reporting unit, excluding ICRA, was estimated using a discounted cash flow methodology and comparable public company and precedent transaction multiples. The discounted cash flow analysis requires significant estimates, including projections of future operating results and cash flows of each reporting unit that are based on internal budgets and strategic plans, expected long-term growth rates, terminal values, weighted average cost of capital and the effects of external factors and market conditions. Changes in these estimates and assumptions could materially affect the estimated fair value of each reporting unit that could result in an impairment charge to reduce the carrying value of goodwill, which could be material to the Company's financial position and results of operations. Moody's allocates newly acquired goodwill to reporting units based on the reporting unit expected to benefit from the acquisition.

The sensitivity analyses on the future cash flows and WACC assumptions are described below. These key assumptions utilized in the discounted cash flow valuation methodology require significant management judgment:

- **Future cash flow assumptions** - The projections for future cash flows utilized in the models are derived from historical experience and assumptions regarding future growth and profitability of each reporting unit. These projections are consistent with the Company's operating budget and strategic plan. Cash flows for the five years subsequent to the date of the quantitative goodwill impairment test were utilized in the determination of the fair value of each reporting unit. Beyond five years, a terminal value was determined using a perpetuity growth rate based on inflation and real GDP growth rates. A sensitivity analysis of the revenue growth rates was performed on all reporting units. For each reporting unit analyzed, a 10% reduction in the revenue growth rates used would still result in fair values that significantly exceeded carrying values.
- **WACC** - The WACC is the rate used to discount each reporting unit's estimated future cash flows. The WACC is calculated based on the proportionate weighting of the cost of debt and equity. The cost of equity is based on a risk-free interest rate and an equity risk factor, which is derived from public companies similar to the reporting unit and which captures the perceived risks and uncertainties associated with the reporting unit's cash flows. The cost of debt component is calculated as the weighted average cost associated with all of the Company's outstanding borrowings as of the date of the impairment test and was immaterial to the computation of the WACC. The cost of debt and equity is weighted based on the debt to market capitalization ratio of publicly traded companies with similarities to the reporting unit being tested. The WACC for all reporting units ranged from 10.0% to 10.5% as of July 31, 2024. Differences in the WACC used between reporting units is primarily due to distinct risks and uncertainties regarding the cash flows of the different reporting units. A sensitivity analysis of the WACC was performed on all reporting units as of July 31, 2024 for each reporting unit. For all reporting units, an increase in the WACC of one percentage point would still result in fair values that significantly exceeded carrying values.

Long-lived assets

Long-lived assets, which consist primarily of amortizable intangible assets, operating lease ROU Assets and property and equipment, are reviewed for recoverability whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Under the first step of the recoverability assessment, Moody's compares the estimated undiscounted future cash flows attributable to the asset or asset group to its carrying value. If the undiscounted future cash flows are greater than the carrying value, no further assessment is required. If the undiscounted future cash flows are less than the carrying value, Moody's proceeds with step two of the assessment. Under step two of this assessment, Moody's is required to determine the fair value of the asset or asset group and recognize an impairment loss if the carrying amount exceeds its fair value. In performing this assessment, Moody's must include assumptions that market participants would use in their estimates of fair value, including the estimated future cash flows and discount rate. Moody's must apply judgment in developing estimated future cash flows and in the determination of market participant assumptions.

Income Taxes

The Company is subject to income taxes in the U.S. and various foreign jurisdictions. The Company's tax assets and liabilities are affected by the amounts charged for services provided and expenses incurred as well as other tax matters such as intercompany transactions. The Company accounts for income taxes under the asset and liability method in accordance with ASC Topic 740. Therefore, income tax expense is based on reported income before income taxes, and deferred income taxes reflect the effect of temporary differences between the amounts of assets and liabilities that are recognized for financial reporting purposes and the amounts that are recognized for income tax purposes.

The Company is subject to tax audits in the U.S. and various foreign jurisdictions. The Company regularly assesses the likely outcomes of such audits in order to determine the appropriateness of liabilities for UTPs. The Company classifies interest related to income taxes as a component of interest expense in the Company's consolidated statements of operations and associated penalties, if any, as part of other non-operating expenses.

For UTPs, ASC Topic 740 requires a company to first determine whether it is more-likely-than-not (defined as a likelihood of more than fifty percent) that a tax position will be sustained based on its technical merits as of the reporting date, assuming that taxing authorities will examine the position and have full knowledge of all relevant information. A tax position that meets this more-likely-

than-not threshold is then measured and recognized at the largest amount of benefit that is greater than fifty percent likely to be realized upon effective settlement with a taxing authority. As the determination of liabilities related to UTPs and associated interest and penalties requires significant estimates to be made by the Company, there can be no assurance that the Company will accurately predict the outcomes of these audits, and thus the eventual outcomes could have a material impact on the Company's operating results or financial condition.

Contingencies

Accounting for contingencies, including those matters described in Note 19 to the consolidated financial statements, is highly subjective and requires the use of judgments and estimates in assessing their magnitude and likely outcome. In many cases, the outcomes of such matters will be determined by third parties, including governmental or judicial bodies. The provisions made in the consolidated financial statements, as well as the related disclosures, represent management's best estimates of the current status of such matters and their potential outcome based on a review of the facts and in consultation with outside legal counsel where deemed appropriate. The Company regularly reviews contingencies and as new information becomes available may, in the future, adjust its associated liabilities.

For claims, litigation and proceedings and governmental investigations and inquiries not related to income taxes, the Company records liabilities in the consolidated financial statements when it is both probable that a liability has been incurred and the amount of loss can be reasonably estimated and periodically adjusts these as appropriate. When the reasonable estimate of the loss is within a range of amounts, the minimum amount of the range is accrued unless some higher amount within the range is a better estimate than another amount within the range. In instances when a loss is reasonably possible but uncertainties exist related to the probable outcome and/or the amount or range of loss, management does not record a liability but discloses the contingency if material. As additional information becomes available, the Company adjusts its assessments and estimates of such matters accordingly. Moody's also discloses material pending legal proceedings pursuant to SEC rules and other pending matters as it may determine to be appropriate.

In view of the inherent difficulty of assessing the potential outcome of legal proceedings, governmental, regulatory and legislative investigations and inquiries, claims and litigation and similar matters and contingencies, particularly when the claimants seek large or indeterminate damages or assert novel legal theories or the matters involve a large number of parties, the Company often cannot predict what the eventual outcome of the pending matters will be or the timing of any resolution of such matters. The Company also may be unable to predict the impact (if any) that any such matters may have on how its business is conducted, on its competitive position or on its financial position, results of operations or cash flows. As the process to resolve any pending matters progresses, management will continue to review the latest information available and assess its ability to predict the outcome of such matters and the effects, if any, on its operations and financial condition and to accrue for and disclose such matters as and when required. However, because such matters are inherently unpredictable and unfavorable developments or resolutions can occur, the ultimate outcome of such matters, including the amount of any loss, may differ from those estimates.

Pension and Other Retirement Benefits

The expenses, assets and liabilities that Moody's reports for its Retirement Plans are dependent on many assumptions concerning the outcome of future events and circumstances. These significant assumptions include the following:

- future compensation increases based on the Company's long-term actual experience and future outlook;
- long-term expected return on pension plan assets based on historical portfolio results and the expected future average annual return for each major asset class within the plan's portfolio (which is principally comprised of equity and fixed-income investments); and
- discount rates based on current yields on high-grade corporate long-term bonds.

The discount rates used to measure the present value of the Company's benefit obligation for its Retirement Plans as of December 31, 2024 were derived using a cash flow matching method whereby the Company compares each plan's projected payment obligations by year with the corresponding yield on the FTSE pension discount curve. The cash flows by plan are then discounted back to present value to determine the discount rate applicable to each plan.

Moody's major assumptions vary by plan and assumptions used are set forth in Note 13 to the consolidated financial statements. In determining these assumptions, the Company consults with third-party actuaries and other advisors as deemed appropriate. While the Company believes that the assumptions used in its calculations are reasonable, differences in actual experience or changes in assumptions could have a significant effect on the expenses, assets and liabilities related to the Company's Retirement Plans.

When actual plan experience differs from the assumptions used, actuarial gains or losses arise. Excluding differences between the expected long-term rate of return assumption and actual returns on plan assets, the Company amortizes, as a component of annual pension expense, total outstanding actuarial gains or losses over the estimated average future working lifetime of active plan participants to the extent that the gain/loss exceeds 10% of the greater of the beginning-of-year projected benefit obligation or the market-related value of plan assets. For Moody's Retirement Plans, the total actuarial losses as of December 31, 2024 that have not been recognized in annual expense are \$48 million, and Moody's expects the net periodic expense related to the amortization of net actuarial (losses)/gains will be immaterial in 2025.

For Moody's funded U.S. pension plan, the differences between the expected long-term rate of return assumption and actual returns could also affect the net periodic pension expense. As permitted under ASC Topic 715, the Company amortizes the impact

of asset returns over a five-year period for purposes of calculating the market-related value of assets that is used in determining the expected return on assets' component of annual expense and in calculating the total unrecognized gain or loss subject to amortization. As of December 31, 2024, the Company has an unrecognized loss of \$68 million, of which \$19 million will be recognized in the market-related value of assets that is used to calculate the expected return on assets component of 2025 expense.

The table below shows the estimated effect that a one percentage-point decrease in each of these assumptions will have on Moody's 2025 income before provision for income taxes. These effects have been calculated using the Company's current projections of 2025 expenses, assets and liabilities related to Moody's Retirement Plans, which could change as updated data becomes available.

(dollars in millions)	Assumptions Used for 2025	Estimated Impact on 2025 Income before Provision for Income Taxes (Decrease) Increase
Weighted Average Discount Rates ⁽¹⁾	5.43%/5.40%	\$ (4)
Weighted Average Assumed Compensation Growth Rate	3.60%	\$ 1
Assumed Long-Term Rate of Return on Pension Assets	6.60%	\$ (5)

⁽¹⁾ Weighted average discount rates of 5.43% and 5.40% for pension plans and Other Retirement Plans, respectively.

Based on current projections, the Company estimates that net periodic expense related to Retirement Plans will be immaterial in 2025.

Investments in Non-consolidated Affiliates

Equity method investments are reviewed for indicators of other-than-temporary impairment on a quarterly basis. These investments are written down to fair value if there is evidence of a loss in value that is other-than-temporary.

For equity investments without a readily determinable fair value for which the Company does not have significant influence, Moody's generally elects to measure these investments at cost, less impairment, adjusted for subsequent observable price changes as of the date that an observable transaction takes place.

The Company performs an assessment on a quarterly basis to determine if there are indicators of impairment for its investments in non-consolidated affiliates. If there are indicators of impairment, the Company estimates the investment's fair value and records an impairment if the carrying value of the investment exceeds its fair value.

In situations where estimation of fair value is required for investments in non-consolidated affiliates, the Company considers various factors, including: recent observable investee equity transactions, comparable public company/precedent transaction multiples and discounted cash flow models. The estimation of fair value for these investments may involve significant judgment.

Other Estimates

In addition to the critical accounting estimates described above, there are other accounting estimates within Moody's consolidated financial statements. Management believes the current assumptions and other considerations used to estimate amounts reflected in Moody's consolidated financial statements are appropriate. However, if actual experience differs from the assumptions and other considerations used in estimating amounts reflected in Moody's consolidated financial statements, the resulting changes could have a material adverse effect on Moody's consolidated results of operations or financial condition.

See Note 2 to the consolidated financial statements for further information on significant accounting policies that impact Moody's.

Reportable Segments

The Company is organized into two reportable segments at December 31, 2024: MA and MIS, which are more fully described in the section entitled "The Company" above and in Note 20 to the consolidated financial statements.

Results of Operations

This section of this Form 10-K generally discusses the year ended December 31, 2024 and 2023 financial results and year-to-year comparisons between these years. Discussions related to the year ended December 31, 2023 financial results and year-to-year comparisons between the years ended December 31, 2023 and 2022 that are not included in this Form 10-K can be found in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2023.

The following footnotes are applicable throughout the discussion of the Company's results of operations:

- (1) Refer to the section entitled "Non-GAAP Financial Measures" of this MD&A for the definition and methodology that the Company utilizes to calculate this metric.
- (2) Refer to the section entitled "Key Performance Metrics" of this MD&A for the definition and methodology that the Company utilizes to calculate this metric.

Year ended December 31, 2024 compared with year ended December 31, 2023

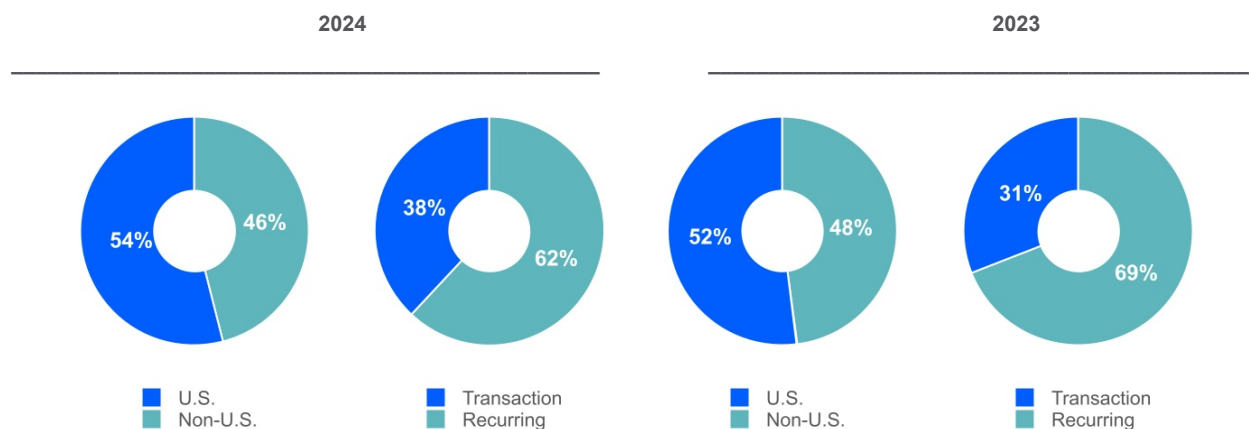
Executive Summary

The following table provides an executive summary of key operating results for the year ended December 31, 2024. Following this executive summary is a more detailed discussion of the Company's operating results as well as a discussion of the operating results of the Company's reportable segments.

Financial measure:	Year Ended December 31,		% Change Favorable (Unfavorable)	Insight and Key Drivers of Change Compared to Prior Year
	2024	2023		
Moody's total revenue	\$ 7,088	\$ 5,916	20 %	— reflects growth in both segments
MA external revenue	\$ 3,295	\$ 3,056	8 %	— sustained demand for KYC, insurance offerings and SaaS-based banking solutions; — ongoing strong retention for ratings data feeds and company data applications; and — continued demand and sales growth for credit and economic research product offerings
MIS external revenue	\$ 3,793	\$ 2,860	33 %	reflects issuance growth across all LOBs resulting from: — favorable market conditions for issuers, due to sustained tight credit spreads and declining interest rates that drove strong refinancing activity; and — demand from investors as yields remained high for a majority of the year
Total operating and SG&A expenses	\$ 3,680	\$ 3,319	(11 %)	— higher incentive and stock-based compensation aligned with financial and operating performance; and — higher salaries and benefits reflecting an increase in headcount and annual salary increases in both segments
Depreciation and amortization	\$ 431	\$ 373	(16 %)	— higher amortization relating to internally developed software, primarily related to the development of MA SaaS solutions
Restructuring	\$ 59	\$ 87	32 %	— relates to the Company's restructuring programs, more fully discussed in Note 9 to the consolidated financial statements
Charges related to asset abandonment	\$ 43	\$ —	NM	— costs related to the Company's decision to outsource the production of certain sustainability content utilized in our product offerings, which is more fully discussed in Note 22 to the consolidated financial statements
Total non-operating (expense) income, net	\$ (176)	\$ (202)	13 %	— an increase in interest income of \$39 million due to higher cash and short-term investment balances and higher interest rates; and — a net decrease of \$30 million in foreign exchange losses recorded during the year mainly attributable to an immaterial out-of-period adjustment relating to the 2022 fiscal year recorded in the first quarter of 2023; <i>partially offset by:</i> — an increase in tax-related interest expense of \$21 million mainly due to the favorable resolution of tax matters in the prior year
Operating Margin	40.6 %	36.1 %	450BPS	— operating margin and Adjusted Operating Margin ⁽¹⁾ expansion reflects strong revenue growth, particularly in MIS, outpacing operating and SG&A expense growth
Adjusted Operating Margin ⁽¹⁾	48.1 %	43.9 %	420BPS	
ETR	23.7 %	16.9 %	(680BPS)	— higher ETR primarily reflects tax benefits recognized in the first quarter of 2023, which resulted from the resolutions of UTPs in various U.S. and non-U.S. tax jurisdictions
Diluted EPS	\$ 11.26	\$ 8.73	29 %	— increase reflects growth in operating income/Adjusted Operating Income ⁽¹⁾ driven mainly by increases in MIS revenue, <i>partially offset by:</i>
Adjusted Diluted EPS ⁽¹⁾	\$ 12.47	\$ 9.90	26 %	— a \$0.76 per share benefit in the prior year resulting from the resolutions of tax matters in the first quarter of 2023

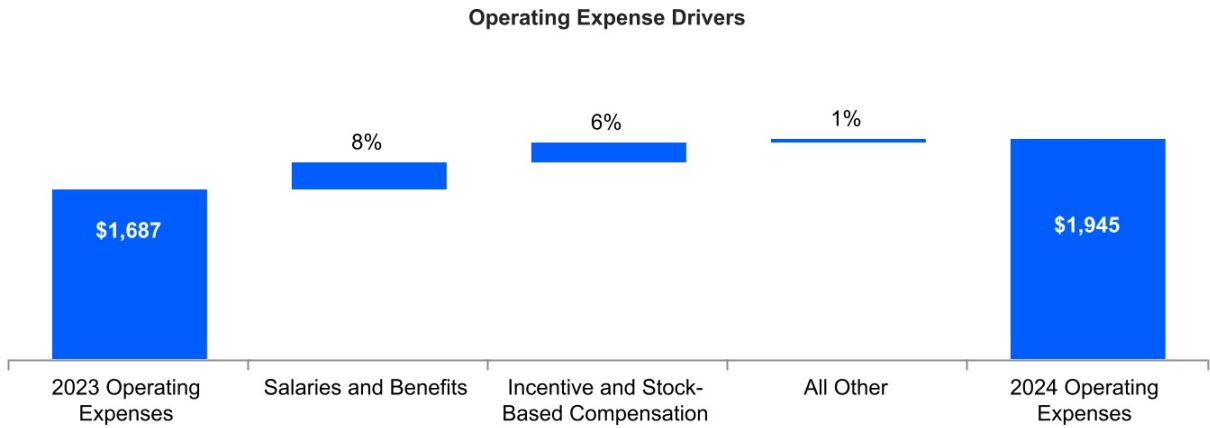
Moody's Corporation

	Year Ended December 31,		% Change Favorable (Unfavorable)
	2024	2023	
Revenue:			
United States	\$ 3,836	\$ 3,071	25 %
Non-U.S.:			
EMEA	2,174	1,886	15 %
Asia-Pacific	629	570	10 %
Americas	449	389	15 %
Total Non-U.S.	3,252	2,845	14 %
Total	7,088	5,916	20 %
Expenses:			
Operating	1,945	1,687	(15 %)
SG&A	1,735	1,632	(6 %)
Depreciation and amortization	431	373	(16 %)
Restructuring	59	87	32 %
Charges related to asset abandonment	43	—	NM
Total	4,213	3,779	(11 %)
Operating income	2,875	2,137	35 %
Adjusted Operating Income ⁽¹⁾	3,408	2,597	31 %
Interest expense, net	(237)	(251)	6 %
Other non-operating income, net	61	49	24 %
Non-operating (expense) income, net	(176)	(202)	13 %
Net income attributable to Moody's	\$ 2,058	\$ 1,607	28 %
Diluted weighted average shares outstanding	182.7	184.0	1 %
Diluted EPS attributable to Moody's common shareholders	\$ 11.26	\$ 8.73	29 %
Adjusted Diluted EPS ⁽¹⁾	\$ 12.47	\$ 9.90	26 %
Operating margin	40.6 %	36.1 %	
Adjusted Operating Margin ⁽¹⁾	48.1 %	43.9 %	
ETR	23.7 %	16.9 %	

GLOBAL REVENUE

Global revenue ↑ \$1,172 million
U.S. Revenue ↑ \$765 million
Non-U.S. Revenue ↑ \$407 million

Growth in global revenue reflected increases in both MA and MIS, both in the U.S. and internationally. Refer to the section entitled "Segment Results" of this MD&A for a more fulsome discussion of the Company's segment revenue.

Operating Expense ↑ \$258 million



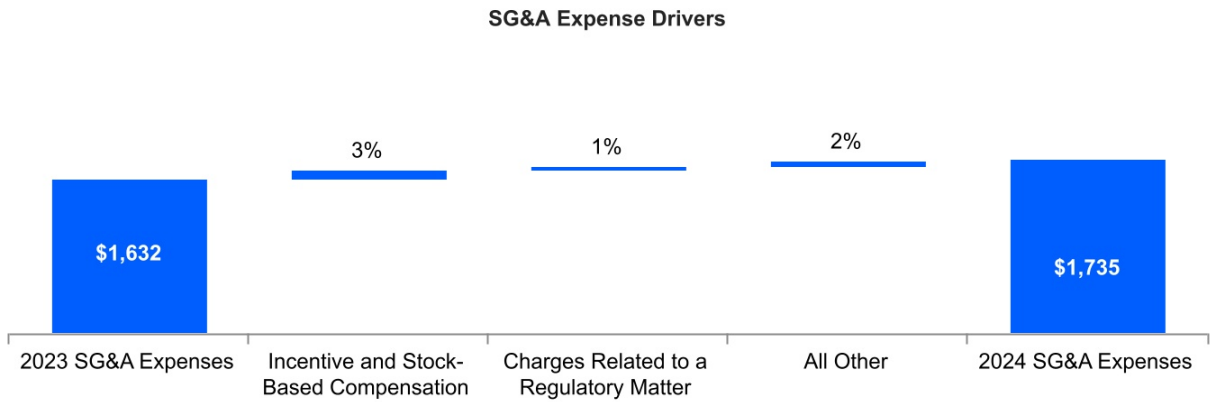
Compensation expenses of \$1,469 million increased \$245 million, with the most notable drivers reflecting:

- higher salaries and benefits reflecting hiring and salary increases to support continued growth in the business; and
- higher incentive and stock-based compensation aligned with financial and operating performance and headcount growth

Non-compensation expenses of \$476 million increased \$13 million, with the most notable driver reflecting:

- costs to support operating growth, including investments in technology and innovation

SG&A Expense ↑ \$103 million



Compensation expenses of \$1,070 million increased \$54 million, with the most notable drivers reflecting:

- higher incentive and stock-based compensation aligned with headcount growth and financial and operating performance

Non-compensation expenses of \$665 million increased \$49 million, with the most notable drivers reflecting:

- a charge in 2024 relating to a regulatory investigation, which is more fully discussed in Note 19 to the consolidated financial statements; and
- increases in costs to support operating growth, including investments to support technology and innovation

Depreciation and amortization

The increase in depreciation and amortization expense is driven by amortization of internally developed software, which is primarily related to the development of MA SaaS solutions.

Restructuring

The amounts reflect charges and adjustments related to the Company's restructuring programs as more fully discussed in Note 9 to the consolidated financial statements.

Charges related to asset abandonment

Reflects costs related to the Company's decision to outsource the production of certain sustainability content utilized in our product offerings, which is more fully discussed in Note 22 to the consolidated financial statements.

Operating margin 40.6%, up 450 BPS

Adjusted Operating Margin 48.1%, up 420 BPS

Increases in both Operating margin and Adjusted Operating Margin⁽¹⁾ are due to strong revenue growth, particularly within MIS, partially offset by an increase in operating and SG&A expenses.

Interest Expense ↓ \$14 million

Other non-operating income ↑ \$12 million

The decrease in interest expense is primarily due to:

The most notable drivers of the increase in income are:

- higher interest income of \$39 million reflecting higher cash and short-term investment balances and interest yields; *partially offset by:*
- an increase of \$21 million in tax-related interest mainly reflecting the favorable resolution of tax matters in the prior year

- a \$30 million net decrease in foreign currency losses mainly attributable to an immaterial out-of-period adjustment relating to the 2022 fiscal year recorded in the first quarter of 2023; *partially offset by:*
- a benefit of \$9 million in the prior year related to the favorable resolution of various tax matters

ETR ↑ 680BPS

The increase in the ETR primarily reflects \$113 million in tax benefits recognized in the first quarter of 2023, which resulted from the resolutions of UTPs in various U.S. and non-U.S. tax jurisdictions that did not recur in 2024.

Diluted EPS ↑ \$2.53

Adjusted Diluted EPS ↑ \$2.57

Both diluted EPS and Adjusted Diluted EPS⁽¹⁾ growth is mostly attributable to higher operating income and Adjusted Operating Income⁽¹⁾, the components of which are more fully described above. This was partially offset by a \$0.76 per share benefit in the prior year related to the resolution of tax matters in the first quarter of 2023.

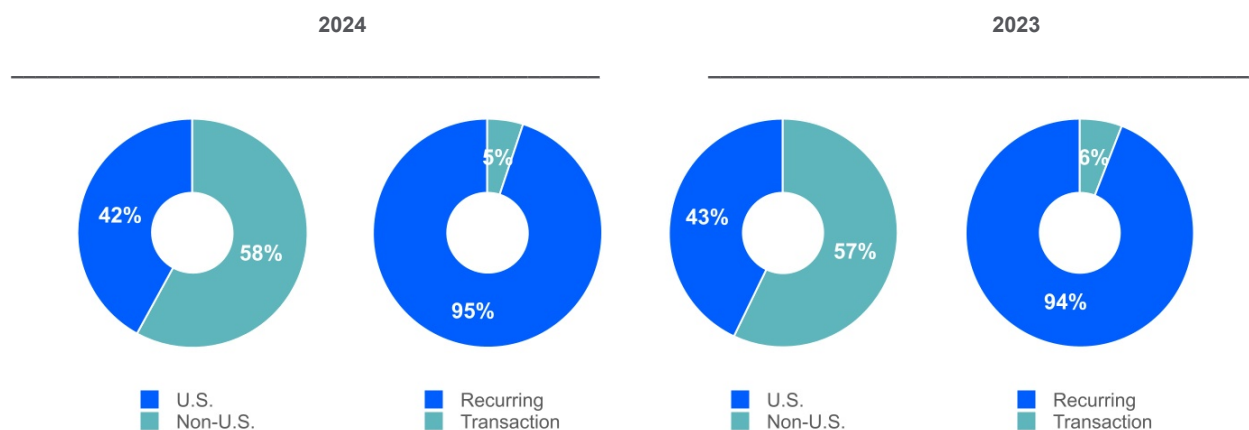
Segment Results

Moody's Analytics

The table below provides a summary of revenue and operating results, followed by further insight and commentary:

	Year Ended December 31,		% Change Favorable (Unfavorable)
	2024	2023	
Revenue:			
Decision Solutions (DS)	\$ 1,516	\$ 1,383	10 %
Research and Insights (R&I)	926	884	5 %
Data and Information (D&I)	853	789	8 %
Total external revenue	3,295	3,056	8 %
Intersegment revenue	13	13	— %
Total MA Revenue	3,308	3,069	8 %
Expenses:			
Operating and SG&A (external)	2,101	1,946	(8 %)
Operating and SG&A (intersegment)	193	186	(4 %)
Total operating and SG&A expense	2,294	2,132	(8 %)
Adjusted Operating Income	\$ 1,014	\$ 937	8 %
Adjusted Operating Margin	30.7 %	30.5 %	
Depreciation and amortization	353	298	(18 %)
Restructuring	42	59	29 %
Charges related to asset abandonment	43	—	NM

MOODY'S ANALYTICS REVENUE



MA: Global revenue ↑ \$239 million

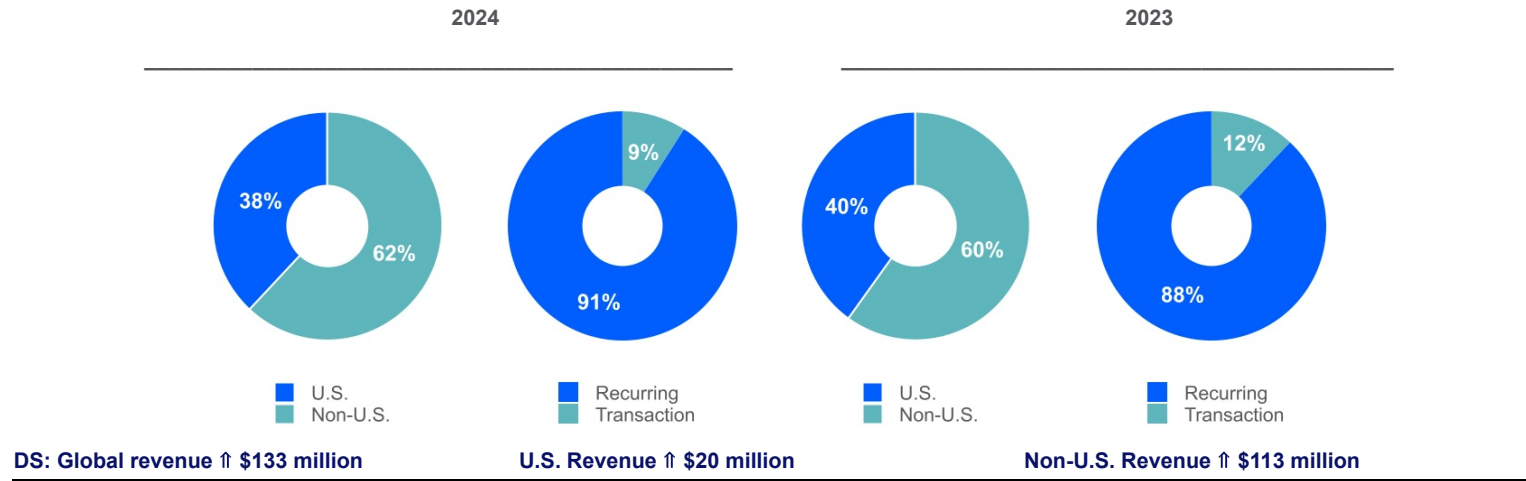
U.S. Revenue ↑ \$69 million

Non-U.S. Revenue ↑ \$170 million

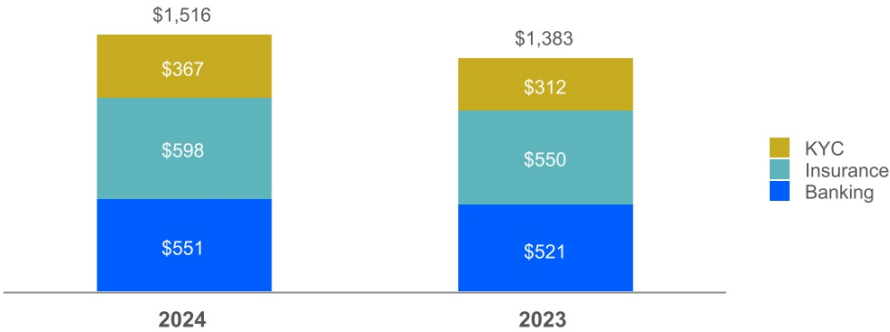
The 8% increase in global MA revenue reflects growth both in the U.S. (5%) and internationally (10%) across all LOBs.

- ARR⁽²⁾ increased 9% reflecting strong growth across all LOBs.

DECISION SOLUTIONS REVENUE

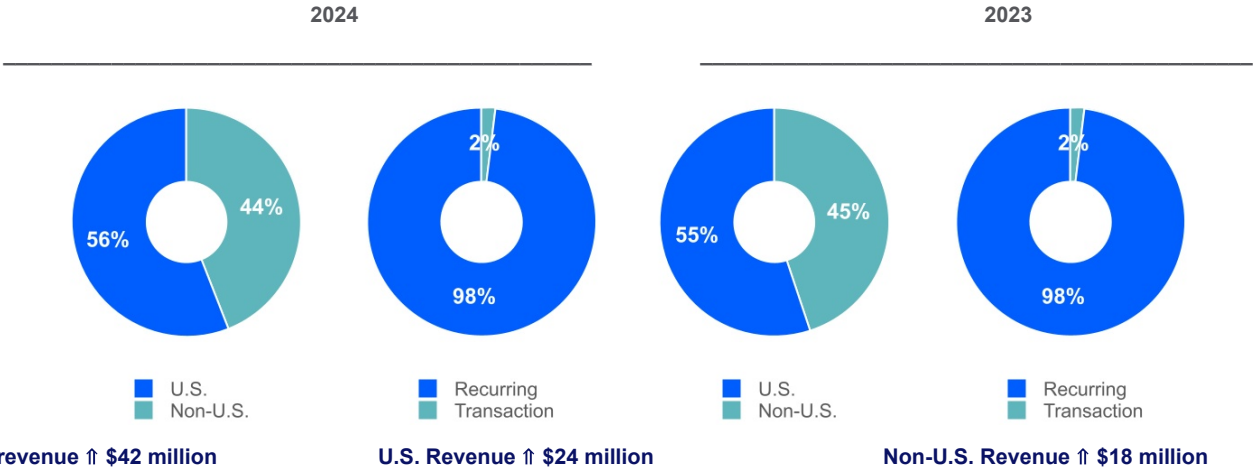


Global DS revenue for the for the years ended December 31, 2024 and 2023 was comprised as follows:



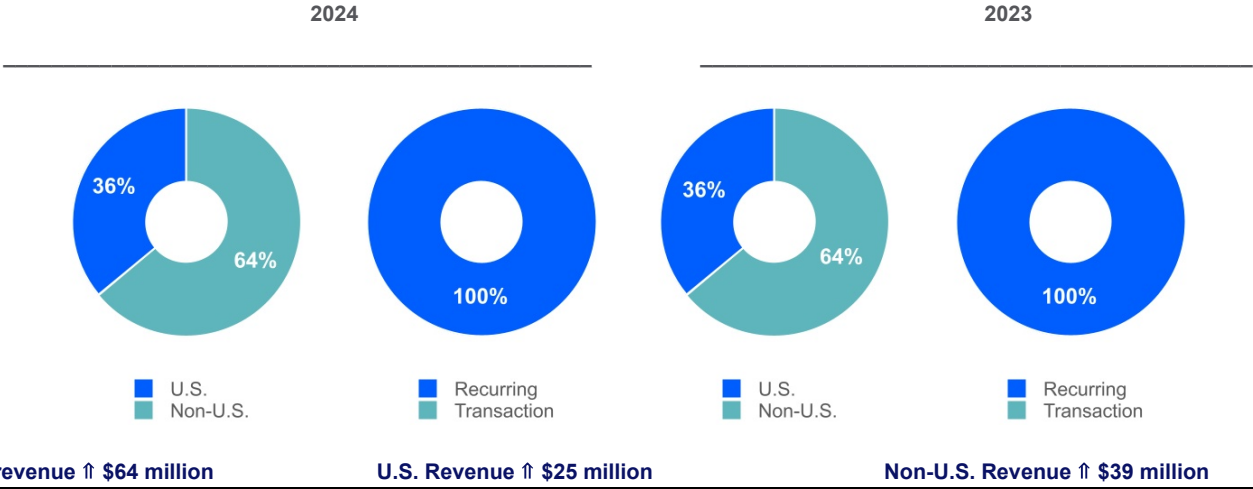
- Global DS revenue grew 10% and reflects increases in both the U.S. (4%) and internationally (14%).
- The most notable drivers of the growth reflect:
- strong demand for KYC and compliance solutions reflecting increased customer and supplier risk data usage, coupled with sales growth from new customers, drove both revenue and ARR⁽²⁾ growth of 18% and 17%, respectively;
 - Insurance revenue and ARR⁽²⁾ grew 9% and 12%, respectively.
 - recurring revenue growth of 12% in Insurance was attributable to improved customer retention and strong demand resulting in new sales for subscription-based catastrophe modeling tools.
 - Banking revenue and ARR⁽²⁾ grew 6% and 9%, respectively.
 - recurring revenue growth of 11% within Banking was supported by strong customer retention coupled with expansion of existing customer relationships to subscription-based banking offerings, which enable customers' lending, risk management and finance workflows;
 - the aforementioned recurring revenue growth for Insurance and Banking was partially offset by a decline in transaction revenue of 39% and 10%, respectively, reflecting MA's continued strategic shift to subscription-based solutions.
- The aforementioned factors contributed to overall ARR⁽²⁾ growth for DS of 12%.

RESEARCH AND INSIGHTS REVENUE



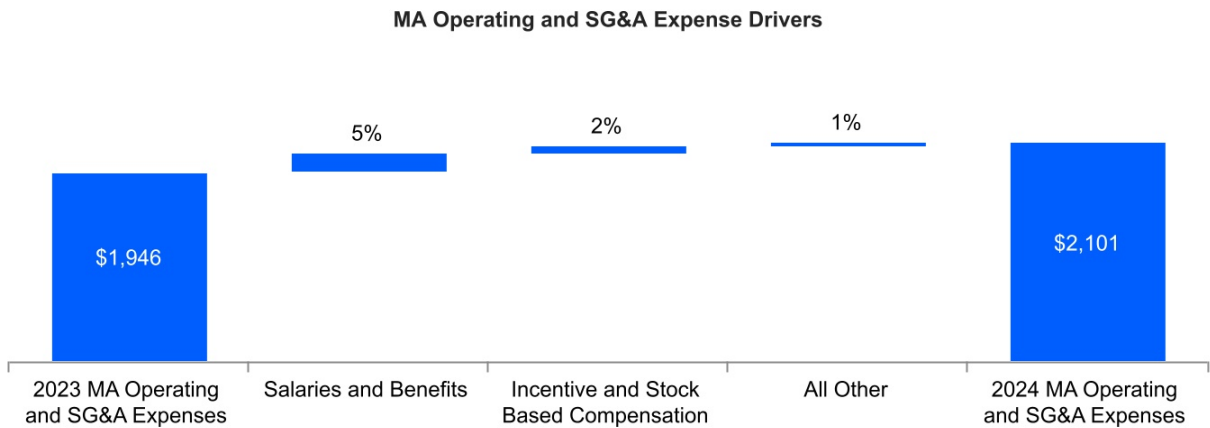
Global R&I revenue increased 5% compared to 2023 and reflects growth in both the U.S. (5%) and internationally (5%). This increase was attributable to sales growth for credit and economic research product offerings, which contributed to ARR⁽²⁾ growth of 6%.

DATA AND INFORMATION REVENUE



Global D&I revenue increased 8% compared to 2023 and reflects growth in both the U.S. (9%) and internationally (8%), mainly driven by continued strong demand for company ratings feeds and data applications, which contributed to ARR⁽²⁾ growth of 8% for D&I.

MA: Operating and SG&A Expense ↑ \$155 million



Compensation expenses of \$1,370 million increased \$132 million:

- the growth in salaries and benefits reflects higher headcount and annual salary increases to support business growth; and
- the increase in incentive and stock-based compensation is driven by higher headcount and financial and operating performance

Non-compensation expenses of \$731 million increased \$23 million:

- the modest increase is mostly attributable to costs to support operating growth, including investments in technology and innovation

MA: Adjusted Operating Margin 30.7% ↑ 20BPS

Modest Adjusted Operating Margin expansion for MA is primarily due to the 8% increase in global MA revenue, offset by an 8% increase in operating and SG&A expenses.

Depreciation and amortization

The increase in depreciation and amortization expense primarily reflects higher amortization of internally developed software relating to the development of SaaS-based solutions.

Restructuring

The restructuring charges relate to the Company's restructuring programs as more fully discussed in Note 9 to the consolidated financial statements.

Charges related to asset abandonment

Reflects costs related to the Company's decision to outsource the production of certain sustainability content utilized in our product offerings, which is more fully discussed in Note 22 to the consolidated financial statements.

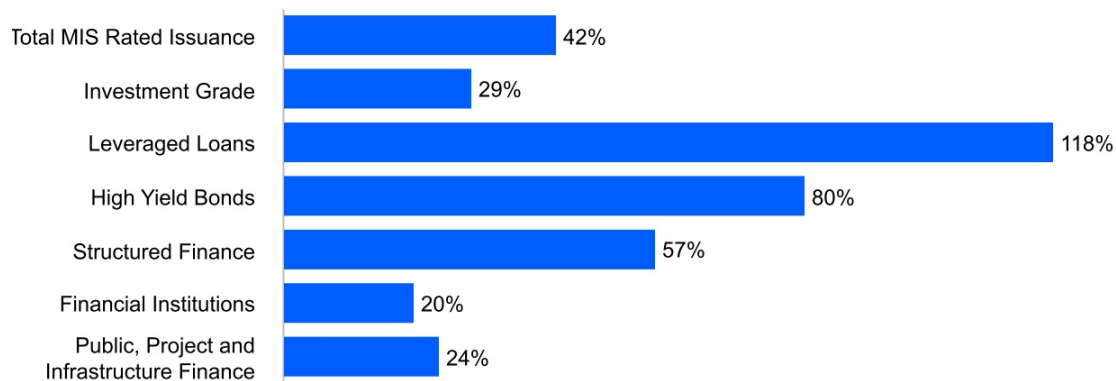
Moody's Investors Service

The table below provides a summary of revenue and operating results, followed by further insight and commentary:

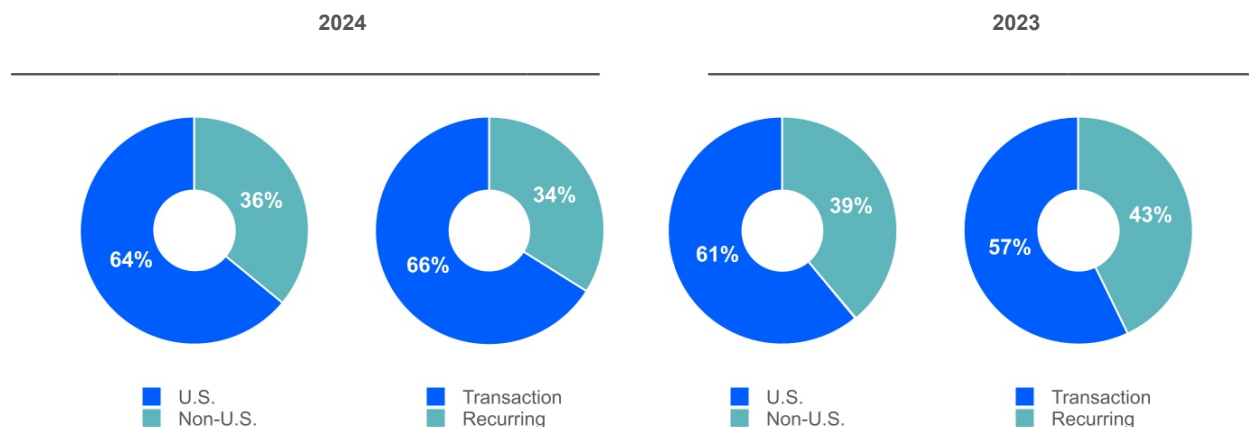
	Year Ended December 31,		% Change Favorable (Unfavorable)
	2024	2023	
Revenue:			
Corporate finance (CFG)	\$ 1,950	\$ 1,404	39 %
Structured finance (SFG)	518	405	28 %
Financial institutions (FIG)	727	545	33 %
Public, project and infrastructure finance (PPIF)	564	476	18 %
Total ratings revenue	3,759	2,830	33 %
MIS Other	34	30	13 %
Total external revenue	3,793	2,860	33 %
Intersegment royalty	193	186	4 %
Total	3,986	3,046	31 %
Expenses:			
Operating and SG&A (external)	1,579	1,373	(15 %)
Operating and SG&A (intersegment)	13	13	— %
Total operating and SG&A expense	1,592	1,386	(15 %)
Adjusted Operating Income	\$ 2,394	\$ 1,660	44 %
Adjusted Operating Margin	60.1 %	54.5 %	
Depreciation and amortization	78	75	(4 %)
Restructuring	17	28	39 %

The following chart presents changes in rated issuance volumes compared to 2023. To the extent that changes in rated issuance volumes had a material impact to MIS's revenue compared to the prior year, those impacts are discussed below.

Changes in Rated Issuance Volumes



MOODY'S INVESTORS SERVICE REVENUE



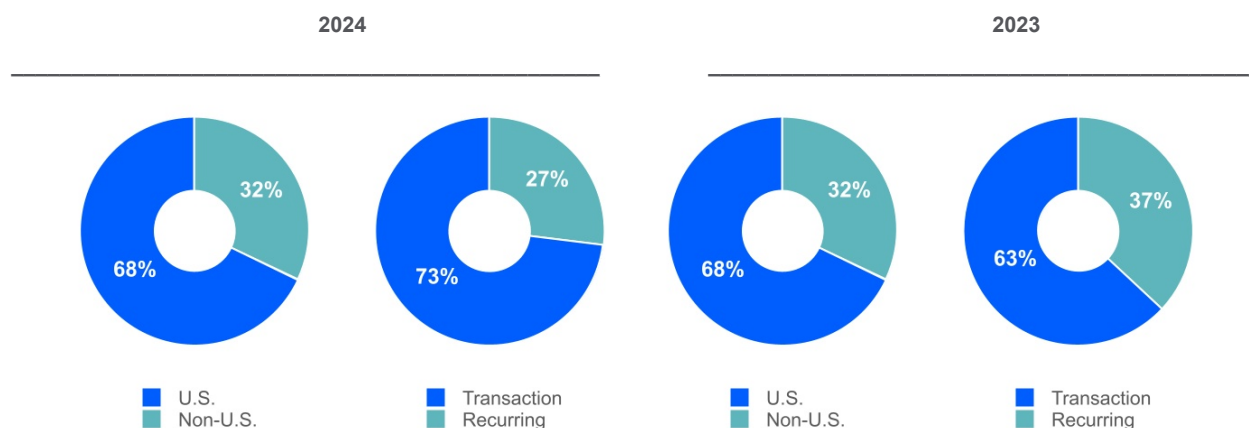
MIS: Global revenue ↑ \$933 million

U.S. Revenue ↑ \$696 million

Non-U.S. Revenue ↑ \$237 million

The increase in global MIS revenue reflects strong growth across all LOBs.

CFG REVENUE

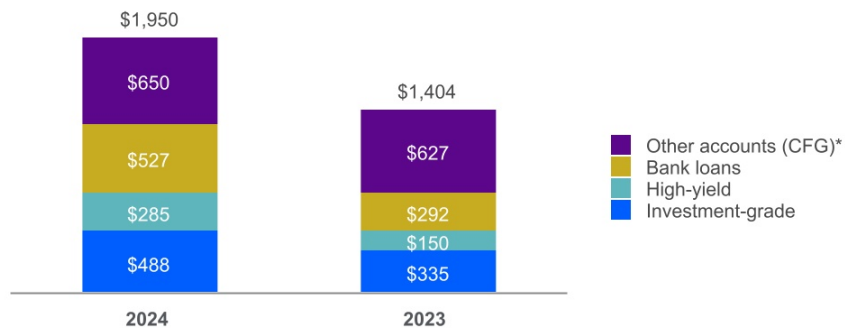


CFG: Global revenue ↑ \$546 million

U.S. Revenue ↑ \$381 million

Non-U.S. Revenue ↑ \$165 million

Global CFG revenue for the years ended December 31, 2024 and 2023 was comprised as follows:



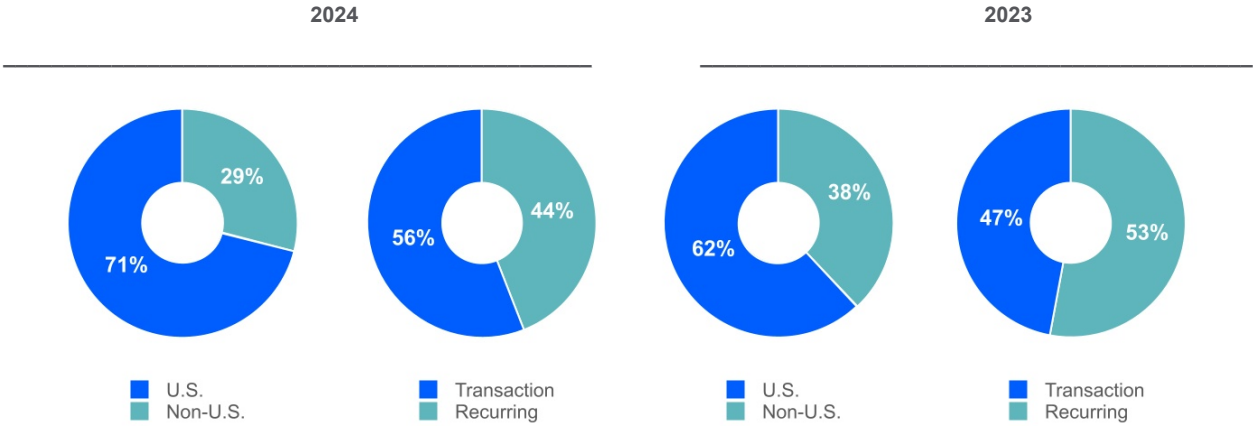
* Other includes: recurring monitoring fees of a rated debt obligation and/or entities that issue such obligations as well as fees from programs such as commercial paper, medium term notes, and ICRA corporate finance revenue.

The increase in CFG revenue of 39% reflects increases in both the U.S (40%) and internationally (37%).

Transaction revenue increased \$528 million compared to the prior year, with continued momentum in leveraged finance (which includes bank loans and speculative-grade bonds) and investment-grade issuance. The growth in these sectors resulted from:

- strong refinancing activity and new mandates, resulting from:
 - continued tight credit spreads and declining interest rates; and
 - strong investor demand as yields remained high for the majority of the year; and
- bank loan and investment-grade issuance to fund M&A transactions.

SFG REVENUE

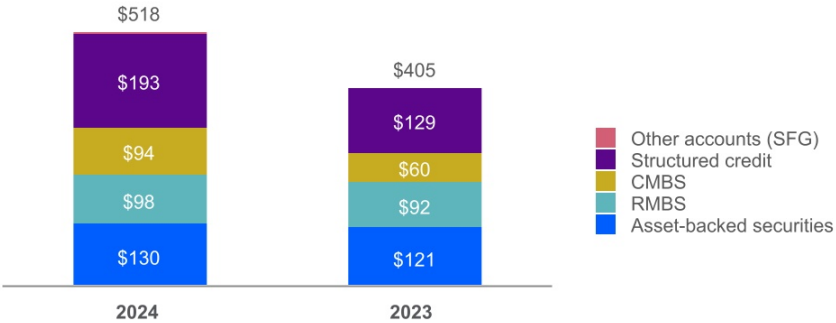


SFG: Global revenue ↑ \$113 million

U.S. Revenue ↑ \$116 million

Non-U.S. Revenue ↓ \$3 million

Global SFG revenue for the years ended December 31, 2024 and 2023 was comprised as follows:

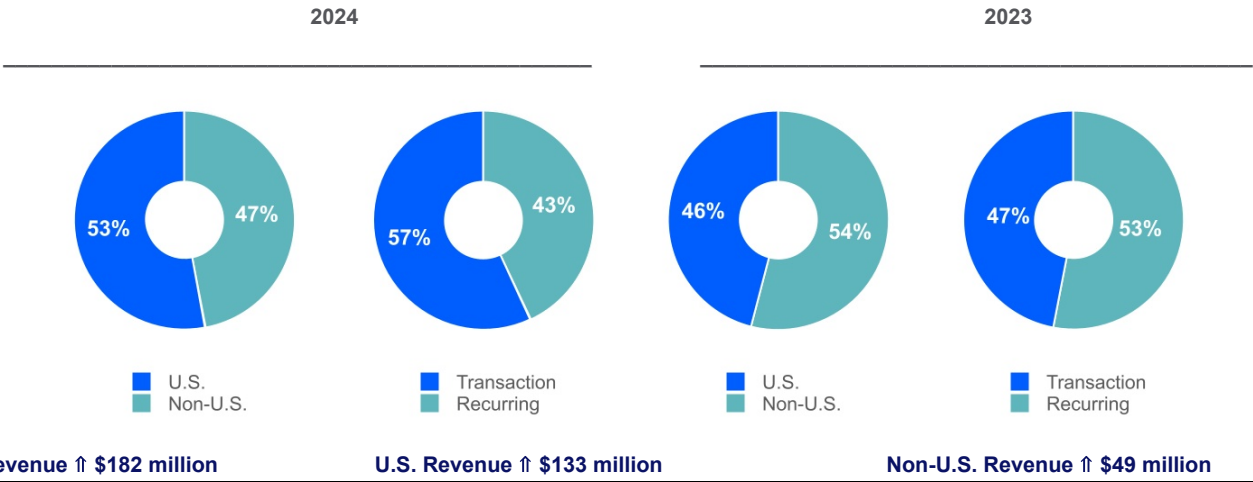


The increase in SFG revenue of 28% reflects growth in the U.S. (46%), partially offset by modest declines in international revenue (2%).

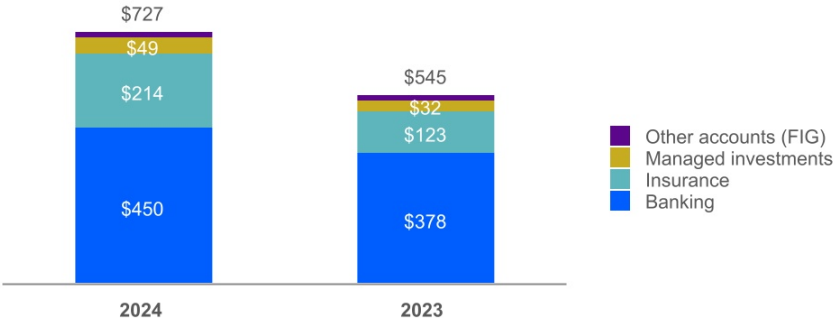
Transaction revenue increased \$102 million compared to 2023, mainly attributable to:

- higher CLO issuance, with new deals supported by increased bank loan activity, coupled with refinancing activity; and
- increased issuance activity from the CMBS asset class, reflecting tightening credit spreads, declining interest rates and strong investor demand.

FIG REVENUE

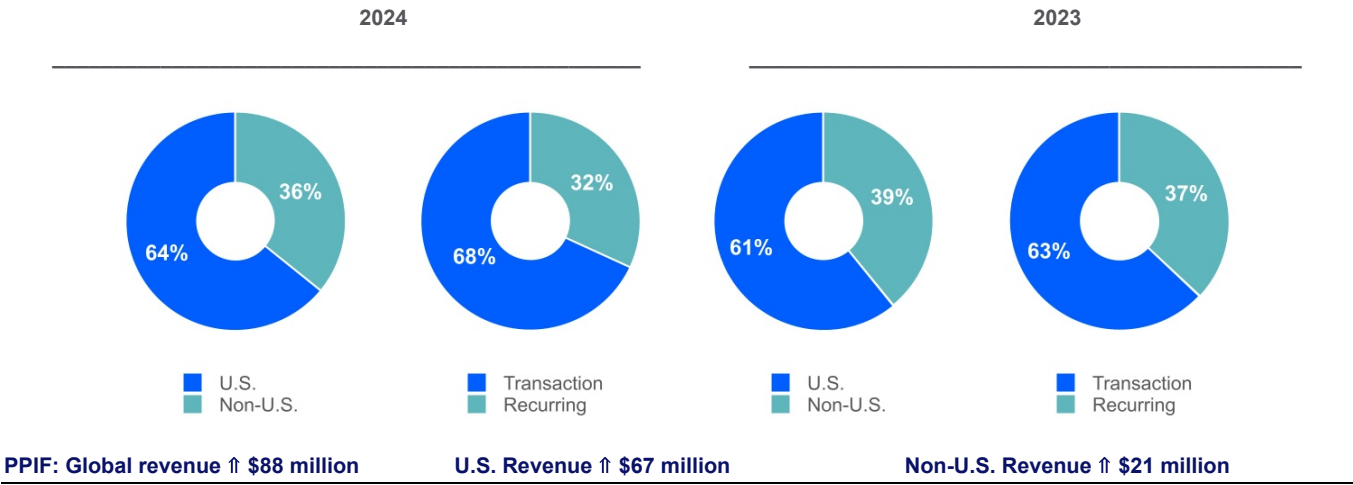


Global FIG revenue for the years ended December 31, 2024 and 2023 was comprised as follows:

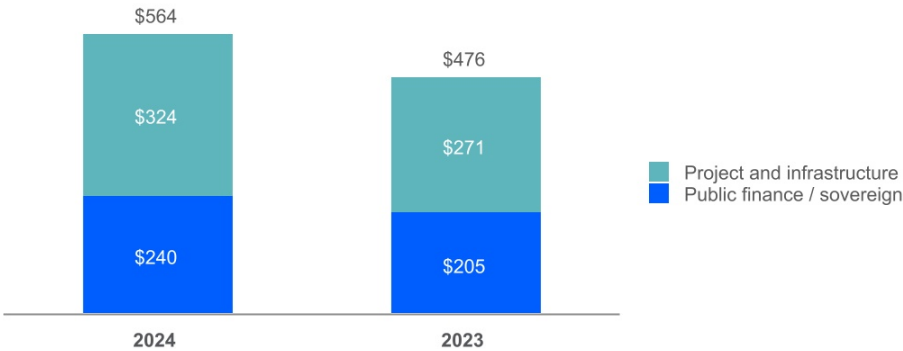


The increase in FIG revenue of 33% reflects growth in both the U.S. (53%) and internationally (17%). Transaction revenue increased \$164 million compared to 2023, primarily driven by issuance growth in the insurance and banking sector, which was supported by a favorable issuance mix from infrequent issuer activity.

PPIF REVENUE



Global PPIF revenue for the years ended December 31, 2024 and 2023 was comprised as follows:

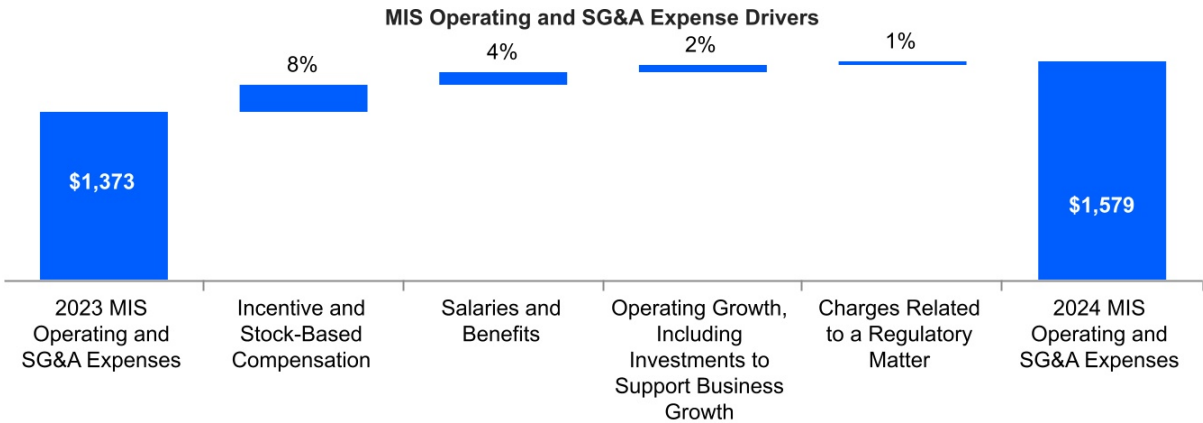


The 18% increase in PPIF revenue reflects increases in both the U.S. (23%) and internationally (11%).

Transaction revenue increased \$83 million compared to 2023, primarily due to:

- higher issuance from U.S. Public Finance issuers, reflecting increased activity in the state and local government and higher education sectors;
- increased investment-grade infrastructure finance activity in both the U.S. and EMEA; and
- higher U.S. Project Finance activity supported by continued market improvement.

MIS: Operating and SG&A Expense ↑ \$206 million



Compensation expenses of \$1,169 million increased \$166 million, with the most notable drivers of the growth reflecting:

- an increase in incentive and stock-based compensation driven by higher headcount and financial and operating performance; and
- growth in salaries and benefits reflecting higher headcount and annual salary increases

Non-compensation expenses of \$410 million increased \$40 million with the most notable drivers of the growth reflecting:

- an increase in costs to support operating growth; and
- a charge relating to a regulatory investigation, which is more fully discussed in Note 19 to the consolidated financial statements

MIS: Adjusted Operating Margin of 60.1% ↑ 560BPS

The MIS Adjusted Operating Margin expansion primarily reflected the aforementioned 33% increase in revenue, partially offset by growth of 15% in operating and SG&A expenses.

Restructuring Charges

The restructuring charges relate to the Company's restructuring programs as more fully discussed in Note 9 to the consolidated financial statements.

Market Risk

FX risk:

Moody's maintains a presence in more than 40 countries. In 2024, approximately 39% of the Company's revenue and approximately 38% of the Company's expenses were denominated in functional currencies other than the U.S. dollar, principally in the British pound and the euro. As such, the Company is exposed to market risk from changes in FX rates. As of December 31, 2024, approximately 49% of Moody's assets were located outside the U.S., making the Company susceptible to fluctuations in FX rates. The effects of translating assets and liabilities of non-U.S. operations with non-U.S. functional currencies to the U.S. dollar are charged or credited to OCI.

The effects of revaluing assets and liabilities that are denominated in currencies other than a subsidiary's functional currency are charged to other non-operating income, net in the Company's consolidated statements of operations. Accordingly, the Company enters into foreign exchange forward contracts to partially mitigate the change in fair value on certain assets and liabilities denominated in currencies other than a subsidiary's functional currency. The following table shows the impact to the fair value of the forward contracts if currencies being purchased were to weaken by 10%:

Foreign Currency Forwards ⁽¹⁾		
Sell	Buy	Impact on fair value of contract
U.S. dollar	British pound	\$59 million unfavorable impact
U.S. dollar	Singapore dollar	\$4 million unfavorable impact
U.S. dollar	Canadian dollar	\$3 million unfavorable impact
U.S. dollar	Japanese yen	\$2 million unfavorable impact
U.S. dollar	Indian Rupee	\$2 million unfavorable impact
Euro	U.S. dollar	\$1 million unfavorable impact
		\$71 million unfavorable impact

⁽¹⁾ Refer to Note 6 to the consolidated financial statements in Item 8 of this Form 10-K for further detail on the forward contracts.

The change in fair value of the foreign exchange forward contracts would be offset by FX revaluation gains or losses on underlying assets and liabilities denominated in currencies other than a subsidiary's functional currency.

Derivatives and non-derivatives designated as net investment hedges:

The Company designates derivative instruments and foreign currency-denominated debt as hedges of foreign currency risk of net investments in certain foreign subsidiaries (net investment hedges) under ASC Topic 815, *Derivatives and Hedging*.

Cross-currency swaps

As of December 31, 2024, the Company had cross-currency swaps designated as hedges of euro denominated net investments in subsidiaries, for which the notional values and corresponding interest rates are disclosed in Note 6 to the consolidated financial statements located in Item 8 of this Form 10-K.

If the euro were to strengthen 10% relative to the U.S. dollar, there would be an approximate \$321 million unfavorable impact to the fair value of the cross-currency swaps recognized in OCI, which would be offset by favorable currency translation gains on the Company's euro net investment in foreign subsidiaries.

Euro-denominated debt

As of December 31, 2024, the Company has designated €500 million of the 2015 Senior Notes and €750 million of the 2019 Senior Notes as a net investment hedge to mitigate FX exposure relating to euro denominated net investments in subsidiaries. If the euro were to strengthen 10% relative to the U.S. dollar, there would be an approximate \$129 million unfavorable adjustment to OCI related to these net investment hedges. This adjustment would be offset by favorable translation adjustments on the Company's euro net investment in subsidiaries.

Interest rate and credit risk:**Interest rate swaps designated as a fair value hedge:**

The Company's interest rate risk management objectives are to reduce the funding cost and volatility to the Company and to alter the interest rate exposure to a desired risk profile. Moody's uses interest rate swaps as deemed necessary to assist in accomplishing these objectives. The Company is exposed to interest rate risk on its various outstanding fixed-rate debt for which the fair value of the outstanding fixed rate debt fluctuates based on changes in interest rates. The Company has entered into interest rate swaps to convert the fixed interest rate on certain of its long-term debt to a floating interest rate based on the SOFR. These swaps are adjusted to fair market value based on prevailing interest rates at the end of each reporting period and fluctuations are recorded as a reduction or addition to the carrying value of the borrowing, while net interest payments are recorded as interest expense/income in the Company's consolidated statement of operations. A hypothetical change of 100 BPS in the SOFR-based swap rate would result in an approximate \$161 million change to the fair value of the swaps, which would be offset by the change in fair value of the hedged item.

Additional information on these interest rate swaps is disclosed in Note 6 to the consolidated financial statements located in Item 8 of this Form 10-K.

Moody's cash equivalents consist of investments in high-quality investment-grade securities within and outside the U.S. with maturities of three months or less when purchased. The Company manages its credit risk exposure by allocating its cash equivalents among various money market deposit accounts and certificates of deposit and by limiting the amount it can invest with any single issuer. Short-term investments primarily consist of certificates of deposit.

Liquidity and Capital Resources

Moody's remains committed to using its strong cash flow to create value for shareholders by both investing in the Company's employees and growing the business through targeted organic initiatives and inorganic acquisitions aligned with strategic priorities. Additional excess capital is returned to the Company's shareholders via a combination of dividends and share repurchases.

Cash Flow

The Company is currently financing its operations, capital expenditures, acquisitions and share repurchases from operating and financing cash flows.

The following is a summary of the changes in the Company's cash flows followed by a brief discussion of these changes:

	Year Ended December 31,			\$ Change Favorable/ (unfavorable)
	2024	2023		
Net cash provided by operating activities	\$ 2,838	\$ 2,151	\$	687
Net cash used in investing activities	\$ (1,056)	\$ (247)	\$	(809)
Net cash used in financing activities	\$ (1,446)	\$ (1,584)	\$	138
Free Cash Flow ⁽¹⁾	\$ 2,521	\$ 1,880	\$	641

⁽¹⁾ Free Cash Flow is a non-GAAP measure and is defined by the Company as net cash provided by operating activities minus cash paid for capital additions. Refer to the section entitled "Non-GAAP Financial Measures" of this MD&A for further information on this financial measure.

Net cash provided by operating activities

Net cash flows from operating activities increased by \$687 million compared to the prior year, with the most notable drivers reflecting:

- growth in operating income of \$738 million coupled with various changes in working capital;

partially offset by:

- \$269 million in higher income tax payments in the current year.

Net cash used in investing activities

The \$809 million increase in cash flows used in investing activities compared to 2023 primarily reflects:

- higher net purchases of investments in 2024 of \$535 million;
- higher cash paid for acquisitions, net of cash acquired, of \$218 million primarily due to the acquisition of Numerated in the fourth quarter of 2024, GCR and Praedicat in the third quarter of 2024, and certain other immaterial acquisitions completed in the first quarter of 2024; and
- higher cash paid for capital additions of \$46 million compared to the prior year reflecting both the development of SaaS-based solutions in MA coupled with costs to support investments in company-wide technology infrastructure.

Net cash used in financing activities

The \$138 million decrease in cash used in financing activities was primarily attributed to:

- a \$500 million repayment of notes payable in 2023; and
- a \$496 million issuance of notes in the third quarter of 2024;

partially offset by:

- higher cash paid for treasury share repurchases in 2024 of \$802 million compared to the prior year.

Cash and cash equivalents and short-term investments

The Company's aggregate cash and cash equivalents and short-term investments of \$3.0 billion at December 31, 2024 included approximately \$1.7 billion located outside of the U.S. Approximately 33% of the Company's aggregate cash and cash equivalents and short-term investments is denominated in EUR and GBP. The Company manages both its U.S. and non-U.S. cash flow to maintain sufficient liquidity in all regions to effectively meet its operating needs.

As a result of the Tax Act, all previously net undistributed foreign earnings have now been subject to U.S. tax since 2017. The Company continues to evaluate which entities it will indefinitely reinvest earnings outside the U.S. The Company has provided deferred taxes for those entities whose earnings are not considered indefinitely reinvested. Accordingly, the Company continues to repatriate a portion of its non-U.S. cash in these subsidiaries and will continue to repatriate certain of its offshore cash in a manner that addresses compliance with local statutory requirements, sufficient offshore working capital and any other factors that may be relevant in certain jurisdictions. Notwithstanding the Tax Act, which generally eliminated federal income tax on future cash repatriation to the U.S., cash repatriation may be subject to state and local taxes or withholding or similar taxes.

Material Cash Requirements

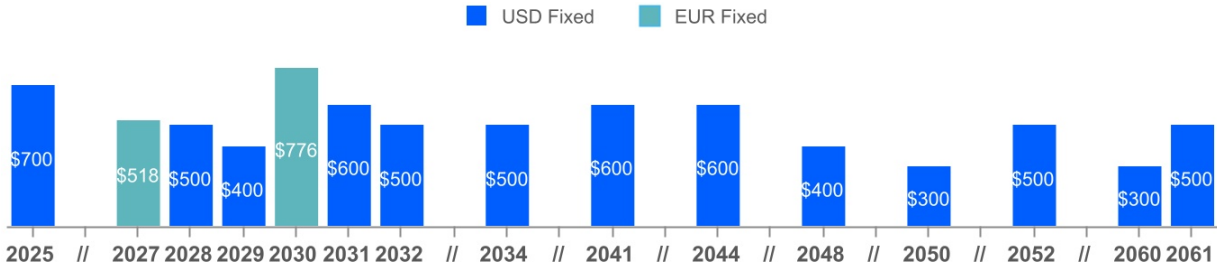
The Company's material cash requirements consist of the following contractual and other obligations:

Financing Arrangements

Indebtedness

At December 31, 2024, Moody's had \$7.4 billion of outstanding debt and approximately \$1 billion of additional capacity available under the Company's CP program, which is backstopped by the \$1.25 billion 2024 Credit Facility.

The repayment schedule for the Company's borrowings outstanding at December 31, 2024 is as follows:



Future interest payments and fees associated with the Company's debt and credit facility are expected to be \$4.7 billion, of which approximately \$300 million is expected to be paid in each of the next five years, and the remaining amount expected to be paid thereafter. For additional information on the Company's outstanding debt, CP program and 2024 Credit Facility, refer to Note 16 to the consolidated financial statements.

Management may consider pursuing additional long-term financing when it is appropriate in light of cash requirements for operations, share repurchases and other strategic opportunities, which could result in higher financing costs.

Purchase Obligations

Purchase obligations generally include multi-year agreements with vendors to purchase goods or services and mainly include data center/cloud hosting fees and fees for information technology licensing and maintenance. As of December 31, 2024, these purchase obligations totaled \$716 million, of which approximately 45% is expected to be paid in the next twelve months and another approximate 45% expected to be paid over the next two subsequent years, with the remainder to be paid thereafter.

Leases

The Company has remaining payments related to its operating leases of \$478 million at December 31, 2024, primarily related to real estate leases, of which \$111 million in payments are expected over the next twelve months. For more information on the expected cash flows relating to the Company's operating leases, refer to Note 18 to the consolidated financial statements.

Pension and Other Retirement Plan Obligations

The Company does not anticipate making significant contributions to its funded pension plan in the next twelve months. This plan is overfunded at December 31, 2024, and accordingly holds sufficient investments to fund future benefit obligations. Payments for the

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Company's unfunded plans are not expected to be material in either the short or long-term. For further information on the Company's pension and other retirement plan obligations, refer to Note 13 to the consolidated financial statements.

Dividends and share repurchases

On February 12, 2025, the Board approved the declaration of a quarterly dividend of \$0.94 per share for Moody's common stock, payable March 14, 2025 to shareholders of record at the close of business on February 25, 2025. The continued payment of dividends at this rate, or at all, is subject to the discretion of the Board.

On February 5, 2024, the Board of Directors authorized \$1 billion in share repurchase authority. On October 15, 2024, the Board authorized an additional \$1.5 billion in share repurchase authority. At December 31, 2024, the Company had approximately \$1.6 billion of remaining authority under these authorizations. There is no established expiration date for the remaining authorizations.

Restructuring

As more fully discussed in Note 9 to the consolidated financial statements, the Company is currently in the process of executing the Strategic and Operational Efficiency Restructuring Program. Future cash outlays associated with this program are expected to be \$165 million to \$195 million, which are expected to be paid out through 2027.

Sources of Funding to Satisfy Material Cash Requirements

The Company believes that it has the financial resources needed to meet its cash requirements and expects to have positive operating cash flow in 2025. Cash requirements for periods beyond the next twelve months will depend, among other things, on the Company's profitability and its ability to manage working capital requirements. The Company may also borrow from various sources as described above.

Non-GAAP Financial Measures:

In addition to its reported results, Moody's has included in this MD&A certain adjusted results that the SEC defines as "Non-GAAP financial measures." Management believes that such adjusted financial measures, when read in conjunction with the Company's reported results, can provide useful supplemental information for investors analyzing period-to-period comparisons of the Company's performance, facilitate comparisons to competitors' operating results and can provide greater transparency to investors of supplemental information used by management in its financial and operational decision-making. These adjusted measures, as defined by the Company, are not necessarily comparable to similarly defined measures of other companies. Furthermore, these adjusted measures should not be viewed in isolation or used as a substitute for other GAAP measures in assessing the operating performance or cash flows of the Company. Below are brief descriptions of the Company's adjusted financial measures accompanied by a reconciliation of the adjusted measure to its most directly comparable GAAP measure.

Adjusted Operating Income and Adjusted Operating Margin:

The Company presents Adjusted Operating Income and Adjusted Operating Margin because management deems these metrics to be useful measures to provide additional perspective on Moody's operating performance. Adjusted Operating Income excludes the impact of: i) depreciation and amortization; ii) restructuring charges/adjustments; and iii) charges related to asset abandonment. Depreciation and amortization are excluded because companies utilize productive assets of different useful lives and use different methods of acquiring and depreciating productive assets. Restructuring charges/adjustments and charges related to asset abandonment, which the Company believes are not reflective of its ongoing operating cost structure, are excluded as the frequency and magnitude of these charges may vary widely across periods and companies. Refer to Notes 9 and 22 to the consolidated financial statements for further information regarding the nature of the Company's restructuring programs and asset abandonment, respectively.

Management believes that the exclusion of the aforementioned items, as detailed in the reconciliation below, allows for an additional perspective on the Company's operating results from period to period and across companies. The Company defines Adjusted Operating Margin as Adjusted Operating Income divided by revenue.

	Year ended December 31,	
	2024	2023
Operating income	\$ 2,875	\$ 2,137
Adjustments:		
Depreciation and amortization	431	373
Restructuring	59	87
Charges related to asset abandonment	43	—
Adjusted Operating Income	\$ 3,408	\$ 2,597
Operating margin	40.6 %	36.1 %
Adjusted Operating Margin	48.1 %	43.9 %

Adjusted Net Income and Adjusted Diluted EPS attributable to Moody's common shareholders:

The Company presents Adjusted Net Income and Adjusted Diluted EPS because management deems these metrics to be useful measures to provide additional perspective on Moody's operating performance. Adjusted Net Income and Adjusted Diluted EPS exclude the impact of: i) amortization of acquired intangible assets; ii) restructuring charges/adjustments; iii) charges related to asset abandonment; and iv) gains on previously held equity method investments.

The Company excludes the impact of amortization of acquired intangible assets as companies utilize intangible assets with different estimated useful lives and have different methods of acquiring and amortizing intangible assets. These intangible assets were recorded as part of acquisition accounting and contribute to revenue generation. The amortization of intangible assets related to acquisitions will recur in future periods until such intangible assets have been fully amortized. Furthermore, the timing and magnitude of business combination transactions are not predictable and the purchase price allocated to amortizable intangible assets and the related amortization period are unique to each acquisition and can vary significantly from period to period and across companies. Restructuring charges/adjustments and charges related to asset abandonment, which the Company believes are not reflective of its ongoing operating cost structure, and gains on previously held equity method investments are excluded as the frequency and magnitude of these items may vary widely across periods and companies.

The Company excludes the aforementioned items to provide additional perspective when comparing net income and diluted EPS from period to period and across companies as the frequency and magnitude of similar transactions may vary widely across periods.

Amounts in millions	Year ended December 31,	
	2024	2023
Net income attributable to Moody's common shareholders	\$ 2,058	\$ 1,607
Pre-tax Acquisition-Related Intangible Amortization Expenses	\$ 198	\$ 198
Tax on Acquisition-Related Intangible Amortization Expenses	(48)	(48)
Net Acquisition-Related Intangible Amortization Expenses	150	150
Pre-tax restructuring	\$ 59	\$ 87
Tax on restructuring	(15)	(22)
Net restructuring	44	65
Pre-tax charges related to asset abandonment	\$ 43	\$ —
Tax on charges related to asset abandonment	(11)	—
Net charges related to asset abandonment	32	—
Pre-tax gain on previously held equity method investments	\$ (7)	\$ —
Tax on gain on previously held equity method investments	2	—
Net gain on previously held equity method investments	(5)	—
Adjusted Net Income	\$ 2,279	\$ 1,822

	Year ended December 31,	
	2024	2023
Diluted earnings per share attributable to Moody's common shareholders	\$ 11.26	\$ 8.73
Pre-tax Acquisition-Related Intangible Amortization Expenses	\$ 1.08	\$ 1.08
Tax on Acquisition-Related Intangible Amortization Expenses	(0.26)	(0.26)
Net Acquisition-Related Intangible Amortization Expenses	0.82	0.82
Pre-tax restructuring	\$ 0.32	\$ 0.47
Tax on restructuring	(0.08)	(0.12)
Net restructuring	0.24	0.35
Pre-tax charges related to asset abandonment	\$ 0.24	\$ —
Tax on charges related to asset abandonment	(0.06)	—
Net charges related to asset abandonment	0.18	—
Pre-tax gain on previously held equity method investments	\$ (0.04)	\$ —
Tax on gain on previously held equity method investments	0.01	—
Net gain on previously held equity method investments	(0.03)	—
Adjusted Diluted EPS	\$ 12.47	\$ 9.90

Note: the tax impacts in the table above were calculated using tax rates in effect in the jurisdiction for which the item relates.

Free Cash Flow:

The Company defines Free Cash Flow as net cash provided by operating activities minus cash paid for capital additions. Management believes that Free Cash Flow is a useful metric in assessing the Company's cash flows to service debt, pay dividends and to fund acquisitions and share repurchases. Management deems capital expenditures essential to the Company's product and service innovations and maintenance of Moody's operational capabilities. Accordingly, capital expenditures are deemed to be a recurring use of Moody's cash flow. Below is a reconciliation of the Company's net cash flows from operating activities to Free Cash Flow:

	Year ended December 31,	
	2024	2023
Net cash provided by operating activities	\$ 2,838	\$ 2,151
Capital additions	(317)	(271)
Free Cash Flow	\$ 2,521	\$ 1,880
Net cash used in investing activities	\$ (1,056)	\$ (247)
Net cash used in financing activities	\$ (1,446)	\$ (1,584)

Key Performance Metrics:

The Company presents ARR on a constant currency organic basis for its MA business as a supplemental performance metric to provide additional insight on the estimated value of MA's recurring revenue contracts at a given point in time. The Company uses ARR to manage and monitor performance of its MA operating segment and believes that this metric is a key indicator of the trajectory of MA's recurring revenue base.

The Company calculates ARR by taking the total recurring contract value for each active renewable contract as of the reporting date, divided by the number of days in the contract and multiplied by 365 days to create an annualized value. The Company defines renewable contracts as subscriptions, term licenses, maintenance and renewable services. ARR excludes transaction sales including one-time training, services and perpetual licenses. In order to compare period-over-period ARR excluding the effects of foreign currency translation, the Company bases the calculation on currency rates utilized in its current year operating budget and holds these FX rates constant for the duration of all current and prior periods being reported. Additionally, ARR excludes contracts related to acquisitions to provide additional perspective in assessing growth excluding the impacts from certain acquisition activity.

The Company's definition of ARR may differ from definitions utilized by other companies reporting similarly named measures, and this metric should be viewed in addition to, and not as a substitute for, financial measures presented in accordance with GAAP.

Amounts in millions	December 31, 2024	December 31, 2023	Change	Growth
MA ARR				
Decision Solutions				
Banking	\$ 457	\$ 420	\$ 37	9%
Insurance	601	536	65	12%
KYC	390	334	56	17%
Total Decision Solutions	\$ 1,448	\$ 1,290	\$ 158	12%
Research and Insights	942	885	57	6%
Data and Information	888	821	67	8%
Total MA ARR	\$ 3,278	\$ 2,996	\$ 282	9%

Recently Issued Accounting Pronouncements

Refer to Note 2 to the consolidated financial statements located in Part II, Item 8 on this Form 10-K for a discussion on the impact to the Company relating to recently issued accounting pronouncements.

Contingencies

Legal proceedings in which the Company is involved also may impact Moody's liquidity or operating results. No assurance can be provided as to the outcome of such proceedings. In addition, litigation inherently involves significant costs. For information regarding legal proceedings, see Part II, Item 8 – "Financial Statements," Note 19 "Contingencies" in this Form 10-K.

Forward-Looking Statements

Certain statements contained in this annual report on Form 10-K are forward-looking statements and are based on future expectations, plans and prospects for the Company's business and operations that involve a number of risks and uncertainties. Such statements involve estimates, projections, goals, forecasts, assumptions and uncertainties that could cause actual results or outcomes to differ materially from those contemplated, expressed, projected, anticipated or implied in the forward-looking

statements. Those statements appear at various places throughout this annual report on Form 10-K, including in the sections entitled “Contingencies” under Item 7, “MD&A”, commencing on page 38 of this annual report on Form 10-K, under “Legal Proceedings” in Part I, Item 3, of this Form 10-K, and elsewhere in the context of statements containing the words “believe,” “expect,” “anticipate,” “intend,” “plan,” “will,” “predict,” “potential,” “continue,” “strategy,” “aspire,” “target,” “forecast,” “project,” “estimate,” “should,” “could,” “may,” and similar expressions or words and variations thereof relating to the Company’s views on future events, trends and contingencies or otherwise convey the prospective nature of events or outcomes generally indicative of forward-looking statements. Stockholders and investors are cautioned not to place undue reliance on these forward-looking statements. The forward-looking statements and other information in this document are made as of the date of this annual report on Form 10-K, and the Company undertakes no obligation (nor does it intend) to publicly supplement, update or revise such statements on a going-forward basis, whether as a result of subsequent developments, changed expectations or otherwise, except as required by applicable law or regulation. In connection with the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995, the Company is identifying certain factors that could cause actual results to differ, perhaps materially, from those indicated by these forward-looking statements.

Those factors, risks and uncertainties include, but are not limited to:

- the impact of general economic conditions (including significant government debt and deficit levels, and inflation and related monetary policy actions by governments in response to inflation) on worldwide credit markets and on economic activity, including on the level of merger and acquisition activity, and their effects on the volume of debt and other securities issued in domestic and/or global capital markets;
- the uncertain effectiveness and possible collateral consequences of U.S. and foreign government initiatives and monetary policy to respond to the current economic climate, including instability of financial institutions, credit quality concerns, and other potential impacts of volatility in financial and credit markets;
- the global impacts of the Russia-Ukraine military conflict and the military conflict in the Middle East on volatility in world financial markets, on general economic conditions and GDP in the U.S. and worldwide, on global relations and on the Company’s own operations and personnel;
- other matters that could affect the volume of debt and other securities issued in domestic and/or global capital markets, including regulation, increased utilization of technologies that have the potential to intensify competition and accelerate disruption and disintermediation in the financial services industry, as well as the number of issuances of securities without ratings or securities which are rated or evaluated by non-traditional parties;
- the level of merger and acquisition activity in the U.S. and abroad;
- the uncertain effectiveness and possible collateral consequences of U.S. and foreign government actions affecting credit markets, international trade and economic policy, including those related to tariffs, tax agreements and trade barriers;
- the impact of MIS’s withdrawal of its credit ratings on countries or entities within countries and of Moody’s no longer conducting commercial operations in countries where political instability warrants such actions;
- concerns in the marketplace affecting our credibility or otherwise affecting market perceptions of the integrity or utility of independent credit agency ratings;
- the introduction or development of competing and/or emerging technologies and products;
- pricing pressure from competitors and/or customers;
- the level of success of new product development and global expansion;
- the impact of regulation as an NRSRO, the potential for new U.S., state and local legislation and regulations;
- the potential for increased competition and regulation in the jurisdictions in which we operate, including the EU;
- exposure to litigation related to our rating opinions, as well as any other litigation, government and regulatory proceedings, investigations and inquiries to which Moody’s may be subject from time to time;
- provisions in U.S. legislation modifying the pleading standards and EU regulations modifying the liability standards applicable to CRAs in a manner adverse to CRAs;
- provisions of EU regulations imposing additional procedural and substantive requirements on the pricing of services and the expansion of supervisory remit to include non-EU ratings used for regulatory purposes;
- uncertainty regarding the future relationship between the U.S. and China;
- the possible loss of key employees and the impact of the global labor environment;
- failures or malfunctions of our operations and infrastructure;
- any vulnerabilities to cyber threats or other cybersecurity concerns;
- the timing and effectiveness of our restructuring programs;
- currency and foreign exchange volatility;

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- the outcome of any review by tax authorities of Moody’s global tax planning initiatives;
- exposure to potential criminal sanctions or civil remedies if Moody’s fails to comply with foreign and U.S. laws and regulations that are applicable in the jurisdictions in which Moody’s operates, including data protection and privacy laws, sanctions laws, anti-corruption laws, and local laws prohibiting corrupt payments to government officials;
- the impact of mergers, acquisitions, or other business combinations and the ability of Moody’s to successfully integrate acquired businesses;
- the level of future cash flows;
- the levels of capital investments; and
- a decline in the demand for credit risk management tools by financial institutions, corporate or government entities.

These factors, risks and uncertainties as well as other risks and uncertainties that could cause Moody’s actual results to differ materially from those contemplated, expressed, projected, anticipated or implied in the forward-looking statements are described in greater detail under “Risk Factors” in Part I, Item 1A of Moody’s annual report on Form 10-K for the year ended December 31, 2024, and in other filings made by the Company from time to time with the SEC or in materials incorporated herein or therein. Stockholders and investors are cautioned that the occurrence of any of these factors, risks and uncertainties may cause the Company’s actual results to differ materially from those contemplated, expressed, projected, anticipated or implied in the forward-looking statements, which could have a material and adverse effect on the Company’s business, results of operations and financial condition. New factors may emerge from time to time, and it is not possible for the Company to predict new factors, nor can the Company assess the potential effect of any new factors on it. Forward-looking and other statements in this document may also address our corporate responsibility progress, plans, and goals (including sustainability and environmental matters), and the inclusion of such statements is not an indication that these contents are necessarily material to investors or required to be disclosed in the Company’s filings with the Securities and Exchange Commission. In addition, historical, current, and forward-looking sustainability-related statements may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Information in response to this item is set forth under the caption “Market Risk” in Part II, Item 7 on page 56 of this annual report on Form 10-K.

ITEM 8. FINANCIAL STATEMENTS

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Schedules are omitted as not required or inapplicable or because the required information is provided in the consolidated financial statements, including the notes thereto.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management of Moody's Corporation is responsible for establishing and maintaining adequate internal control over financial reporting and for the assessment of the effectiveness of internal control over financial reporting. As defined by the SEC in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, internal control over financial reporting is a process designed by, or under the supervision of, the Company's principal executive and principal financial officers, or persons performing similar functions, and effected by the Company's Board, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Moody's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of Moody's management and directors; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management of the Company evaluated and assessed the design and operational effectiveness of the Company's internal control over financial reporting as of December 31, 2024 based on criteria established in the Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Based on the assessment performed, management has concluded that Moody's maintained effective internal control over financial reporting as of December 31, 2024.

The effectiveness of our internal control over financial reporting as of December 31, 2024 has been audited by KPMG LLP, an independent registered public accounting firm, as stated in their accompanying report which expresses an unqualified opinion on the effectiveness of Moody's internal control over financial reporting as of December 31, 2024.

/s/ ROBERT FAUBER

Robert Fauber

President and Chief Executive Officer

/s/ NOÉMIE HEULAND

Noémie Heuland

Senior Vice President and Chief Financial Officer

February 14, 2025

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors
Moody's Corporation:

Opinions on the Consolidated Financial Statements and Internal Control Over Financial Reporting

We have audited the accompanying consolidated balance sheets of Moody's Corporation and subsidiaries (the Company) as December 31, 2024 and 2023, the related consolidated statements of operations, comprehensive income, shareholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2024, and the related notes (collectively, the consolidated financial statements). We also have audited the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2024, in conformity with U.S. generally accepted accounting principles. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024 based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's consolidated financial statements and an opinion on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Gross uncertain tax positions

As discussed in Note 15 to the consolidated financial statements, the Company has recorded uncertain tax positions (UTPs), excluding associated interest of \$211 million as of December 31, 2024. The Company determines whether it is more-likely-than-not that a tax position will be sustained based on its technical merits as of the reporting date. A tax position that meets this more-likely-than-not threshold is then measured and recognized at the largest amount of benefit that is greater than fifty percent likely to be realized upon effective settlement with a taxing authority. We identified the assessment of the Company's gross UTPs as a critical audit matter because complex judgment was required in evaluating the Company's interpretation of tax laws and its estimate of the ultimate resolution of the tax positions.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of internal controls over the Company's tax process, including those related to the timely identification of UTPs, the assessment of new information related to previously identified UTPs, and the measurement of UTPs. We involved valuation professionals with specialized skills and knowledge, who assisted in assessing transfer pricing studies for compliance with applicable laws and regulations. Additionally, we involved tax professionals with specialized skills and knowledge, who assisted in:

- evaluating the Company's interpretation of tax laws and judgments about the administrative practices of tax authorities
- inspecting settlement documents with applicable taxing authorities
- assessing the expiration of statutes of limitations
- performing an assessment of the Company's tax positions and comparing the results to the Company's assessment.

In addition, we evaluated the Company's ability to accurately estimate its gross UTPs by comparing historical gross UTPs to actual results upon conclusion of tax audits or expiration of the statute of limitations.

/s/ KPMG LLP

We have served as the Company's auditor since 2008.

New York, New York

February 14, 2025

MOODY'S CORPORATION

CONSOLIDATED STATEMENTS OF OPERATIONS

(Amounts in millions, except per share data)

	Year Ended December 31,		
	2024	2023	2022
Revenue	\$ 7,088	\$ 5,916	\$ 5,468
Expenses			
Operating	1,945	1,687	1,613
Selling, general and administrative	1,735	1,632	1,527
Depreciation and amortization	431	373	331
Restructuring	59	87	114
Charges related to asset abandonment	43	—	—
Total expenses	4,213	3,779	3,585
Operating income	2,875	2,137	1,883
Non-operating (expense) income, net			
Interest expense, net	(237)	(251)	(231)
Other non-operating income, net	61	49	38
Gain on extinguishment of debt	—	—	70
Non-operating (expense) income, net	(176)	(202)	(123)
Income before provision for income taxes	2,699	1,935	1,760
Provision for income taxes	640	327	386
Net income	2,059	1,608	1,374
Less: Net income attributable to noncontrolling interests	1	1	—
Net income attributable to Moody's	\$ 2,058	\$ 1,607	\$ 1,374
Earnings per share			
Basic	\$ 11.32	\$ 8.77	\$ 7.47
Diluted	\$ 11.26	\$ 8.73	\$ 7.44
Weighted average shares outstanding			
Basic	181.8	183.2	183.9
Diluted	182.7	184.0	184.7

The accompanying notes are an integral part of the consolidated financial statements.

MOODY'S CORPORATION

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Amounts in millions)

	Year Ended December 31, 2024			Year Ended December 31, 2023			Year Ended December 31, 2022		
	Pre-tax amounts	Tax amounts	After-tax amounts	Pre-tax amounts	Tax amounts	After-tax amounts	Pre-tax amounts	Tax amounts	After-tax amounts
Net Income			\$ 2,059			\$ 1,608			\$ 1,374
Other Comprehensive Income (Loss):									
Foreign Currency Adjustments:									
Foreign currency translation adjustments, net	\$ (309)	\$ (3)	\$ (312)	\$ 213	\$ (1)	\$ 212	\$ (439)	\$ 2	\$ (437)
Foreign currency translation adjustments - reclassification of losses included in net income	—	—	—	—	—	—	20	—	20
Net gains (losses) on net investment hedges	299	(77)	222	(177)	45	(132)	219	(55)	164
Cash Flow Hedges:									
Reclassification of losses included in net income	3	(1)	2	2	(1)	1	2	—	2
Pension and Other Retirement Benefits:									
Amortization of actuarial gains (losses), prior service credits (costs), and settlement gain (charge) included in net income	(2)	—	(2)	(3)	—	(3)	3	(1)	2
Net actuarial gains (losses)	25	(6)	19	(8)	2	(6)	(1)	1	—
Total Other Comprehensive Income (Loss)	\$ 16	\$ (87)	\$ (71)	\$ 27	\$ 45	\$ 72	\$ (196)	\$ (53)	\$ (249)
Comprehensive Income			1,988			1,680			1,125
Less: comprehensive loss attributable to noncontrolling interests			—			(4)			(16)
Comprehensive Income Attributable to Moody's			\$ 1,988			\$ 1,684			\$ 1,141

The accompanying notes are an integral part of the consolidated financial statements.

MOODY'S CORPORATION

CONSOLIDATED BALANCE SHEETS

(Amounts in millions, except share and per share data)

	December 31,	
	2024	2023
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,408	\$ 2,130
Short-term investments	566	63
Accounts receivable, net of allowances for credit losses of \$32 in 2024 and \$35 in 2023	1,801	1,659
Other current assets	515	489
Total current assets	5,290	4,341
Property and equipment, net of accumulated depreciation of \$1,453 in 2024 and \$1,272 in 2023	656	603
Operating lease right-of-use assets	216	277
Goodwill	5,994	5,956
Intangible assets, net	1,890	2,049
Deferred tax assets, net	293	258
Other assets	1,166	1,138
Total assets	\$ 15,505	\$ 14,622
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 1,344	\$ 1,076
Current portion of operating lease liabilities	102	108
Current portion of long-term debt	697	—
Deferred revenue	1,454	1,316
Total current liabilities	3,597	2,500
Non-current portion of deferred revenue	57	65
Long-term debt	6,731	7,001
Deferred tax liabilities, net	449	402
Uncertain tax positions	211	196
Operating lease liabilities	216	306
Other liabilities	517	676
Total liabilities	11,778	11,146
Contingencies (Note 19)		
Shareholders' equity:		
Preferred stock, par value \$0.01 per share; 10,000,000 shares authorized; no shares issued and outstanding	—	—
Series common stock, par value \$0.01 per share; 10,000,000 shares authorized; no shares issued and outstanding	—	—
Common stock, par value \$0.01 per share; 1,000,000,000 shares authorized; 342,902,272 shares issued at December 31, 2024 and December 31, 2023, respectively.	3	3
Capital surplus	1,451	1,228
Retained earnings	16,071	14,659
Treasury stock, at cost; 162,593,213 and 160,430,754 shares of common stock at December 31, 2024 and December 31, 2023, respectively	(13,322)	(12,005)
Accumulated other comprehensive loss	(638)	(567)
Total Moody's shareholders' equity	3,565	3,318
Noncontrolling interests	162	158
Total shareholders' equity	3,727	3,476
Total liabilities and shareholders' equity	\$ 15,505	\$ 14,622

The accompanying notes are an integral part of the consolidated financial statements.

MOODY'S CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Amounts in millions)

	Year Ended December 31,		
	2024	2023	2022
Cash flows from operating activities			
Net income	\$ 2,059	\$ 1,608	\$ 1,374
Reconciliation of net income to net cash provided by operating activities:			
Depreciation and amortization	431	373	331
Stock-based compensation	220	193	169
Deferred income taxes	(62)	(38)	48
Non-cash restructuring and asset impairment/abandonment-related charges	32	35	29
Provision for credit losses on accounts receivable	15	22	25
FX translation losses reclassified to net income	—	—	20
Gain on extinguishment of debt	—	—	(70)
Gain on previously held/sold investments in non-consolidated affiliates	(7)	(4)	—
Changes in assets and liabilities:			
Accounts receivable	(187)	(12)	9
Other current assets	(36)	119	(223)
Other assets	(17)	(69)	(48)
Lease obligations	(33)	(26)	(19)
Accounts payable and accrued liabilities	225	76	(161)
Deferred revenue	154	24	20
Unrecognized tax positions and other non-current tax liabilities	18	(129)	(33)
Other liabilities	26	(21)	3
Net cash provided by operating activities	2,838	2,151	1,474
Cash flows from investing activities			
Capital additions	(317)	(271)	(283)
Purchases of investments	(651)	(143)	(246)
Sales and maturities of investments	135	162	216
Purchases of investments in non-consolidated affiliates	(4)	(5)	(74)
Sales of/distributions from investments in non-consolidated affiliates	2	13	2
Cash paid for acquisitions, net of cash acquired	(221)	(3)	(97)
Receipts from settlements of net investment hedges	—	—	220
Net cash used in investing activities	(1,056)	(247)	(262)
Cash flows from financing activities			
Issuance of notes	496	—	988
Repayment of notes	—	(500)	(626)
Proceeds from stock-based compensation plans	73	50	26
Repurchase of shares related to stock-based compensation	(91)	(71)	(87)
Treasury shares	(1,292)	(490)	(983)
Dividends	(620)	(564)	(515)
Dividends to noncontrolling interests	(7)	(9)	(1)
Debt issuance costs, extinguishment costs and related fees	(5)	—	(10)
Net cash used in financing activities	(1,446)	(1,584)	(1,208)
Effect of exchange rate changes on cash and cash equivalents	(58)	41	(46)
Increase (decrease) in cash and cash equivalents	278	361	(42)
Cash and cash equivalents, beginning of period	2,130	1,769	1,811
Cash and cash equivalents, end of period	\$ 2,408	\$ 2,130	\$ 1,769

The accompanying notes are an integral part of the consolidated financial statements.

MOODY'S CORPORATION

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

(Amounts in millions, except per share data)

	Shareholders of Moody's Corporation									
	Common Stock		Capital Surplus	Retained Earnings	Treasury Stock		Accumulated Other Comprehensive Loss	Total Moody's Shareholders' Equity	Non-Controlling Interests	Total Shareholders' Equity
	Shares	Amount			Shares	Amount				
Balance at December 31, 2021	342.9	\$ 3	\$ 885	\$ 12,762	(157.3)	\$ (10,513)	\$ (410)	\$ 2,727	\$ 189	\$ 2,916
Net income				1,374				1,374	—	1,374
Dividends (\$2.80 per share)				(518)				(518)	(3)	(521)
Stock-based compensation			169					169		169
Shares issued for stock-based compensation plans at average cost, net			(32)		0.6	(29)		(61)		(61)
Shares issued as consideration to acquire kompany ⁽¹⁾			35		0.1	9		44		44
Treasury shares repurchased			(3)		(3.1)	(980)		(983)		(983)
Currency translation adjustment, net of net investment hedge activity (net of tax of \$53 million)							(237)	(237)	(16)	(253)
Amortization of prior service costs and actuarial losses (net of tax of \$1 million)							2	2		2
Amortization of losses on cash flow hedges							2	2		2
Balance at December 31, 2022	342.9	\$ 3	\$ 1,054	\$ 13,618	(159.7)	\$ (11,513)	\$ (643)	\$ 2,519	\$ 170	\$ 2,689

The accompanying notes are an integral part of the consolidated financial statements.

⁽¹⁾ Represents a non-cash investing activity relating to the issuance of common stock to fund a portion of the purchase price for kompany.

MOODY'S CORPORATION

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY continued

(Amounts in millions, except per share data)

	Shareholders of Moody's Corporation									
	Common Stock			Retained Earnings	Treasury Stock		Accumulated Other Comprehensive Loss	Total Moody's Shareholders' Equity	Non-Controlling Interests	Total Shareholders' Equity
	Shares	Amount	Capital Surplus		Shares	Amount				
Balance at December 31, 2022	342.9	\$ 3	\$ 1,054	\$ 13,618	(159.7)	\$ (11,513)	\$ (643)	\$ 2,519	\$ 170	\$ 2,689
Net income				1,607				1,607	1	1,608
Dividends (\$3.08 per share)				(566)				(566)	(9)	(575)
Stock-based compensation			193					193		193
Shares issued for stock-based compensation plans at average cost, net			(19)		0.8	—		(19)		(19)
Treasury shares repurchased, inclusive of excise tax			—		(1.5)	(492)		(492)		(492)
Currency translation adjustment, net of net investment hedge activity (net of tax of \$44 million)							84	84	(4)	80
Net actuarial losses (net of tax of \$2 million)							(6)	(6)		(6)
Amortization of actuarial gains, prior service credits and settlement gain							(3)	(3)		(3)
Amortization of losses on cash flow hedges (net of tax of \$1 million)							1	1		1
Balance at December 31, 2023	342.9	\$ 3	\$ 1,228	\$ 14,659	(160.4)	\$ (12,005)	\$ (567)	\$ 3,318	\$ 158	\$ 3,476

The accompanying notes are an integral part of the consolidated financial statements.

MOODY'S CORPORATION

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY continued

(Amounts in millions, except per share data)

	Shareholders of Moody's Corporation									
	Common Stock		Capital Surplus	Retained Earnings	Treasury Stock		Accumulated Other Comprehensive Loss	Total Moody's Shareholders' Equity	Non-Controlling Interests	Total Shareholders' Equity
	Shares	Amount			Shares	Amount				
Balance at December 31, 2023	342.9	\$ 3	\$ 1,228	\$ 14,659	(160.4)	\$ (12,005)	\$ (567)	\$ 3,318	\$ 158	\$ 3,476
Net income				2,058				2,058	1	2,059
Dividends (\$3.40 per share)				(646)				(646)	(7)	(653)
Stock-based compensation			225					225		225
Shares issued for stock-based compensation plans at average cost, net			(2)		0.7	(16)		(18)		(18)
Noncontrolling interest resulting from majority acquisition								—	10	10
Treasury shares repurchased, inclusive of excise tax			—		(2.9)	(1,301)		(1,301)		(1,301)
Currency translation adjustment, net of net investment hedge activity (net of tax of \$80 million)							(90)	(90)	—	(90)
Net actuarial gains (net of tax of \$6 million)							19	19		19
Amortization of actuarial gains and prior service credits							(2)	(2)		(2)
Amortization of losses on cash flow hedges (net of tax of \$1 million)							2	2		2
Balance at December 31, 2024	342.9	\$ 3	\$ 1,451	\$ 16,071	(162.6)	\$ (13,322)	\$ (638)	\$ 3,565	\$ 162	\$ 3,727

The accompanying notes are an integral part of the consolidated financial statements.

MOODY'S CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

*(tabular dollar and share amounts in millions, except per share data)***NOTE 1 DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION**

Moody's is a global provider of integrated perspectives on risk that empowers organizations and investors to make better decisions. Moody's reports in two reportable segments: MA and MIS.

MA is a global provider of: i) data and information; ii) research and insights; and iii) decision solutions, which help companies make better and faster decisions. MA leverages its industry expertise across multiple risks such as credit, market, financial crime, supply chain, catastrophe and climate to deliver integrated risk assessment solutions that enable business leaders to identify, measure and manage the implications of interrelated risks and opportunities.

MIS publishes credit ratings and provides assessment services on a wide range of debt obligations, programs and facilities, and the entities that issue such obligations in markets worldwide, including various corporate, financial institution and governmental obligations, and structured finance securities.

Certain reclassifications have been made to prior period amounts to conform to the current presentation.

Adoption of New Accounting Standards in 2024

In November 2023, the FASB issued ASU 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures" ("ASU No. 2023-07"), which expands segment disclosure requirements for public entities. ASU No. 2023-07 requires entities to disclose significant segment expenses by reportable segment if they are regularly provided to the CODM and included in each reported measure of segment profit or loss. In addition, this ASU permits entities to disclose more than one measure of segment profit or loss used by the CODM. Additionally, disclosure of the CODM's title and position will be required on an annual basis, as well as an explanation of how the CODM uses the reported measure(s). Furthermore, all existing annual disclosures about segment profit or loss and assets must be provided on an interim basis in addition to disclosure of significant segment expenses and other segment items. This ASU is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, and requires retrospective application to all prior periods presented in the financial statements. The Company adopted this ASU retrospectively for all periods presented with the new required disclosures presented in Note 20.

Reclassification of Previously Reported Revenue by LOB

In the first quarter of 2024, pursuant to the integration of RMS into the Company's order-to-cash systems, the Company reclassified certain prior year revenue by geography disclosures. The impact of the reclassification was not material, and prior year revenue by LOB disclosures have been reclassified to conform to this new presentation, which is disclosed in Note 3.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**Basis of Consolidation**

The consolidated financial statements include those of Moody's Corporation and its majority- and wholly-owned subsidiaries. The effects of all intercompany transactions have been eliminated. Investments in companies for which the Company has significant influence over operating and financial policies but not a controlling interest are accounted for on an equity basis whereby the Company records its proportional share of the investment's net income or loss as part of other non-operating income (expense), net and any dividends received reduce the carrying amount of the investment. Equity investments without a readily determinable fair value for which the Company does not have significant influence are accounted for under the ASC Topic 321 measurement alternative; these investments are recorded at initial cost, less impairment, adjusted upward or downward for any observable price changes in similar investments. The Company applies the guidelines set forth in ASC Topic 810 assessing its interests in voting and variable interest entities to decide whether to consolidate an entity. The Company has reviewed the potential variable interest entities and determined that there are no consolidation requirements under ASC Topic 810. The Company consolidates its ICRA subsidiaries on a three month lag.

Cash and Cash Equivalents

Cash equivalents principally consist of investments in money market deposit accounts and money market funds as well as certificates of deposit with maturities of three months or less when purchased.

Short-term Investments

Short-term investments are securities with maturities greater than 90 days at the time of purchase that are available for operations in the next 12 months. The Company's short-term investments primarily consist of certificates of deposit and their cost approximates fair value due to the short-term nature of the instruments. Interest and dividends on these investments are recorded into income when earned.

Property and Equipment

Property and equipment are stated at cost and are depreciated using the straight-line method over their estimated useful lives. Expenditures for maintenance and repairs that do not extend the economic useful life of the related assets are charged to expense as incurred.

Computer Software Developed or Obtained for Internal Use

The Company capitalizes costs related to software developed or obtained for internal use. These assets, included in property and equipment in the consolidated balance sheets, relate to MA's SaaS-based solutions as well as the Company's financial, website and other systems. Such costs generally consist of employee compensation, direct costs for third-party license fees and professional services provided by third parties, in each case incurred either during the application development stage or in connection with upgrades and enhancements that increase functionality. Such costs are depreciated over their estimated useful lives on a straight-line basis. Costs incurred during the preliminary project stage of development as well as maintenance costs are expensed as incurred.

The Company also capitalizes implementation costs incurred in cloud computing arrangements (e.g., hosted arrangements) and depreciates the costs over the non-cancellable term of the cloud computing arrangements plus any option renewal periods that are reasonably certain to be exercised or for which the exercise is controlled by the service provider. The Company classifies the amortization of capitalized implementation costs in the same line item in the consolidated statement of operations as the fees associated with the hosting service (i.e., operating and SG&A expense) and classifies the related payments in the consolidated statement of cash flows in the same manner as payments made for fees associated with the hosting service (i.e. cash flows from operating activities). In addition, the capitalization of implementation costs is reflected in the consolidated balance sheets consistent with the location of prepayment of fees for the hosting element (i.e., within other current assets or other assets).

Goodwill and Other Acquired Intangible Assets

Moody's evaluates its goodwill for impairment at the reporting unit level, defined as an operating segment (i.e., MA and MIS), or one level below an operating segment (i.e., a component of an operating segment), annually as of July 31 or more frequently if impairment indicators arise in accordance with ASC Topic 350.

The Company evaluates the recoverability of goodwill using a two-step impairment test approach at the reporting unit level. In the first step, the Company assesses various qualitative factors to determine whether the fair value of a reporting unit may be less than its carrying amount. If a determination is made based on the qualitative factors that an impairment does not exist, the Company is not required to perform further testing. If the aforementioned qualitative assessment results in the Company concluding that it is more likely than not that the fair value of a reporting unit may be less than its carrying amount, the fair value of the reporting unit will be quantitatively determined and compared to its carrying value including goodwill. If the fair value of the reporting unit exceeds the carrying value of the net assets assigned to that unit, goodwill is not impaired and the Company is not required to perform further testing. If the fair value of the reporting unit is less than the carrying value, the Company will record a goodwill impairment charge for the amount by which the carrying value exceeds the reporting unit's fair value.

The Company evaluates its reporting units on an annual basis, or more frequently if there are changes in the reporting structure of the Company due to acquisitions, realignments or if there are indicators of potential impairment. For the reporting units where the Company is consistently able to conclude that no impairment exists using only a qualitative approach, the Company's accounting policy is to perform the second step of the aforementioned goodwill impairment assessment at least once every three years.

For purposes of assessing the recoverability of goodwill, the Company has four reporting units: two reporting units within MA consisting of businesses that offer: i) data and data-driven analytical solutions; and ii) risk-management software, workflow and CRE solutions and two within the Company's ratings business (one for the ICRA business and one that encompasses all of Moody's other ratings operations).

Impairment of long-lived assets and definite-lived intangible assets

Long-lived assets (including ROU Assets) and amortizable intangible assets are reviewed for recoverability whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Under the first step of the recoverability assessment, the Company compares the estimated undiscounted future cash flows attributable to the asset or asset group to their carrying value. If the undiscounted future cash flows are greater than the carrying value, no further assessment is required. If the undiscounted future cash flows are less than the carrying value, Moody's proceeds with step two of the assessment. Under step two of this assessment, Moody's is required to determine the fair value of the asset or asset group (reduced by the estimated cost to sell the asset for assets or disposal groups classified as held-for-sale) and recognize an impairment loss if the carrying amount exceeds its fair value.

Stock-Based Compensation

The Company records compensation expense over the requisite service period for all share-based payment award transactions granted to employees based on the fair value of the equity instrument at the time of grant. This includes shares issued under stock option and restricted stock plans.

Derivative Instruments and Hedging Activities

Based on the Company's risk management policy, the Company may use derivative financial instruments to reduce exposure to changes in foreign exchange rates and interest rates. The Company does not enter into derivative financial instruments for speculative purposes. All derivative financial instruments are recorded on the consolidated balance sheets at their respective fair values on a gross basis. The changes in the value of derivatives that qualify as fair value hedges are recorded in the same income statement line item in earnings in which the corresponding adjustment to the carrying value of the hedged item is presented. The entire change in the fair value of derivatives that qualify as cash flow hedges is recorded to OCI and such amounts are reclassified from AOCI(L) to the same income statement line in earnings in the same period or periods during which the hedged transaction affects income. The Company assesses effectiveness for net investment hedges using the spot-method. The entire change in the fair value of derivatives that qualify as net investment hedges is initially recorded to OCI. Those changes in fair value attributable to components included in the assessment of hedge effectiveness in a net investment hedge are recorded in the currency translation adjustment component of OCI and remain in AOCI(L) until the period in which the hedged item affects earnings. Those changes in fair value attributable to components excluded from the assessment of hedge effectiveness in a net investment hedge are recorded to OCI and amortized to earnings using a systematic and rational method over the duration of the hedge. Any changes in the fair value of derivatives that the Company does not designate as hedging instruments under ASC Topic 815 are recorded in the consolidated statements of operations in the period in which they occur. Cash flows from derivatives are recognized in the consolidated statements of cash flows in a manner consistent with the recognition of the underlying hedged item.

Revenue Recognition and Costs to Obtain or Fulfill a Contract with a Customer

Revenue recognition:

Revenue is recognized when control of promised goods or services is transferred to the customer, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services.

When contracts with customers contain multiple performance obligations, the Company accounts for individual performance obligations separately if they are distinct. The transaction price is allocated to each distinct performance obligation on a relative SSP basis. The Company determines the SSP by using the price charged for a deliverable when sold separately or uses management's best estimate of SSP for goods or services not sold separately using estimation techniques that maximize observable data points, including: internal factors relevant to its pricing practices such as costs and margin objectives; standalone sales prices of similar products; pricing policies; percentage of the fee charged for a primary product or service relative to a related product or service; and geography.

Sales, usage-based, value added and other taxes are excluded from revenues.

MA Revenue

In the MA segment, products and services offered by the Company include hosted research and data subscriptions, installed and hosted software subscriptions, perpetual installed software licenses and related maintenance, or PCS, and professional services. Subscription and PCS contracts are generally invoiced in advance of the contractual coverage period, which is principally one year, but can range from 3-5 years. Professional services are invoiced as those services are provided. Payment terms and conditions vary by contract type, but primarily include a requirement of payment within 30 to 60 days.

Revenue from research, data and other hosted subscriptions is recognized ratably over the related subscription period as MA's performance obligation to provide access to these products is progressively fulfilled over the stated term of the contract. A large portion of these services are invoiced in the months of November, December and January.

Revenue from installed software subscriptions, which includes PCS, is bifurcated into a software license performance obligation and a PCS performance obligation, which follow the patterns of recognition described above, except for those installed subscriptions where the software license and PCS performance obligations were determined to be incapable of being distinct from each other in accordance with ASC 606-10-25-19 and ASC 606-10-25-20. In such instances, revenue is recognized over time. Revenue from the sale of a software license, when considered distinct from the related software implementation services, is generally recognized at the time the product master or first copy is delivered or transferred to the customer. PCS is generally recognized ratably over the contractual period commencing when the software license is fully delivered.

For implementation services and other service projects for which fees are fixed, the Company determined progress towards completion is most accurately measured on a percentage-of-completion basis (input method) as this approach utilizes the most directly observable data points and is therefore used to recognize the related revenue. For implementation services where price varies based on time expended, a time-based measure of progress towards completion of the performance obligation is utilized.

Revenue from professional services rendered is generally recognized over time as the services are performed.

Products and services offered within the MA segment are sold either stand-alone or together in various combinations. In instances where an arrangement contains multiple performance obligations, the Company accounts for the individual performance obligations separately if they are considered distinct. Revenue is generally allocated to all performance obligations based upon the relative SSP at contract inception. For certain performance obligations, judgment is required to determine the SSP. Revenue is recognized for each performance obligation based upon the conditions for revenue recognition noted above.

In the MA segment, customers usually pay a fixed fee for the products and services based on signed contracts. However, accounting for variable consideration is applied mainly for: i) estimates for cancellation rights and price concessions and ii) T&M based services.

The Company estimates the variable consideration associated with cancellation rights and price concessions based on the expected amount to be provided to customers and reduces the amount of revenue to be recognized.

MIS Revenue

In the MIS segment, revenue arrangements with multiple elements are generally comprised of two distinct performance obligations, a rating and the related monitoring service. Revenue attributed to ratings of issued securities is generally recognized when the rating is delivered to the issuer. Revenue attributed to monitoring of issuers or issued securities is recognized ratably over the period in which the monitoring is performed, generally one year. In the case of certain structured finance products, primarily CMBS, issuers can elect to pay all of the annual monitoring fees upfront. These fees are deferred and recognized over the future monitoring periods based on the expected lives of the rated securities.

MIS arrangements generally have standard contractual terms for which the stated payments are due at conclusion of the ratings process for ratings and either upfront or in arrears for monitoring services; and are signed by customers either on a per issue basis or at the beginning of the relationship with the customer. In situations when customer fees for an arrangement may be variable, the Company estimates the variable consideration at inception using the expected value method based on analysis of similar contracts in the same line of business, which is constrained based on the Company's assessment of the realization of the adjustment amount.

The Company allocates the transaction price within arrangements that include multiple performance obligations based upon the relative SSP of each service. The SSP for both rating and monitoring services is generally based upon observable selling prices where the rating or monitoring service is sold separately to similar customers.

Costs to Obtain or Fulfill a Contract with a Customer:

Costs to obtain a contract with a customer

Costs incurred to obtain customer contracts, such as sales commissions, are deferred and recorded within other current assets and other assets when such costs are determined to be incremental to obtaining a contract, would not have been incurred otherwise and the Company expects to recover those costs. These costs are amortized to expense on a systematic basis consistent with the transfer of the products or services to the customer. Depending on the line of business to which the contract relates, this may be based upon the average economic life of the products sold or average period for which services are provided, inclusive of anticipated contract renewals. Determining the estimated economic life of the products sold requires judgment with respect to anticipated future technological changes. Costs to obtain customer contracts are only incurred in the MA segment.

Cost to fulfill a contract with a customer

Costs incurred to fulfill customer contracts, are deferred and recorded within other current assets and other assets when such costs relate directly to a contract, generate or enhance resources of the Company that will be used in satisfying performance obligations in the future and the Company expects to recover those costs.

The Company capitalizes royalty costs within the MA segment related to third-party information data providers associated with hosted company information and business intelligence products. These costs are amortized to expense consistent with the recognition pattern of the related revenue over time.

In addition, the Company capitalizes work-in-process costs for in-progress MIS ratings, which is recognized consistent with the rendering of the related services to the customers, as ratings are issued.

Accounts Receivable Allowances

In order to determine an estimate of expected credit losses, receivables are segmented based on similar risk characteristics including historical credit loss patterns to calculate reserve rates. The Company uses an aging method for developing its allowance for credit losses by which receivable balances are stratified based on aging category. A reserve rate is calculated for each aging category which is generally based on historical information, and is adjusted, when necessary, for current conditions (e.g., macroeconomic or industry related) and reasonable and supportable forecasts about the future. The Company also considers customer specific information (e.g., bankruptcy or financial difficulty) when estimating its expected credit losses, as well as the economic environment of the customers, both from an industry and geographic perspective, in evaluating the need for allowances. Expected credit losses are reflected as additions to the accounts receivable allowance. Actual uncollectible account write-offs are recorded against the allowance.

Leases

The Company has operating leases, which substantially all relate to the lease of office space. The Company's leases which are classified as finance leases are not material to the consolidated financial statements.

The Company determines if an arrangement meets the definition of a lease at contract inception. The Company recognizes in its consolidated balance sheets a lease liability and an ROU Asset for all leases with a lease term greater than 12 months. In determining the length of the lease term, the Company utilizes judgment in assessing the likelihood of whether it is reasonably certain that it will exercise an option to extend or early-terminate a lease, if such options are provided in the lease agreement.

ROU Assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. ROU Assets and lease liabilities are recognized at the lease

commencement date based on the present value of lease payments over the lease term. As substantially all of the Company's leases do not provide an implicit interest rate, the Company uses its estimated secured incremental borrowing rates at the lease commencement date in determining the present value of lease payments. These secured incremental borrowing rates are attributable to the currency in which the lease is denominated.

At commencement, the Company's initial measurement of the ROU Asset is calculated as the present value of the remaining lease payments (i.e., lease liability), with additive adjustments reflecting: initial direct costs (e.g., broker commissions) and prepaid lease payments (if any); and reduced by any lease incentives provided by the lessor if: (i) received before lease commencement or (ii) receipt of the lease incentive is contingent upon future events for which the occurrence is both probable and within the Company's control.

Lease expense for minimum operating lease payments is recognized on a straight-line basis over the lease term. This straight-line lease expense represents a single lease cost which is comprised of both an interest accretion component relating to the lease liability and amortization of the ROU Assets. The Company records this single lease cost in operating and SG&A expenses. However, in situations where an operating lease ROU Asset has been impaired, the subsequent amortization of the ROU Asset is then recorded on a straight-line basis over the remaining lease term and is combined with accretion expense on the lease liability to result in single operating lease cost (which subsequent to impairment will no longer follow a straight-line recognition pattern).

The Company has lease agreements which include lease and non-lease components. For the Company's office space leases, the lease components (e.g., fixed rent payments) and non-lease components (e.g., fixed common-area maintenance costs) are combined and accounted for as a single lease component.

Variable lease payments (e.g., variable common-area-maintenance costs) are only included in the initial measurement of the lease liability to the extent those payments depend on an index or a rate. Variable lease payments not included in the lease liability are recognized in net income in the period in which the obligation for those payments is incurred.

Contingencies

Moody's is involved in legal and tax proceedings, governmental, regulatory and legislative investigations and inquiries, claims and litigation that are incidental to the Company's business, including claims based on ratings assigned by MIS. Moody's is also subject to ongoing tax audits in the normal course of business. Management periodically assesses the Company's liabilities and contingencies in connection with these matters based upon the latest information available. Moody's discloses material pending legal proceedings pursuant to SEC rules and other pending matters as it may determine to be appropriate.

For claims, litigation and proceedings and governmental investigations and inquiries not related to income taxes, the Company records liabilities in the consolidated financial statements when it is both probable that a liability has been incurred and the amount of loss can be reasonably estimated and periodically adjusts these as appropriate. When the reasonable estimate of the loss is within a range of amounts, the minimum amount of the range is accrued unless some higher amount within the range is a better estimate than another amount within the range. In instances when a loss is reasonably possible but uncertainties exist related to the probable outcome and/or the amount or range of loss, management does not record a liability but discloses the contingency if material. As additional information becomes available, the Company adjusts its assessments and estimates of such matters accordingly. Moody's also discloses material pending legal proceedings pursuant to SEC rules and other pending matters as it may determine to be appropriate.

In view of the inherent difficulty of assessing the potential outcome of legal proceedings, governmental, regulatory and legislative investigations and inquiries, claims and litigation and similar matters and contingencies, particularly when the claimants seek large or indeterminate damages or assert novel legal theories or the matters involve a large number of parties, the Company often cannot predict what the eventual outcome of the pending matters will be or the timing of any resolution of such matters. The Company also may be unable to predict the impact (if any) that any such matters may have on how its business is conducted, on its competitive position or on its financial position, results of operations or cash flows. As the process to resolve any pending matters progresses, management will continue to review the latest information available and assess its ability to predict the outcome of such matters and the effects, if any, on its operations and financial condition and to accrue for and disclose such matters as and when required. However, because such matters are inherently unpredictable and unfavorable developments or resolutions can occur, the ultimate outcome of such matters, including the amount of any loss, may differ from those estimates.

Operating Expenses

Operating expenses include costs associated with the development and production of the Company's products and services and their delivery to customers. These expenses principally include employee compensation and benefits and travel costs that are incurred in connection with these activities. Operating expenses are charged to income as incurred.

Selling, General and Administrative Expenses

SG&A expenses include such items as compensation and benefits for corporate officers and staff and compensation and other expenses related to sales. They also include items such as office rent, business insurance and professional fees. SG&A expenses are charged to income as incurred.

Foreign Currency Translation

For all operations outside the U.S. where the Company has designated the local currency as the functional currency, assets and liabilities are translated into U.S. dollars using end of year exchange rates, and revenue and expenses are translated using

average exchange rates for the year. For these foreign operations, currency translation adjustments are recorded to other comprehensive income.

Comprehensive Income

Comprehensive income represents the change in net assets of a business enterprise during a period due to transactions and other events and circumstances from non-owner sources including: foreign currency translation impacts; net actuarial gains and losses and net prior service costs related to pension and other retirement plans; and gains and losses on derivative instruments designated as net investment hedges or cash flow hedges. Comprehensive income items, including cumulative translation adjustments of entities that are less-than-wholly-owned subsidiaries, will be reclassified to noncontrolling interests and thereby, adjusting AOCI(L) proportionately in accordance with the percentage of ownership interest of the non-controlling shareholder. Additionally, the Company reclassifies the income tax effects from AOCI(L) at such time as the earnings or loss of the related activity are recognized in earnings.

Income Taxes

The Company accounts for income taxes under the asset and liability method in accordance with ASC Topic 740. Therefore, income tax expense is based on reported income before income taxes and deferred income taxes reflect the effect of temporary differences between the amounts of assets and liabilities that are recognized for financial reporting purposes and the amounts that are recognized for income tax purposes.

The Company classifies interest related to unrecognized tax benefits as a component of interest expense in its consolidated statements of operations. Penalties are recognized in other non-operating expenses. For UTPs, the Company first determines whether it is more-likely-than-not (defined as a likelihood of more than fifty percent) that a tax position will be sustained based on its technical merits as of the reporting date, assuming that taxing authorities will examine the position and have full knowledge of all relevant information. A tax position that meets this more-likely-than-not threshold is then measured and recognized at the largest amount of benefit that is greater than fifty percent likely to be realized upon effective settlement with a taxing authority.

The Company has provided deferred taxes for those entities whose earnings are not considered indefinitely reinvested.

Fair Value of Financial Instruments

The Company's financial instruments include cash, cash equivalents, trade receivables and payables, and certain short-term investments consisting primarily of certificates of deposit and money market deposits, all of which are short-term in nature and, accordingly, approximate fair value.

The Company also invests in mutual funds, which are accounted for as equity securities with readily determinable fair values under ASC Topic 321. The Company measures these investments at fair value with both realized gains and losses and unrealized holding gains and losses for these investments included in net income.

Also, the Company uses derivative instruments to manage certain financial exposures that occur in the normal course of business. These derivative instruments are carried at fair value in the Company's consolidated balance sheets.

Fair value is defined by the ASC Topic 820 as the price that would be received from selling an asset or paid to transfer a liability (i.e., an exit price) in an orderly transaction between market participants at the measurement date. The determination of this fair value is based on the principal or most advantageous market in which the Company could commence transactions and considers assumptions that market participants would use when pricing the asset or liability, such as inherent risk, transfer restrictions and risk of nonperformance. Also, determination of fair value assumes that market participants will consider the highest and best use of the asset.

The ASC establishes a fair value hierarchy whereby the inputs contained in valuation techniques used to measure fair value are categorized into three broad levels as follows:

Level 1: quoted market prices in active markets that the reporting entity has the ability to access at the date of the fair value measurement;

Level 2: inputs other than quoted market prices described in Level 1 that are observable for the asset or liability, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities;

Level 3: unobservable inputs that are supported by little or no market activity and that are significant to the fair value measurement of the assets or liabilities.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentration of credit risk principally consist of cash and cash equivalents, short-term investments, trade receivables and derivatives.

For cash and cash equivalents, short-term investments and derivatives, the Company manages its credit exposure by limiting the amount of counterparty risk with any particular financial institution; limits are assigned to each counterparty based on perceived quality of credit and are monitored daily. Cash equivalents are held among various money market deposit accounts, money market funds, and certificates of deposits as of December 31, 2024 and 2023. Short-term investments primarily consist of certificates of

deposit as of December 31, 2024 and 2023. Derivatives primarily consist of foreign exchange forwards or swap contracts (interest rate swaps and cross-currency swaps) as of December 31, 2024 and 2023. For trade receivables, no customer accounted for 10% or more of accounts receivable at December 31, 2024 or 2023.

Earnings per Share of Common Stock

Basic shares outstanding is calculated based on the weighted average number of shares of common stock outstanding during the reporting period. Diluted shares outstanding is calculated giving effect to all potentially dilutive common shares, assuming that such shares were outstanding and dilutive during the reporting period.

Pension and Other Retirement Benefits

Moody's maintains various noncontributory DBPPs as well as other contributory and noncontributory retirement plans. The expense and assets/liabilities that the Company reports for its pension and other retirement benefits are dependent on many assumptions concerning the outcome of future events and circumstances. These assumptions represent the Company's best estimates and may vary by plan. The differences between the assumptions for the expected long-term rate of return on plan assets and actual experience is spread over a five-year period to the market-related value of plan assets, which is used in determining the expected return on assets component of annual pension expense. All other actuarial gains and losses are generally deferred and amortized over the estimated average future working life of active plan participants.

The Company recognizes as an asset or liability in its consolidated balance sheet the funded status of its defined benefit retirement plans, measured on a plan-by-plan basis. Changes in the funded status due to actuarial gains/losses are recorded as part of other comprehensive income during the period the changes occur.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Recently Issued Accounting Pronouncements

In December 2023, the FASB issued ASU 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures" ("ASU No. 2023-09"), which is intended to enhance the transparency and decision usefulness of income tax disclosures. The amendments in ASU No. 2023-09 require entities to disclose additional income tax information, primarily related to greater disaggregation of the entity's ETR reconciliation and income taxes paid by jurisdiction disclosures. This ASU is effective for annual periods beginning after December 15, 2024, and should be applied on a prospective basis; however, retrospective application is permitted. The Company is currently evaluating the impact of adopting this ASU on its consolidated financial statements and disclosures.

In November 2024, the FASB issued ASU 2024-03, "Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses" ("ASU No. 2024-03"). The amendments in this ASU require more detailed disclosures about specific expense categories in the notes to financial statements (including employee compensation, depreciation and intangible asset amortization) and apply to both interim and annual reporting periods. ASU No. 2024-03 also requires disclosure of total selling expenses for both interim and annual reporting periods, with an additional requirement to provide an entity's definition of selling expenses in annual reporting. This ASU is effective in fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted. The amendments in this ASU should be applied either (1) prospectively for annual and interim reporting periods beginning after the aforementioned effective dates or (2) retrospectively to any or all prior periods presented in the financial statements. The Company is currently evaluating the impact of adopting this ASU on its consolidated financial statements and disclosures.

NOTE 3 REVENUES
Revenue by Category

The following table presents the Company's revenues disaggregated by LOB:

	Year Ended December 31,		
	2024	2023	2022
MA:			
Decision Solutions (DS)			
Banking	\$ 551	\$ 521	\$ 481
Insurance	598	550	504
KYC	367	312	260
Total DS	1,516	1,383	1,245
Research and Insights (R&I)	926	884	812
Data and Information (D&I)	853	789	712
Total external revenue	3,295	3,056	2,769
Intersegment revenue	13	13	8
Total MA	3,308	3,069	2,777
MIS:			
Corporate finance (CFG)			
Investment-grade	488	335	294
High-yield	285	150	108
Bank loans	527	292	275
Other accounts ⁽¹⁾	650	627	592
Total CFG	1,950	1,404	1,269
Structured finance (SFG)			
Asset-backed securities	130	121	116
RMBS	98	92	106
CMBS	94	60	98
Structured credit	193	129	140
Other accounts (SFG)	3	3	2
Total SFG	518	405	462
Financial institutions (FIG)			
Banking	450	378	337
Insurance	214	123	113
Managed investments	49	32	28
Other accounts (FIG)	14	12	13
Total FIG	727	545	491
Public, project and infrastructure finance (PPIF)			
Public finance / sovereign	240	205	197
Project and infrastructure	324	271	234
Total PPIF	564	476	431
Total ratings revenue	3,759	2,830	2,653
MIS Other	34	30	46
Total external revenue	3,793	2,860	2,699
Intersegment royalty	193	186	174
Total MIS	3,986	3,046	2,873
Eliminations	(206)	(199)	(182)
Total MCO	\$ 7,088	\$ 5,916	\$ 5,468

⁽¹⁾ Other includes: recurring monitoring fees of a rated debt obligation and/or entities that issue such obligations as well as fees from programs such as commercial paper, medium term notes, and ICRA corporate finance revenue.

The following table presents the Company's revenues disaggregated by LOB and geographic area:

	Year Ended December 31, 2024			Year Ended December 31, 2023			Year Ended December 31, 2022		
	U.S.	Non-U.S.	Total	U.S.	Non-U.S.	Total	U.S.	Non-U.S.	Total
MA:									
Decision Solutions	\$ 570	\$ 946	\$ 1,516	\$ 550	\$ 833	\$ 1,383	\$ 511	\$ 734	\$ 1,245
Research and Insights	514	412	926	490	394	884	470	342	812
Data and Information	306	547	853	281	508	789	250	462	712
Total MA	1,390	1,905	3,295	1,321	1,735	3,056	1,231	1,538	2,769
MIS:									
Corporate finance	1,333	617	1,950	952	452	1,404	832	437	1,269
Structured finance	368	150	518	252	153	405	308	154	462
Financial institutions	386	341	727	253	292	545	223	268	491
Public, project and infrastructure finance	359	205	564	292	184	476	266	165	431
Total ratings revenue	2,446	1,313	3,759	1,749	1,081	2,830	1,629	1,024	2,653
MIS Other	—	34	34	1	29	30	5	41	46
Total MIS	2,446	1,347	3,793	1,750	1,110	2,860	1,634	1,065	2,699
Total MCO	\$ 3,836	\$ 3,252	\$ 7,088	\$ 3,071	\$ 2,845	\$ 5,916	\$ 2,865	\$ 2,603	\$ 5,468

The following table presents the Company's reportable segment revenues disaggregated by segment and geographic region:

	Year Ended December 31,		
	2024	2023	2022
MA:			
U.S.	\$ 1,390	\$ 1,321	\$ 1,231
Non-U.S.:			
EMEA	1,306	1,207	1,060
Asia-Pacific	345	299	268
Americas	254	229	210
Total Non-U.S.	1,905	1,735	1,538
Total MA	3,295	3,056	2,769
MIS:			
U.S.	2,446	1,750	1,634
Non-U.S.:			
EMEA	868	679	648
Asia-Pacific	284	271	271
Americas	195	160	146
Total Non-U.S.	1,347	1,110	1,065
Total MIS	3,793	2,860	2,699
Total MCO	\$ 7,088	\$ 5,916	\$ 5,468

The following table summarizes the split between transaction and recurring revenue:

	Year Ended December 31,								
	2024			2023			2022		
	Transaction	Recurring	Total	Transaction	Recurring	Total	Transaction	Recurring	Total
Decision Solutions									
Banking	\$ 117	\$ 434	\$ 551	\$ 130	\$ 391	\$ 521	\$ 124	\$ 357	\$ 481
	21 %	79 %	100 %	25 %	75 %	100 %	26 %	74 %	100 %
Insurance	\$ 23	\$ 575	\$ 598	\$ 38	\$ 512	\$ 550	\$ 28	\$ 476	\$ 504
	4 %	96 %	100 %	7 %	93 %	100 %	6 %	94 %	100 %
KYC	\$ 2	\$ 365	\$ 367	\$ 1	\$ 311	\$ 312	\$ 1	\$ 259	\$ 260
	1 %	99 %	100 %	— %	100 %	100 %	— %	100 %	100 %
Total Decision Solutions	\$ 142	\$ 1,374	\$ 1,516	\$ 169	\$ 1,214	\$ 1,383	\$ 153	\$ 1,092	\$ 1,245
	9 %	91 %	100 %	12 %	88 %	100 %	12 %	88 %	100 %
Research and Insights	\$ 15	\$ 911	\$ 926	\$ 16	\$ 868	\$ 884	\$ 17	\$ 795	\$ 812
	2 %	98 %	100 %	2 %	98 %	100 %	2 %	98 %	100 %
Data and Information	\$ 4	\$ 849	\$ 853	\$ 3	\$ 786	\$ 789	\$ —	\$ 712	\$ 712
	— %	100 %	100 %	— %	100 %	100 %	— %	100 %	100 %
Total MA ⁽¹⁾	\$ 161	\$ 3,134	\$ 3,295	\$ 188	\$ 2,868	\$ 3,056	\$ 170	\$ 2,599	\$ 2,769
	5 %	95 %	100 %	6 %	94 %	100 %	6 %	94 %	100 %
Corporate Finance	\$ 1,415	\$ 535	\$ 1,950	\$ 887	\$ 517	\$ 1,404	\$ 772	\$ 497	\$ 1,269
	73 %	27 %	100 %	63 %	37 %	100 %	61 %	39 %	100 %
Structured Finance	\$ 292	\$ 226	\$ 518	\$ 190	\$ 215	\$ 405	\$ 262	\$ 200	\$ 462
	56 %	44 %	100 %	47 %	53 %	100 %	57 %	43 %	100 %
Financial Institutions	\$ 418	\$ 309	\$ 727	\$ 254	\$ 291	\$ 545	\$ 211	\$ 280	\$ 491
	57 %	43 %	100 %	47 %	53 %	100 %	43 %	57 %	100 %
Public, Project and Infrastructure Finance	\$ 384	\$ 180	\$ 564	\$ 301	\$ 175	\$ 476	\$ 263	\$ 168	\$ 431
	68 %	32 %	100 %	63 %	37 %	100 %	61 %	39 %	100 %
MIS Other	\$ 8	\$ 26	\$ 34	\$ 6	\$ 24	\$ 30	\$ 4	\$ 42	\$ 46
	24 %	76 %	100 %	20 %	80 %	100 %	9 %	91 %	100 %
Total MIS	\$ 2,517	\$ 1,276	\$ 3,793	\$ 1,638	\$ 1,222	\$ 2,860	\$ 1,512	\$ 1,187	\$ 2,699
	66 %	34 %	100 %	57 %	43 %	100 %	56 %	44 %	100 %
Total Moody's Corporation	\$ 2,678	\$ 4,410	\$ 7,088	\$ 1,826	\$ 4,090	\$ 5,916	\$ 1,682	\$ 3,786	\$ 5,468
	38 %	62 %	100 %	31 %	69 %	100 %	31 %	69 %	100 %

⁽¹⁾ Revenue from software implementation services and risk management advisory projects, while classified by management as transactional revenue, is recognized over time under GAAP.

The following table presents the timing of revenue recognition:

	Year Ended December 31, 2024			Year Ended December 31, 2023			Year Ended December 31, 2022		
	MA	MIS	Total	MA	MIS	Total	MA	MIS	Total
Revenue recognized at a point in time	\$ 101	\$ 2,517	\$ 2,618	\$ 102	\$ 1,638	\$ 1,740	\$ 97	\$ 1,512	\$ 1,609
Revenue recognized over time	3,194	1,276	4,470	2,954	1,222	4,176	2,672	1,187	3,859
Total	\$ 3,295	\$ 3,793	\$ 7,088	\$ 3,056	\$ 2,860	\$ 5,916	\$ 2,769	\$ 2,699	\$ 5,468

Unbilled Receivables, Deferred Revenue and Remaining Performance Obligations

Unbilled receivables

For certain MA arrangements, the timing of when the Company has the unconditional right to consideration and recognizes revenue occurs prior to invoicing the customer. In addition, certain MIS arrangements contain contractual terms whereby the customers are billed in arrears for annual monitoring services, requiring revenue to be accrued as an unbilled receivable as such services are provided.

The following table presents the Company's unbilled receivables, which are included within accounts receivable, net, at December 31, 2024 and December 31, 2023:

	As of December 31, 2024		As of December 31, 2023	
	MA	MIS	MA	MIS
Unbilled Receivables	\$ 122	\$ 426	\$ 119	\$ 415

Deferred revenue

The Company recognizes deferred revenue when a contract requires a customer to pay consideration to the Company in advance of when revenue related to that contract is recognized. This deferred revenue is relieved when the Company satisfies the related performance obligation and revenue is recognized.

Significant changes in the deferred revenue balances during the year ended December 31, 2024 are as follows:

	Year Ended December 31, 2024		
	MA	MIS	Total
Balance at December 31, 2023	\$ 1,111	\$ 270	\$ 1,381
Changes in deferred revenue			
Revenue recognized that was included in the deferred revenue balance at the beginning of the period	(1,044)	(209)	(1,253)
Increases due to amounts billable excluding amounts recognized as revenue during the period	1,200	211	1,411
Increases due to acquisitions during the period	9	—	9
Effect of exchange rate changes	(33)	(4)	(37)
Total changes in deferred revenue	132	(2)	130
Balance at December 31, 2024	\$ 1,243	\$ 268	\$ 1,511
Deferred revenue - current	\$ 1,243	\$ 211	\$ 1,454
Deferred revenue - non-current	\$ —	\$ 57	\$ 57

Significant changes in the deferred revenue balances during the year ended December 31, 2023 are as follows:

	Year Ended December 31, 2023		
	MA	MIS	Total
Balance at December 31, 2022	\$ 1,055	\$ 278	\$ 1,333
Changes in deferred revenue			
Revenue recognized that was included in the deferred revenue balance at the beginning of the period	(980)	(211)	(1,191)
Increases due to amounts billable excluding amounts recognized as revenue during the period	1,015	200	1,215
Effect of exchange rate changes	21	3	24
Total changes in deferred revenue	56	(8)	48
Balance at December 31, 2023	\$ 1,111	\$ 270	\$ 1,381
Deferred revenue - current	\$ 1,109	\$ 207	\$ 1,316
Deferred revenue - non-current	\$ 2	\$ 63	\$ 65

Significant changes in the deferred revenue balances during the year ended December 31, 2022 are as follows:

	Year Ended December 31, 2022		
	MA	MIS	Total
Balance at December 31, 2021	\$ 1,039	\$ 296	\$ 1,335
Changes in deferred revenue			
Revenue recognized that was included in the deferred revenue balance at the beginning of the period	(996)	(210)	(1,206)
Increases due to amounts billable excluding amounts recognized as revenue during the period	1,018	202	1,220
Increases due to acquisitions during the period	1	—	1
Effect of exchange rate changes	(7)	(10)	(17)
Total changes in deferred revenue	16	(18)	(2)
Balance at December 31, 2022	\$ 1,055	\$ 278	\$ 1,333
Deferred revenue—current	\$ 1,053	\$ 205	\$ 1,258
Deferred revenue—non-current	\$ 2	\$ 73	\$ 75

For the MA segment, for the year ended December 31, 2024, the increase in deferred revenue was primarily due to organic growth. The change in deferred revenue for both segments was not significant for the years ended December 31, 2023 and 2022.

Remaining performance obligations

Remaining performance obligations in the MA segment include both amounts recorded as deferred revenue on the consolidated balance sheet as of December 31, 2024 as well as amounts not yet invoiced to customers as of December 31, 2024, largely reflecting future revenue related to signed multi-year arrangements for hosted and installed subscription-based products. As of December 31, 2024, the aggregate amount of the transaction price allocated to remaining performance obligations was approximately \$4.4 billion. The Company expects to recognize into revenue approximately 55% of this balance within one year, approximately 25% of this balance between one to two years and the remaining amount thereafter.

Remaining performance obligations in the MIS segment largely reflect deferred revenue related to monitoring fees for certain structured finance products, primarily CMBS, where the issuers can elect to pay the monitoring fees for the life of the security in advance. As of December 31, 2024, the aggregate amount of the transaction price allocated to remaining performance obligations was approximately \$102 million. The Company expects to recognize into revenue approximately 25% of this balance within one year, approximately 50% of this balance between one to five years and the remaining amount thereafter. With respect to the remaining performance obligations for the MIS segment, the Company has applied a practical expedient set forth in ASC Topic 606 permitting the omission of unsatisfied performance obligations relating to contracts with an original expected length of one year or less.

Costs to Obtain or Fulfill a Contract with a Customer

MA Costs to Obtain a Contract with a Customer

	As of December 31,		
	2024	2023	
Capitalized costs to obtain sales contracts	\$ 294	\$ 268	
	Year ended December 31,		
	2024	2023	2022
Amortization of capitalized costs to obtain sales contracts	\$ 110	\$ 102	\$ 80

Amortization of costs incurred to obtain customer contracts is included within SG&A expenses in the consolidated statements of operations. Costs incurred to obtain customer contracts are only in the MA segment.

MA and MIS Costs to Fulfill a Contract with a Customer

	As of December 31, 2024			As of December 31, 2023		
	MA	MIS	Total	MA	MIS	Total
Capitalized costs to fulfill sales contracts	\$ 39	\$ 12	\$ 51	\$ 35	\$ 9	\$ 44

	Year Ended December 31, 2024			Year Ended December 31, 2023			Year Ended December 31, 2022		
	MA	MIS	Total	MA	MIS	Total	MA	MIS	Total
Amortization of capitalized costs to fulfill sales contracts	\$ 77	\$ 43	\$ 120	\$ 70	\$ 44	\$ 114	\$ 69	\$ 54	\$ 123

Amortization of costs to fulfill customer contracts is included within operating expenses in the consolidated statements of operations.

NOTE 4 RECONCILIATION OF WEIGHTED AVERAGE SHARES OUTSTANDING

Below is a reconciliation of basic to diluted shares outstanding:

	Year Ended December 31,		
	2024	2023	2022
Basic	181.8	183.2	183.9
Dilutive effect of shares issuable under stock-based compensation plans	0.9	0.8	0.8
Diluted	182.7	184.0	184.7
Antidilutive options to purchase common shares and restricted stock as well as contingently issuable restricted stock which are excluded from the table above	0.4	0.5	0.5

The calculation of basic shares outstanding is based on the weighted average number of shares of common stock outstanding during the reporting period. The calculation of diluted EPS requires certain assumptions regarding the use of both cash proceeds and assumed proceeds that would be received upon the exercise of stock options and vesting of restricted stock outstanding as of December 31, 2024, 2023 and 2022.

NOTE 5 CASH EQUIVALENTS AND INVESTMENTS

The tables below provide additional information on the Company's cash equivalents and investments:

As of December 31, 2024							
	Cost	Gross Unrealized Gains	Fair Value	Consolidated Balance Sheet location			
				Cash and cash equivalents	Short-term investments	Other assets	
Certificates of deposit and money market deposit accounts/funds ⁽¹⁾	\$ 1,911	\$ —	\$ 1,911	\$ 1,345	\$ 566	\$ —	
Mutual funds	\$ 88	\$ 10	\$ 98	\$ —	\$ —	\$ 98	

As of December 31, 2023							
	Cost	Gross Unrealized Gains	Fair Value	Consolidated Balance Sheet location			
				Cash and cash equivalents	Short-term investments	Other assets	
Certificates of deposit and money market deposit accounts/funds ⁽¹⁾	\$ 1,178	\$ —	\$ 1,178	\$ 1,112	\$ 63	\$ 3	
Mutual funds	\$ 91	\$ 6	\$ 97	\$ —	\$ —	\$ 97	

⁽¹⁾ Consists of time deposits, money market deposit accounts and money market funds. The remaining contractual maturities for the certificates of deposits classified as short-term investments are 1 month to 12 months at both December 31, 2024 and December 31, 2023. The remaining contractual maturities for the certificates of deposit classified in other assets are 14 months at December 31, 2023. Time deposits with a maturity of less than 90 days at time of purchase are classified as cash and cash equivalents.

In addition, the Company is invested in COLI. As of December 31, 2024 and December 31, 2023, the contract value of the COLI was \$48 million and \$47 million, respectively.

NOTE 6 DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

The Company is exposed to global market risks, including risks from changes in FX rates and changes in interest rates. Accordingly, the Company uses derivatives in certain instances to manage financial exposures that occur in the normal course of business. The Company does not hold or issue derivatives for speculative purposes.

Derivatives and non-derivative instruments designated as accounting hedges:

Fair Value Hedges

Interest Rate Swaps

The Company has entered into interest rate swaps to convert the fixed interest rate on certain of its long-term debt to a floating interest rate based on the SOFR. The purpose of these hedges is to mitigate the risk associated with changes in the fair value of the long-term debt, thus the Company has designated these swaps as fair value hedges. The fair value of the swaps is adjusted quarterly with a corresponding adjustment to the carrying value of the debt. The changes in the fair value of the swaps and the underlying hedged item generally offset and the net cash settlements on the swaps are recorded each period within interest expense, net in the Company's consolidated statements of operations.

The following table summarizes the Company's interest rate swaps designated as fair value hedges:

Hedged Item	Nature of Swap	Notional Amount		Floating Interest Rate
		As of December 31, 2024	As of December 31, 2023	
2014 Senior Notes due 2044	Pay Floating/Receive Fixed	\$ 300	\$ 300	SOFR
2017 Senior Notes due 2028	Pay Floating/Receive Fixed	500	500	SOFR
2018 Senior Notes due 2029	Pay Floating/Receive Fixed	400	400	SOFR
2018 Senior Notes due 2048	Pay Floating/Receive Fixed	300	300	SOFR
2020 Senior Notes due 2025	Pay Floating/Receive Fixed	300	300	SOFR
2022 Senior Notes due 2052	Pay Floating/Receive Fixed	500	500	SOFR
2022 Senior Notes due 2032	Pay Floating/Receive Fixed	250	250	SOFR
Total		\$ 2,550	\$ 2,550	

Refer to Note 16 for information on the cumulative amount of fair value hedging adjustments included in the carrying amount of the above hedged items.

The following table summarizes the impact to the statements of operations of the Company's interest rate swaps designated as fair value hedges:

Total amounts of financial statement line item presented in the statements of operations in which the effects of fair value hedges are recorded	Amount of income (expense) recognized in the Consolidated Statements of Operations		
	Year Ended December 31,		
	2024	2023	2022
Interest expense, net	\$ (237)	\$ (251)	\$ (231)

Description	Location on consolidated Statements of Operations				
Net interest settlements and accruals on interest rate swaps	Interest expense, net	\$	(96)	\$	(89)
Fair value changes on interest rate swaps	Interest expense, net	\$	14	\$	56
Fair value changes on hedged debt	Interest expense, net	\$	(14)	\$	(56)

Net Investment Hedges

Debt designated as net investment hedges

The Company has designated €500 million of the 2015 Senior Notes Due 2027 and €750 million of the 2019 Senior Notes due 2030 as net investment hedges to mitigate FX exposure related to a portion of the Company's euro net investment in certain foreign subsidiaries against changes in euro/USD exchange rates. These hedges are designated as accounting hedges under the applicable sections of ASC Topic 815 and will end upon the repayment of the notes in 2027 and 2030, respectively, unless terminated early at the discretion of the Company.

Cross currency swaps designated as net investment hedges

The Company enters into cross-currency swaps to mitigate FX exposure related to a portion of the Company's euro net investment in certain foreign subsidiaries against changes in euro/USD exchange rates. The following tables provide information on the cross-currency swaps designated as net investment hedges under ASC Topic 815:

December 31, 2024				
Nature of Swap	Pay		Receive	
	Notional Amount	Weighted Average Interest Rate	Notional Amount	Weighted Average Interest Rate
Pay Fixed/Receive Fixed	€ 965	2.91%	\$ 1,014	4.41%
Pay Floating/Receive Floating	2,138	Based on ESTR	2,250	Based on SOFR
Total	€ 3,103		\$ 3,264	

December 31, 2023				
Nature of Swap	Pay		Receive	
	Notional Amount	Weighted Average Interest Rate	Notional Amount	Weighted Average Interest Rate
Pay Fixed/Receive Fixed	€ 765	3.67%	\$ 800	5.25%
Pay Floating/Receive Floating	2,138	Based on ESTR	2,250	Based on SOFR
Total	€ 2,903		\$ 3,050	

As of December 31, 2024, these hedges will expire and the notional amounts will be settled as follows unless terminated early at the discretion of the Company:

Year Ending December 31,	Notional Amount (Pay)		Notional Amount (Receive)	
2026	€	450	\$	500
2027		531		550
2028		588		600
2029		573		614
2031		481		500
2032		480		500
Total	€	3,103	\$	3,264

The following table provides information on the gains (losses) on the Company's net investment and cash flow hedges:

	Amount of Gain (Loss) Recognized in AOCL on Derivative, net of Tax			Amount of Gain (Loss) Reclassified from AOCL into Income, net of tax			Gain (Loss) Recognized in Income on Derivative (Amount Excluded from Effectiveness Testing)		
Derivative and Non-Derivative Instruments in Net Investment Hedging Relationships	Year Ended December 31,			Year Ended December 31,			Year Ended December 31,		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
Cross currency swaps	\$ 157	\$ (97)	\$ 99	\$ —	\$ —	\$ —	\$ 47	\$ 54	\$ 56
Long-term debt	65	(35)	65	—	—	—	—	—	—
Total net investment hedges	\$ 222	\$ (132)	\$ 164	\$ —	\$ —	\$ —	\$ 47	\$ 54	\$ 56
Derivatives in Cash Flow Hedging Relationships									
Cross currency swaps	\$ —	\$ —	\$ —	\$ —	\$ 1	\$ —	\$ —	\$ —	\$ —
Interest rate contracts	—	—	—	(2)	(2)	(2)	—	—	—
Total cash flow hedges	\$ —	\$ —	\$ —	\$ (2)	\$ (1)	\$ (2)	\$ —	\$ —	\$ —
Total	\$ 222	\$ (132)	\$ 164	\$ (2)	\$ (1)	\$ (2)	\$ 47	\$ 54	\$ 56

The cumulative amount of net investment hedge and cash flow hedge gains (losses) remaining in AOCL is as follows:

	Cumulative Gains (Losses), net of tax	
	December 31, 2024	December 31, 2023
Net investment hedges		
Cross currency swaps	\$ 178	\$ 21
FX forwards	29	29
Long-term debt	68	3
Total net investment hedges	275	53
Cash flow hedges		
Interest rate contracts	(43)	(45)
Cross currency swaps	1	1
Total cash flow hedges	(42)	(44)
Total net gain in AOCL	\$ 233	\$ 9

Derivatives not designated as accounting hedges:

Foreign exchange forwards

The Company also enters into foreign exchange forward contracts to mitigate the change in fair value on certain assets and liabilities denominated in currencies other than a subsidiary's functional currency. These forward contracts are not designated as accounting hedges under the applicable sections of ASC Topic 815. Accordingly, changes in the fair value of these contracts are recognized immediately in other non-operating income, net in the Company's consolidated statements of operations along with the FX gain or loss recognized on the assets and liabilities denominated in a currency other than the subsidiary's functional currency. These contracts have expiration dates at various times through July 2025.

The following table summarizes the notional amounts of the Company's outstanding foreign exchange forwards:

Notional amount of currency pair ⁽¹⁾ :	December 31, 2024		December 31, 2023	
	Sell	Buy	Sell	Buy
Contracts to sell USD for GBP	\$ 604	£ 470	\$ 513	£ 407
Contracts to sell USD for JPY	\$ 29	¥ 4,000	\$ 14	¥ 2,000
Contracts to sell USD for CAD	\$ 35	C\$ 50	\$ 147	C\$ 200
Contracts to sell USD for SGD	\$ 45	S\$ 59	\$ 50	S\$ 67
Contracts to sell USD for EUR	\$ —	€ —	\$ 60	€ 55
Contracts to sell USD for INR	\$ 23	₹ 1,900	\$ 23	₹ 1,900
Contracts to sell EUR for USD	€ 12	\$ 12	€ —	\$ —
Contracts to sell USD for AUD	\$ —	A\$ —	\$ 5	A\$ 8
Contracts to sell CAD for USD	C\$ —	\$ —	C\$ 25	\$ 19

⁽¹⁾ € = euro, £ = British pound, S\$ = Singapore dollar, \$ = U.S. dollar, ¥ = Japanese yen, C\$ = Canadian dollar, ₹ = Indian rupee, A\$ = Australian dollar

Total Return Swaps

The Company has entered into total return swaps to mitigate market-driven changes in the value of certain liabilities associated with the Company's deferred compensation plans. The fair value of these swaps at December 31, 2024 and related gains in the year ended December 31, 2024 were not material. The notional amount of the total return swaps at December 31, 2024 and December 31, 2023 was \$66 million and \$58 million, respectively.

The following table summarizes the impact to the consolidated statements of operations relating to the gains (losses) on the Company's derivatives which are not designated as hedging instruments:

Derivatives not designated as accounting hedges	Location on Consolidated Statements of Operations	Year Ended December 31,		
		2024	2023	2022
FX forwards	Other non-operating income, net	\$ (24)	\$ 15	\$ (72)
Total return swaps	Operating expense	\$ 5	\$ 2	\$ —
Total return swaps	SG&A expense	\$ 1	\$ 1	\$ —

The table below shows the classification between assets and liabilities on the Company's consolidated balance sheets for the fair value of the derivative instruments as well as the carrying value of its non-derivative debt instruments designated and qualifying as net investment hedges:

	Derivative and Non-derivative Instruments		
	Consolidated Balance Sheet Location	December 31, 2024	December 31, 2023
Assets:			
Derivatives designated as accounting hedges:			
Cross currency swaps designated as net investment hedges	Other assets	\$ 58	\$ 3
Total derivatives designated as accounting hedges		58	3
Derivatives not designated as accounting hedges:			
FX forwards on certain assets and liabilities	Other current assets	—	13
Total assets		\$ 58	\$ 16
Liabilities:			
Derivatives designated as accounting hedges:			
Interest rate swaps designated as fair value hedges	Accounts payable and accrued liabilities	\$ 3	\$ —
Cross currency swaps designated as net investment hedges	Other liabilities	26	183
Interest rate swaps designated as fair value hedges	Other liabilities	166	183
Total derivatives designated as accounting hedges		195	366
Non-derivatives designated as accounting hedges:			
Long-term debt designated as net investment hedge	Long-term debt	1,294	1,381
Derivatives not designated as accounting hedges:			
FX forwards on certain assets and liabilities	Accounts payable and accrued liabilities	21	—
Total liabilities		\$ 1,510	\$ 1,747

NOTE 7 PROPERTY AND EQUIPMENT, NET

Property and equipment, net consisted of:

	December 31,	
	2024	2023
Office and computer equipment (3 - 10 year estimated useful life)	\$ 400	\$ 354
Office furniture and fixtures (3 - 10 year estimated useful life)	57	57
Internal-use computer software (1 - 10 year estimated useful life)	1,417	1,232
Leasehold improvements and building (1 - 20 year estimated useful life)	235	232
Total property and equipment, at cost	2,109	1,875
Less: accumulated depreciation and amortization	(1,453)	(1,272)
Total property and equipment, net	\$ 656	\$ 603

The increase in internal-use computer software in the table above primarily relates to capitalized software development costs pursuant to MA's strategic shift to SaaS-based solutions. Depreciation and amortization expense related to the above assets for the years ended December 31, 2024, 2023, and 2022 was \$233 million, \$175 million, and \$131 million, respectively, of which \$180 million, \$121 million, and \$79 million, respectively, related to amortization of internal-use computer software. The amounts for the year ended December 31, 2024 exclude incremental amortization expense of \$26 million associated with internal-use computer software which is presented within charges related to asset abandonment on the consolidated statement of operations, as more fully discussed in Note 22 to the consolidated financial statements.

On a weighted-average basis, Moody's internal-use computer software has an estimated useful life of approximately 4.4 years.

NOTE 8 GOODWILL AND OTHER ACQUIRED INTANGIBLE ASSETS

The following tables summarize the activity in goodwill:

Year Ended December 31, 2024									
	MA			MIS			Consolidated		
	Gross goodwill	Accumulated impairment charge	Net goodwill	Gross goodwill	Accumulated impairment charge	Net goodwill	Gross goodwill	Accumulated impairment charge	Net goodwill
Balance at beginning of year	\$ 5,681	\$ (12)	\$ 5,669	\$ 287	\$ —	\$ 287	\$ 5,968	\$ (12)	\$ 5,956
Additions/adjustments ⁽¹⁾	112	—	112	97	—	97	209	—	209
Foreign currency translation adjustments	(167)	—	(167)	(4)	—	(4)	(171)	—	(171)
Ending Balance	\$ 5,626	\$ (12)	\$ 5,614	\$ 380	\$ —	\$ 380	\$ 6,006	\$ (12)	\$ 5,994

Year Ended December 31, 2023									
	MA			MIS			Consolidated		
	Gross goodwill	Accumulated impairment charge	Net goodwill	Gross goodwill	Accumulated impairment charge	Net goodwill	Gross goodwill	Accumulated impairment charge	Net goodwill
Balance at beginning of year	\$ 5,474	\$ (12)	\$ 5,462	\$ 377	\$ —	\$ 377	\$ 5,851	\$ (12)	\$ 5,839
Additions/adjustments ⁽²⁾	90	—	90	(87)	—	(87)	3	—	3
Foreign currency translation adjustments	117	—	117	(3)	—	(3)	114	—	114
Ending balance	\$ 5,681	\$ (12)	\$ 5,669	\$ 287	\$ —	\$ 287	\$ 5,968	\$ (12)	\$ 5,956

⁽¹⁾ The 2024 additions/adjustments primarily relate to certain immaterial acquisitions in 2024 (most notably GCR, Numerated and Praedicat).

⁽²⁾ The 2023 additions/adjustments primarily relate to a reallocation of goodwill pursuant to a realignment of certain components of the Company's ESG business in the first quarter of 2023

Acquired intangible assets and related accumulated amortization consisted of:

	December 31,	
	2024	2023
Customer relationships	\$ 2,035	\$ 2,065
Accumulated amortization	(631)	(556)
Net customer relationships	1,404	1,509
Software/product technology	695	674
Accumulated amortization	(419)	(364)
Net software/product technology	276	310
Database	166	179
Accumulated amortization	(89)	(82)
Net database	77	97
Trade names	199	199
Accumulated amortization	(83)	(72)
Net trade names	116	127
Other ⁽¹⁾	67	52
Accumulated amortization	(50)	(46)
Net other	17	6
Total	\$ 1,890	\$ 2,049

⁽¹⁾ Other intangible assets primarily consist of trade secrets, covenants not to compete, and acquired ratings methodologies and models.

Amortization expense relating to acquired intangible assets is as follows:

	Year Ended December 31,		
	2024	2023	2022
Amortization expense ⁽¹⁾	\$ 198	\$ 198	\$ 200

⁽¹⁾ Amount for the year ended December 31, 2024 excludes incremental amortization expense of \$5 million associated with amortizable intangible assets which is presented within charges related to asset abandonment on the consolidated statement of operations, as more fully discussed in Note 22 to the consolidated financial statements.

Estimated future annual amortization expense for intangible assets subject to amortization is as follows:

Year Ending December 31,	
2025	\$ 202
2026	196
2027	178
2028	166
2029	133
Thereafter	1,015
Total estimated future amortization	\$ 1,890

NOTE 9 RESTRUCTURING

On December 19, 2024, the CEO of Moody's approved the Strategic and Operational Efficiency Restructuring Program. The Company estimates that upon completion, the program will result in annualized savings of \$250 million to \$300 million. This program relates to the Company's strategy to realign its operations toward high priority growth areas and to consolidate certain functions to simplify the organization to enable improved operating efficiency and leverage. This program will primarily include a reduction in staff, the rationalization and exit of certain leased office spaces and the retirement of certain legacy software applications. The program includes \$170 million to \$200 million of expected pre-tax personnel-related restructuring charges, an amount that includes severance costs, expense related to the modification of equity awards and other related costs primarily determined under the Company's existing severance plans. In addition, the program is expected to result in \$10 million to \$20 million of non-cash charges from the exit from certain leased office spaces and \$20 million to \$30 million of non-cash charges related to incremental amortization of internally developed software due to a reduction in the useful life of the software assets. The savings generated from the Strategic and Operational Efficiency Restructuring Program are expected to strengthen the Company's operating margin, with a portion being deployed to support strategic investments. The Strategic and Operational Efficiency Restructuring Program is expected to be substantially complete by the end of 2026. Cash outlays associated with this program are expected to be \$170 million to \$200 million, which are expected to be paid through 2027.

On June 30, 2022, the CEO of Moody's approved the 2022 - 2023 Geolocation Restructuring Program. This program related to the Company's post-COVID-19 geolocation strategy and other strategic initiatives and included the rationalization and exit of certain leased office spaces and a reduction in staff, including the relocation of certain job functions. Cumulative charges related to this program are shown in the table below. The savings generated from the 2022 - 2023 Geolocation Restructuring Program will strengthen the Company's operating margin, with a portion being deployed to support strategic investments, including the Company's workplace of the future program and employee retention initiatives. The 2022 - 2023 Geolocation Restructuring Program was substantially complete at the end of 2023.

Total expenses included in the accompanying consolidated statements of operations related to the aforementioned restructuring programs are outlined below:

	Year ended December 31,			Cumulative expense incurred
	2024	2023	2022	
2022 - 2023 Geolocation Restructuring Program				
Employee Termination Costs	\$ 14	\$ 51	\$ 85	\$ 150
Real Estate Related Costs ⁽¹⁾	—	36	27	63
Other Costs ⁽²⁾	—	—	1	1
Total 2022-2023 Geolocation Restructuring Program Costs	\$ 14	\$ 87	\$ 113	\$ 214
Strategic and Operational Efficiency Restructuring Program				
Employee Termination Costs ⁽³⁾	\$ 41	\$ —	\$ —	\$ 41
Other Costs ⁽²⁾	4	—	—	4
Total Strategic and Operational Efficiency Restructuring Program Costs	\$ 45	\$ —	\$ —	\$ 45
Total Restructuring	\$ 59	\$ 87	\$ 113	

⁽¹⁾ For the year ended December 31, 2023, primarily includes ROU Asset impairment charges. For the year ended December 31, 2022, primarily includes ROU Asset and leasehold improvement impairment charges and the non-cash acceleration of amortization of abandoned ROU Assets and leasehold improvements. The fair value of the impaired assets in both periods was determined by utilizing the present value of the estimated future cash flows attributable to the assets. The fair value of those assets subsequent to the impairment for the year ended December 31, 2023 was \$4 million and was categorized as Level 3 within the ASC Topic 820 fair value hierarchy. The fair value of those assets subsequent to the impairment for the year ended December 31, 2022 was \$0.

⁽²⁾ Primarily includes professional service fees related to execution of the restructuring program.

⁽³⁾ Primarily includes severance costs and expense related to the modification of equity awards.

Changes to the restructuring liability for the aforementioned restructuring programs were as follows:

	2024	2023	2022
Balance as of January 1	\$ 36	\$ 64	\$ —
2022 - 2023 Geolocation Restructuring Program:			
Cost incurred and adjustments	14	51	86
Cash payments	(42)	(79)	(22)
Strategic and Operational Efficiency Restructuring Program:			
Cost incurred and adjustments	44	—	—
Cash payments	(5)	—	—
Balance as of December 31 ⁽¹⁾	\$ 47	\$ 36	\$ 64

⁽¹⁾ Restructuring liability is primarily comprised of employee termination costs and other severance-related charges.

As of December 31, 2024, substantially all of the remaining \$47 million restructuring liability is expected to be paid out in 2025.

NOTE 10 FAIR VALUE

The tables below present information about items that are carried at fair value at December 31, 2024 and 2023:

Fair value Measurement as of December 31, 2024				
Description	Balance	Level 1	Level 2	
Assets:				
Derivatives ⁽¹⁾	\$ 58	\$ —	\$ 58	
Money market funds/mutual funds	108	108	—	
Total	\$ 166	\$ 108	\$ 58	
Liabilities:				
Derivatives ⁽¹⁾	\$ 216	\$ —	\$ 216	
Total	\$ 216	\$ —	\$ 216	

Fair Value Measurement as of December 31, 2023				
Description	Balance	Level 1	Level 2	
Assets:				
Derivatives ⁽¹⁾	\$ 16	\$ —	\$ 16	
Money market funds/mutual funds	107	107	—	
Total	\$ 123	\$ 107	\$ 16	
Liabilities:				
Derivatives ⁽¹⁾	\$ 366	\$ —	\$ 366	
Total	\$ 366	\$ —	\$ 366	

⁽¹⁾ Represents fair value of certain derivative contracts as more fully described in Note 6 to the consolidated financial statements.

The following are descriptions of the methodologies utilized by the Company to estimate the fair value of its derivative contracts, money market mutual funds and mutual funds:

Derivatives:

In determining the fair value of the derivative contracts in the tables above, the Company utilizes industry standard valuation models. Where applicable, these models project future cash flows and discount the future amounts to a present value using spot rates, forward points, currency volatilities, interest rates as well as the risk of non-performance of the Company and the counterparties with whom it has derivative contracts. The Company established strict counterparty credit guidelines and only enters into transactions with financial institutions that adhere to these guidelines. Accordingly, the risk of counterparty default is deemed to be minimal.

Money market funds and mutual funds:

The money market funds and mutual funds in the tables above are deemed to be equity securities with readily determinable fair values with changes in fair value recognized through net income under ASC Topic 321. The fair value of these instruments is determined using Level 1 inputs as defined in the ASC Topic 820.

NOTE 11 OTHER BALANCE SHEET INFORMATION

The following tables contain additional detail related to certain balance sheet captions:

	December 31,	
	2024	2023
Other current assets:		
Prepaid taxes	\$ 81	\$ 115
Prepaid expenses	179	133
Capitalized costs to obtain and fulfill sales contracts	131	116
Foreign exchange forwards on certain assets and liabilities	—	13
Interest receivable on interest rate and cross currency swaps	77	79
Other	47	33
Total other current assets	<u>\$ 515</u>	<u>\$ 489</u>

	December 31,	
	2024	2023
Other assets:		
Investments in non-consolidated affiliates	\$ 465	\$ 521
Deposits for real-estate leases	15	16
Indemnification assets related to acquisitions	109	111
Mutual funds, certificates of deposit and money market deposit accounts/funds	98	100
Company owned life insurance (at contract value)	48	47
Capitalized costs to obtain sales contracts	214	196
Derivative instruments designated as accounting hedges	58	3
Pension and other retirement employee benefits	60	41
Other	99	103
Total other assets	<u>\$ 1,166</u>	<u>\$ 1,138</u>

	December 31,	
	2024	2023
Accounts payable and accrued liabilities:		
Salaries and benefits	\$ 133	\$ 130
Incentive compensation	452	345
Customer credits, advanced payments and advanced billings	142	105
Dividends	32	7
Professional service fees	38	46
Interest accrued on debt	92	83
Accounts payable	53	23
Income taxes	144	108
Pension and other retirement employee benefits	11	15
Accrued royalties	25	24
FX forwards on certain assets and liabilities	21	—
Restructuring liability	46	35
Derivative instruments designated as accounting hedges	3	—
Interest payable on interest rate and cross currency swaps	60	67
Other	92	88
Total accounts payable and accrued liabilities	<u>\$ 1,344</u>	<u>\$ 1,076</u>

	December 31,	
	2024	2023
Other liabilities:		
Pension and other retirement employee benefits	\$ 195	\$ 190
Interest accrued on UTPs	47	36
MAKS indemnification provisions	19	19
Income tax liability – non-current portion	12	15
Derivative instruments designated as accounting hedges	192	366
Other	52	50
Total other liabilities	\$ 517	\$ 676

Investments in non-consolidated affiliates:

The following table provides additional detail regarding Moody's investments in non-consolidated affiliates, as included in other assets in the consolidated balance sheets:

	December 31,	
	2024	2023
Equity method investments ⁽¹⁾	\$ 127	\$ 186
Investments measured using the measurement alternative ⁽²⁾	328	327
Other	10	8
Total investments in non-consolidated affiliates	\$ 465	\$ 521

⁽¹⁾ Equity securities in which the Company has significant influence over the investee but does not have a controlling financial interest in accordance with ASC Topic 323.

⁽²⁾ Equity securities without readily determinable fair value for which the Company has elected to apply the measurement alternative in accordance with ASC Topic 321, which is more fully discussed in Note 2.

Moody's holds various investments accounted for under the equity method, the most significant of which is the Company's minority investment in CCXI. Moody's also holds various investments measured using the measurement alternative, the most significant of which is the Company's minority interest in BitSight.

Refer to Note 22 for disclosure on earnings from non-consolidated affiliates, which are included within other non-operating income, net.

NOTE 12 COMPREHENSIVE INCOME AND ACCUMULATED OTHER COMPREHENSIVE INCOME

The amounts reclassified out of AOCL, as shown in the consolidated statements of comprehensive income, were not material for all periods presented.

The following tables show changes in AOCL by component (net of tax):

	Year Ended December 31, 2024				
	Pension and Other Retirement Benefits	Gains (Losses) on Cash Flow Hedges	Foreign Currency Translation Adjustments	Net Investment Hedges	Total
Balance at December 31, 2023	\$ (56)	\$ (44)	\$ (520)	\$ 53	\$ (567)
Other comprehensive income (loss) before reclassifications	19	—	(312)	222	(71)
Amounts reclassified from AOCL	(2)	2	—	—	—
Other comprehensive income (loss)	17	2	(312)	222	(71)
Balance at December 31, 2024	\$ (39)	\$ (42)	\$ (832)	\$ 275	\$ (638)

	Year Ended December 31, 2023				
	Pension and Other Retirement Benefits	Gains (Losses) on Cash Flow Hedges	Foreign Currency Translation Adjustments	Net Investment Hedges	Total
Balance at December 31, 2022	\$ (47)	\$ (45)	\$ (736)	\$ 185	\$ (643)
Other comprehensive income (loss) before reclassifications	(6)	—	216	(132)	78
Amounts reclassified from AOCL	(3)	1	—	—	(2)
Other comprehensive income (loss)	(9)	1	216	(132)	76
Balance at December 31, 2023	\$ (56)	\$ (44)	\$ (520)	\$ 53	\$ (567)

	Year Ended December 31, 2022				
	Pension and Other Retirement Benefits	Gains (Losses) on Cash Flow Hedges	Foreign Currency Translation Adjustments	Net Investment Hedges	Total
Balance at December 31, 2021	\$ (49)	\$ (47)	\$ (335)	\$ 21	\$ (410)
Other comprehensive income (loss) before reclassifications	—	—	(421)	164	(257)
Amounts reclassified from AOCL	2	2	20	—	24
Other comprehensive income (loss)	2	2	(401)	164	(233)
Balance at December 31, 2022	\$ (47)	\$ (45)	\$ (736)	\$ 185	\$ (643)

NOTE 13 PENSION AND OTHER RETIREMENT BENEFITS

U.S. Plans

Moody's maintains funded and unfunded noncontributory DBPPs. The DBPPs provide defined benefits using a cash balance formula based on years of service and career average salary or final average pay for selected executives. The Company also provides certain healthcare and life insurance benefits for retired U.S. employees. The retirement healthcare plans are contributory; the life insurance plans are noncontributory. Moody's funded and unfunded U.S. pension plans, the U.S. retirement healthcare plans and the U.S. retirement life insurance plans are collectively referred to herein as the "Retirement Plans." The U.S. retirement healthcare plans and the U.S. retirement life insurance plans are collectively referred to herein as the "Other Retirement Plans."

Through 2007, substantially all U.S. employees were eligible to participate in the Company's DBPPs. Effective January 1, 2008, the Company no longer offers DBPPs to U.S. employees hired or rehired on or after January 1, 2008, and new hires in the U.S. instead will receive a retirement contribution in similar benefit value under the Company's Profit Participation Plan. Current participants of the Company's Retirement Plans and Other Retirement Plans continue to accrue benefits based on existing plan benefit formulas.

The following is a summary of changes in benefit obligations and fair value of plan assets for the Retirement Plans for the years ended December 31:

	Pension Plans		Other Retirement Plans	
	2024	2023	2024	2023
Change in benefit obligation:				
Benefit obligation, beginning of the period	\$ (484)	\$ (462)	\$ (42)	\$ (39)
Service cost	(10)	(11)	(3)	(3)
Interest cost	(22)	(22)	(2)	(2)
Plan participants' contributions	—	—	(2)	(1)
Benefits paid	24	30	3	2
Actuarial (loss) gain	—	(4)	—	2
Assumption changes	28	(15)	4	(1)
Benefit obligation, end of the period	\$ (464)	\$ (484)	\$ (42)	\$ (42)
Change in plan assets:				
Fair value of plan assets, beginning of the period	\$ 449	\$ 420	\$ —	\$ —
Actual return on plan assets	24	48	—	—
Benefits paid	(24)	(30)	(3)	(2)
Employer contributions	11	11	1	1
Plan participants' contributions	—	—	2	1
Fair value of plan assets, end of the period	\$ 460	\$ 449	\$ —	\$ —
Funded status of the plans	\$ (4)	\$ (35)	\$ (42)	\$ (42)
Amounts recorded on the consolidated balance sheets:				
Pension and retirement benefits asset – non current	\$ 60	\$ 40	\$ —	\$ —
Pension and retirement benefits liability – current	(8)	(13)	(2)	(2)
Pension and retirement benefits liability – non current	(56)	(62)	(40)	(40)
Net amount recognized	\$ (4)	\$ (35)	\$ (42)	\$ (42)
Accumulated benefit obligation, end of the period	\$ (436)	\$ (453)		

The net decrease in the pension benefit obligation from assumption changes in 2024 primarily resulted from increases to the discount rates used to measure the obligation. The net increase in the pension benefit obligation from assumption changes and actuarial losses in 2023 primarily resulted from decreases to the discount rates and an increase to the annuity conversion rate used to measure the obligation.

The following information is for those pension plans with an accumulated benefit obligation in excess of plan assets:

	December 31,	
	2024	2023
Aggregate projected benefit obligation	\$ 65	\$ 75
Aggregate accumulated benefit obligation	\$ 57	\$ 67

The following table summarizes the pre-tax net actuarial losses and prior service costs recognized in AOCL for the Company's Retirement Plans as of December 31:

	Pension Plans		Other Retirement Plans	
	2024	2023	2024	2023
Net actuarial gains (losses)	\$ (61)	\$ (82)	\$ 13	\$ 10
Net prior service credits	1	1	—	—
Total recognized in AOCL – pre-tax	\$ (60)	\$ (81)	\$ 13	\$ 10

Net periodic pension expenses (income) recognized for the Retirement Plans are as follows for the years ended December 31:

	Pension Plans			Other Retirement Plans		
	2024	2023	2022	2024	2023	2022
Components of net periodic expense (income)						
Service cost	\$ 10	\$ 11	\$ 14	\$ 3	\$ 3	\$ 4
Interest cost	22	22	15	2	2	1
Expected return on plan assets	(30)	(32)	(26)	—	—	—
Amortization of net actuarial (gains) losses and prior service credits from earlier periods	—	(1)	3	(1)	(1)	—
(Gain) loss on settlement of pension obligations	(1)	(2)	—	—	—	—
Net periodic expense (income)	\$ 1	\$ (2)	\$ 6	\$ 4	\$ 4	\$ 5

The following table summarizes the pre-tax amounts recorded in OCI related to the Company's Retirement Plans for the years ended December 31:

	Pension Plans			Other Retirement Plans		
	2024	2023	2022	2024	2023	2022
Amortization of net actuarial (gains) losses and prior service credit	\$ (1)	\$ (1)	\$ 3	\$ (1)	\$ (1)	\$ —
(Gain) loss on settlement of pension obligations	(1)	(2)	—	—	—	—
Net actuarial gain (loss) arising during the period	22	(3)	(19)	4	1	13
Total recognized in OCI – pre-tax	\$ 20	\$ (6)	\$ (16)	\$ 3	\$ —	\$ 13

ADDITIONAL INFORMATION:

Assumptions—Retirement Plans

Weighted-average assumptions used to determine benefit obligations at December 31:

	Pension Plans		Other Retirement Plans	
	2024	2023	2024	2023
Discount rate	5.43 %	4.73 %	5.40 %	4.75 %
Rate of compensation increase	3.60 %	3.60 %	—	—
Cash balance plan interest crediting rate	4.78 %	4.50 %	—	—

Weighted-average assumptions used to determine net periodic benefit expense for years ended December 31:

	Pension Plans			Other Retirement Plans		
	2024	2023	2022	2024	2023	2022
Discount rate	4.73 %	4.93 %	2.60 %	4.75 %	4.90 %	2.65 %
Expected return on plan assets	6.10 %	6.55 %	5.05 %	—	—	—
Rate of compensation increase	3.60 %	3.63 %	3.63 %	—	—	—
Cash balance plan interest crediting rate	4.50 %	4.50 %	4.50 %	—	—	—

The expected rate of return on plan assets represents the Company's best estimate of the long-term return on plan assets and is determined by using a building block approach, which generally weighs the underlying long-term expected rate of return for each major asset class based on their respective allocation target within the plan portfolio, net of plan paid expenses. As the assumption reflects a long-term time horizon, the plan performance in any one particular year does not, by itself, significantly influence the Company's evaluation. For 2024, the expected rate of return used in calculating the net periodic benefit costs was 6.10%. For 2025, the Company's expected rate of return assumption is 6.60% to reflect the Company's current view of long-term capital market outlook.

Plan Assets

Moody's investment objective for the assets in the funded pension plan is to earn total returns that will minimize future contribution requirements over the long-term within a prudent level of risk. The Company works with its independent investment consultants to determine asset allocation targets for its pension plan investment portfolio based on its assessment of business and financial conditions, demographic and actuarial data, funding characteristics, and related risk factors. Other relevant factors, including historical and forward looking views of inflation and capital market returns, are also considered. Risk management practices include monitoring plan asset performance, diversification across asset classes and investment styles and periodic rebalancing toward asset allocation targets. The Company's Asset Management Committee is responsible for overseeing the investment activities of the plan, which includes selecting acceptable asset classes, defining allowable ranges of holdings by asset class and by individual investment managers, defining acceptable securities within each asset class, and establishing investment performance expectations. Ongoing monitoring of the plan includes reviews of investment performance and managers on a regular basis, annual liability measurements, and periodic asset/liability studies.

The Company's investment policy uses risk-controlled investment strategies by increasing the plan's asset allocation to fixed income securities and specifying ranges of acceptable target allocation by asset class based on different levels of the plan's accounting funded status. In addition, the investment policy also requires the investment-grade fixed income assets to be rebalanced between shorter and longer duration bonds as the interest rate environment changes. This investment policy is designed to help protect the plan's funded status and to limit volatility of the Company's contributions. Based on the policy, the Company's current target asset allocation is approximately 35% (range of 23% to 46%) in equity securities, 61% (range of 44% to 77%) in fixed income securities and 5% (range of 2% to 8%) in other investments and the plan will use a combination of active and passive investment strategies and different investment styles for its investment portfolios within each asset class. The plan's equity investments are diversified across U.S. and non-U.S. stocks of small, medium and large capitalization. The plan's fixed income investments are diversified principally across U.S. and non-U.S. government and corporate bonds, which are expected to help reduce plan exposure to interest rate variation and to better align assets with obligations. The plan also invests in other fixed income investments such as debts rated below investment grade, emerging market debt, and convertible securities. The plan's other investment, which is made through a private real estate debt fund, is expected to provide additional diversification benefits and absolute return enhancement to the plan assets.

Fair value of the assets in the Company's funded pension plan by asset category at December 31, 2024 and 2023 are as follows:

Asset Category	Fair Value Measurement as of December 31, 2024				
	Balance	Level 1	Level 2	Measured using NAV practical expedient ⁽¹⁾	% of total assets
Cash and cash equivalents	\$ 2	\$ —	\$ 2	\$ —	— %
Common/collective trust funds—equity securities					
U.S. large-cap	114	—	114	—	25 %
U.S. small and mid-cap	25	—	25	—	5 %
Total equity investments	139	—	139	—	30 %
Emerging markets bond fund	30	—	—	30	7 %
Common/collective trust funds and corporate bonds—fixed income securities					
Intermediate-term investment grade U.S. government/corporate bonds	57	—	57	—	12 %
Mutual funds					
Long duration corporate bonds	146	—	146	—	32 %
U.S. Treasury Inflation-Protected Securities (TIPs)	26	26	—	—	6 %
Emerging markets equity mutual fund	21	—	21	—	5 %
Private investment fund—high yield securities	15	—	—	15	3 %
Total fixed-income investments	295	26	224	45	65 %
Other investment—private real estate fund	24	—	—	24	5 %
Total Assets	\$ 460	\$ 26	\$ 365	\$ 69	100 %

Fair Value Measurement as of December 31, 2023					
Asset Category	Balance	Level 1	Level 2	Measured using NAV practical expedient ⁽¹⁾	% of total assets
Cash and cash equivalents	\$ 5	\$ —	\$ 5	\$ —	1 %
Common/collective trust funds—equity securities					
U.S. large-cap	106	—	106	—	24 %
U.S. small and mid-cap	21	—	21	—	5 %
Emerging markets	20	—	20	—	4 %
Total equity investments	147	—	147	—	33 %
Emerging markets bond fund	29	—	—	29	6 %
Common/collective trust funds and corporate bonds—fixed income securities					
Intermediate-term investment grade U.S. government/corporate bonds	60	—	60	—	13 %
Mutual funds					
Long duration corporate bonds	144	—	144	—	32 %
U.S. Treasury Inflation-Protected Securities (TIPs)	25	25	—	—	6 %
Private investment fund—high yield securities	14	—	—	14	3 %
Total fixed-income investments	272	25	204	43	60 %
Other investment—private real estate debt fund	25	—	—	25	6 %
Total Assets	\$ 449	\$ 25	\$ 356	\$ 68	100 %

⁽¹⁾ Investments are measured using the net asset value per share (or its equivalent) practical expedient and have not been categorized in the fair value hierarchy. The fair value amounts presented in the table are intended to permit a reconciliation of the fair value hierarchy to the value of the total plan assets.

Cash and cash equivalents are primarily comprised of investments in money market mutual funds. In determining fair value, Level 1 investments are valued based on quoted market prices in active markets. Investments in common/collective trust and private mutual funds are valued using the NAV per unit in each fund. The NAV is based on the value of the underlying investments owned by each fund, minus its liabilities, and then divided by the number of shares outstanding. Common/collective trust funds and the private mutual fund are categorized in Level 2 to the extent that they are considered to have a readily determinable fair value. Investments for which fair value is estimated by using the NAV per share (or its equivalent) as a practical expedient are not categorized in the fair value hierarchy.

Except for the Company's U.S. funded pension plan, all of Moody's Retirement Plans are unfunded and therefore have no plan assets.

Cash Flows

The Company did not contribute to its U.S. funded pension plan during the years ended December 31, 2024 and 2023, and does not anticipate making a contribution to the funded plan in 2025. For its unfunded plans, actual contributions in 2024 were not material and expected payments in 2025 are not expected to be material.

Estimated Future Benefits Payable

Estimated future benefits payments for the Retirement Plans are as follows as of the year ended December 31, 2024:

Year Ending December 31,	Pension Plans	Other Retirement Plans
2025	\$ 28	\$ 2
2026	28	2
2027	30	3
2028	31	3
2029	32	3
2030 - 2034	174	19

Defined Contribution Plans

Moody's has a Profit Participation Plan covering substantially all U.S. employees. The Profit Participation Plan provides for an employee salary deferral and the Company matches employee contributions, equal to 50% of employee contribution up to a maximum of 3% of the employee's pay. Effective January 1, 2008, all new hires are automatically enrolled in the Profit Participation Plan when they meet eligibility requirements unless they decline participation. As the Company's U.S. DBPPs are closed to new entrants effective January 1, 2008, all eligible new hires will instead receive a retirement contribution into the Profit Participation Plan in value similar to the pension benefits. Additionally, effective January 1, 2008, the Company implemented a deferred compensation plan in the U.S., which is unfunded and provides for employee deferral of compensation and Company matching contributions related to compensation in excess of the IRS limitations on benefits and contributions under qualified retirement plans. Total expenses associated with U.S. defined contribution plans were \$73 million, \$71 million and \$35 million in the years ended December 31, 2024, 2023 and 2022, respectively.

Effective January 1, 2008, Moody's has designated the Moody's Stock Fund, an investment option under the Profit Participation Plan, as an Employee Stock Ownership Plan and, as a result, participants in the Moody's Stock Fund may receive dividends in cash or may reinvest such dividends into the Moody's Stock Fund. Dividend payments relating to the Moody's Stock Fund were immaterial in each of the years ended December 31, 2024, 2023, and 2022. The Company records the dividends as a reduction of retained earnings in the Consolidated Statements of Shareholders' Equity. The Moody's Stock Fund held approximately 304,076 and 315,400 shares of Moody's common stock at December 31, 2024 and 2023, respectively.

Non-U.S. Plans

Certain of the Company's non-U.S. operations provide pension benefits to their employees. The non-U.S. defined benefit pension plans are immaterial. For defined contribution plans, company contributions are primarily determined as a percentage of employees' eligible compensation. Expenses related to these defined contribution plans for the years ended December 31, 2024, 2023, and 2022 were \$50 million, \$42 million, and \$37 million, respectively.

NOTE 14 STOCK-BASED COMPENSATION PLANS

Under the 1998 Plan, 33.0 million shares of the Company's common stock have been reserved for issuance. The 2001 Plan, which is shareholder approved, permits the granting of up to 54.6 million shares, of which not more than 10.7 million shares are available for grants of awards other than stock options. The stock plans also provide for the granting of restricted stock. The stock plans provide that options are exercisable not later than ten years from the grant date. The vesting period for awards under the stock plans is generally determined by the Board at the date of the grant and has been four years except for employees who are at or near retirement eligibility, as defined, for which vesting is between one and four years. Additionally, the vesting period is between two and four years for certain performance-based restricted stock that contain a condition whereby the number of shares that ultimately vest are based on the achievement of certain non-market based performance metrics of the Company. Options may not be granted at less than the fair market value of the Company's common stock at the date of grant.

The Company maintains the Directors' Plan for its Board, which permits the granting of awards in the form of non-qualified stock options, restricted stock or performance shares. The vesting period is determined by the Board at the date of the grant and is generally one year for both options and restricted stock. Under the Directors' Plan, 1.7 million shares of common stock were reserved for issuance. Any director of the Company who is not an employee of the Company or any of its subsidiaries as of the date that an award is granted is eligible to participate in the Directors' Plan.

Presented below is a summary of the stock-based compensation expense and associated tax benefit in the accompanying consolidated statements of operations:

	Year Ended December 31,		
	2024	2023	2022
Stock-based compensation expense	\$ 221	\$ 193	\$ 169
Tax benefit	\$ 48	\$ 45	\$ 41

The fair value of each employee stock option award is estimated on the date of grant using the Black-Scholes option-pricing model that uses the assumptions noted below. The expected dividend yield is derived from the annual dividend rate on the date of grant. The expected stock volatility is based on an assessment of historical weekly stock prices of the Company as well as implied volatility from Moody's traded options. The risk-free interest rate is based on U.S. government zero coupon bonds with maturities similar to the expected holding period. The expected holding period is determined by examining historical and projected post-vesting exercise behavior activity.

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The following weighted average assumptions were used for options granted:

	Year Ended December 31,		
	2024	2023	2022
Expected dividend yield	0.91 %	1.04 %	0.86 %
Expected stock volatility	28 %	29 %	27 %
Risk-free interest rate	4.34 %	4.19 %	1.91 %
Expected holding period (in years)	5.9	5.8	5.6
Grant date fair value	\$ 120.42	\$ 94.71	\$ 84.00

A summary of option activity as of December 31, 2024 and changes during the year then ended is presented below:

Options	Shares	Weighted Average Exercise Price Per Share	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding, December 31, 2023	0.8	\$ 212.29		
Granted	0.2	\$ 372.52		
Exercised	(0.3)	\$ 173.64		
Outstanding, December 31, 2024	0.7	\$ 267.64	5.9 years	\$ 140
Vested and expected to vest, December 31, 2024	0.7	\$ 267.26	5.9 years	\$ 139
Exercisable, December 31, 2024	0.4	\$ 207.94	4.0 years	\$ 99

The aggregate intrinsic value in the table above represents the total pre-tax intrinsic value (the difference between Moody's closing stock price on the last trading day of the year ended December 31, 2024 and the exercise prices, multiplied by the number of in-the-money options) that would have been received by the option holders had all option holders exercised their options as of December 31, 2024. This amount varies based on the fair value of Moody's stock. As of December 31, 2024, there was \$12 million of total unrecognized compensation expense related to options. The expense is expected to be recognized over a weighted average period of 1.9 years.

The following table summarizes information relating to stock option exercises:

	Year Ended December 31,		
	2024	2023	2022
Proceeds from stock option exercises	\$ 53	\$ 32	\$ 8
Aggregate intrinsic value	\$ 76	\$ 58	\$ 9
Tax benefit realized upon exercise	\$ 13	\$ 14	\$ 2

A summary of nonvested restricted stock activity for the year ended December 31, 2024 is presented below:

Nonvested Restricted Stock	Shares	Weighted Average Grant Date Fair Value Per Share
Balance, December 31, 2023	1.3	\$ 300.39
Granted	0.6	\$ 373.54
Vested	(0.5)	\$ 300.20
Forfeited	(0.1)	\$ 327.53
Balance, December 31, 2024	1.3	\$ 330.84

As of December 31, 2024, there was \$234 million of total unrecognized compensation expense related to nonvested restricted stock. The expense is expected to be recognized over a weighted average period of 2.4 years.

The following table summarizes information relating to the vesting of restricted stock awards:

	Year Ended December 31,		
	2024	2023	2022
Fair value of shares vested	\$ 199	\$ 164	\$ 180
Tax benefit realized upon vesting	\$ 48	\$ 40	\$ 42

A summary of performance-based restricted stock activity for the year ended December 31, 2024 is presented below:

Performance-based restricted stock	Shares	Weighted Average Grant Date Fair Value Per Share
Balance, December 31, 2023	0.3	\$ 308.12
Granted	0.1	\$ 354.67
Vested	(0.1)	\$ 331.60
Balance, December 31, 2024	0.3	\$ 330.78

The following table summarizes information relating to the vesting of the Company's performance-based restricted stock awards:

	Year Ended December 31,		
	2024	2023	2022
Fair value of shares vested	\$ 40	\$ 24	\$ 50
Tax benefit realized upon vesting	\$ 9	\$ 3	\$ 7

As of December 31, 2024, there was \$56 million of total unrecognized compensation expense related to this plan. The expense is expected to be recognized over a weighted average period of 2.0 years.

The Company has a policy of issuing treasury stock to satisfy shares issued under stock-based compensation plans.

In addition, the Company also sponsors the ESPP. Under the ESPP, 6.0 million shares of common stock were reserved for issuance. The ESPP permits eligible employees to purchase common stock of the Company on a monthly basis at a discount to the average of the high and the low trading prices on the New York Stock Exchange on the last trading day of each month. This discount was 5% in 2024, 2023, and 2022, resulting in the ESPP qualifying for non-compensatory status under ASC Topic 718. Accordingly, no compensation expense was recognized for the ESPP in 2024, 2023, and 2022. The employee purchases are funded through after-tax payroll deductions, which plan participants can elect from one percent to ten percent of compensation, subject to the annual federal limit.

NOTE 15 INCOME TAXES

Components of the Company's income tax provision are as follows:

	Year Ended December 31,		
	2024	2023	2022
Current:			
Federal	\$ 280	\$ 76	\$ 106
State and Local	106	67	17
Non-U.S.	316	222	215
Total current	702	365	338
Deferred:			
Federal	(21)	(14)	57
State and Local	(6)	(4)	10
Non-U.S.	(35)	(20)	(19)
Total deferred	(62)	(38)	48
Total provision for income taxes	\$ 640	\$ 327	\$ 386

A reconciliation of the U.S. federal statutory tax rate to the Company's ETR on income before provision for income taxes is as follows:

	Year Ended December 31,		
	2024	2023	2022
U.S. statutory tax rate	21.0 %	21.0 %	21.0 %
State and local taxes, net of federal tax benefit	3.7 %	2.5 %	0.8 %
Foreign operations	(0.3)%	0.4 %	(0.2)%
Release of UTP reserves	(0.4)%	(5.7)%	— %
Other	(0.3)%	(1.3)%	0.3 %
ETR	23.7 %	16.9 %	21.9 %
Income tax paid	\$ 613	\$ 344	\$ 488

The decrease in the ETR in 2023 resulted primarily from the favorable resolution of uncertain tax positions in various U.S. and non-U.S. jurisdictions.

The source of income before provision for income taxes is as follows:

	Year Ended December 31,		
	2024	2023	2022
U.S.	\$ 1,446	\$ 892	\$ 804
Non-U.S.	1,253	1,043	956
Income before provision for income taxes	\$ 2,699	\$ 1,935	\$ 1,760

The components of deferred tax assets and liabilities are as follows:

	December 31,	
	2024	2023
Deferred tax assets:		
Account receivable allowances	\$ 10	\$ 9
Accumulated depreciation and amortization	9	19
Stock-based compensation	60	60
Accrued compensation and benefits	50	53
Capitalized costs	20	25
Operating lease liabilities	84	103
Deferred revenue	211	200
Net operating loss	58	38
Restructuring	6	7
Uncertain tax positions	33	29
Self-insured related reserves	7	6
Interest expense carryforward	20	8
Other	12	5
Total deferred tax assets	580	562
Deferred tax liabilities:		
Accumulated depreciation and amortization of intangible assets and capitalized software	(522)	(551)
ROU Assets	(56)	(67)
Capital gains	(13)	(20)
Self-insured related income	(7)	(6)
Deferred tax on unremitted foreign earnings	(20)	(14)
Gain on net investment hedges - OCI	(82)	(5)
Other	(11)	(19)
Total deferred tax liabilities	(711)	(682)
Net deferred tax liabilities	(131)	(120)
Valuation allowance	(25)	(24)
Total net deferred tax liabilities	\$ (156)	\$ (144)

On December 22, 2017, the Tax Act was signed into law, which resulted in significant changes to U.S. corporate tax laws. The Tax Act includes a mandatory one-time deemed repatriation tax ("transition tax") on previously untaxed accumulated earnings of foreign subsidiaries and beginning in 2018 reduced the statutory federal corporate income tax rate from 35% to 21%. Accordingly, the Company determined the transition tax to be \$236 million, with the remaining balance due of \$12 million as of December 31, 2024.

As a result of the Tax Act, all previously net undistributed foreign earnings have now been subject to U.S. tax. The Company regularly evaluates which entities it will indefinitely reinvest earnings. The Company has provided deferred taxes for those entities whose earnings are not considered indefinitely reinvested.

The Company's annual tax expense for the year ended December 31, 2024 includes excess tax benefits from stock-based compensation of \$27 million, the favorable resolution of certain U.S. and non-U.S. UTPs of \$11 million, and other net decreases to tax positions of \$2 million.

The Company had valuation allowances of \$25 million and \$24 million at December 31, 2024 and 2023, respectively, related to foreign net operating losses for which realization is uncertain.

A reconciliation of the beginning and ending amount of UTPs is as follows:

	Year Ended December 31,		
	2024	2023	2022
Balance as of January 1	\$ 196	\$ 322	\$ 388
Additions for tax positions related to the current year	33	21	12
Additions for tax positions of prior years	11	3	12
Reductions for tax positions of prior years	(11)	(17)	(27)
Settlements with taxing authorities	(3)	(108)	(30)
Lapse of statute of limitations	(15)	(25)	(33)
Balance as of December 31	\$ 211	\$ 196	\$ 322

Moody's Corporation and subsidiaries are subject to U.S. federal income tax as well as income tax in various state, local and multiple foreign jurisdictions. The Company's U.S. federal income tax returns for 2021 through 2023 remain open to examination. The Company's New York City tax returns for 2018 through 2022 are currently under examination and 2023 is open for examination. The Company's U.K. tax returns from 2017 to 2023 remain open to examination.

As of December 31, 2024, the Company had \$211 million of UTPs. Given the number of years and nature of matters that remain subject to examination in various tax jurisdictions both in the U.S. and internationally, the Company is unable to estimate a range of possible changes to its UTPs for 2025. It is also possible that new issues might be raised by tax authorities which might necessitate increases to the balance of UTPs. As the Company is unable to predict the timing of conclusion of these audits, the Company is unable to estimate the amount of changes to the balance of UTPs at this time. However, the Company believes that it has adequately provided for its financial exposure relating to all open tax years, by tax jurisdiction, in accordance with ASC Topic 740.

The Company classifies interest related to UTPs in interest expense in its consolidated statements of operations. Penalties, if incurred, are recognized in other non-operating (expense) income, net. Refer to Note 16 for disclosure of interest (expense) income relating to UTPs and other tax-related liabilities. As of December 31, 2024, 2023 and 2022 the amount of accrued interest recorded in the Company's consolidated balance sheets related to UTPs was \$47 million, \$36 million and \$47 million, respectively.

In August 2022, the U.S. Congress passed the Inflation Reduction Act, which included a corporate minimum tax on book earnings of 15%, an excise tax on corporate share repurchases of 1%, and certain climate change and energy tax credit incentives. The adoption of a corporate minimum tax of 15% did not have a significant impact on Moody's ETR. The excise tax of 1% on corporate share buybacks is recorded to shareholders' equity and does not have an impact on the Company's ETR.

Effective in 2024, multiple foreign jurisdictions in which the Company operates have enacted legislation to adopt a minimum tax rate described in the Global Anti-Base Erosion tax model rules (referred to as GloBE or Pillar II) issued by the OECD. A minimum ETR of 15% would apply to multinational companies with consolidated revenue above €750 million. Under the GloBE rules, a company would be required to determine a combined ETR for all entities located in a jurisdiction. If the jurisdictional tax rate is less than 15%, an additional tax generally will be due to bring the jurisdictional effective tax rate up to 15%. As of December 31, 2024, the Pillar II minimum tax did not have a material impact on the Company's full year results of operations or financial position.

NOTE 16 INDEBTEDNESS

The Company's debt is recorded at its carrying amount, which represents the issuance amount plus or minus any issuance premium or discount, except for certain debt as depicted in the table below, which is recorded at the carrying amount adjusted for the fair value of an interest rate swap used to hedge the fair value of the note.

The following table summarizes total indebtedness:

December 31, 2024					
Notes Payable:	Principal Amount	Fair Value of Interest Rate Swaps ⁽¹⁾	Unamortized (Discount) Premium	Unamortized Debt Issuance Costs	Carrying Value
5.25% 2014 Senior Notes, due 2044	\$ 600	\$ (32)	\$ 3	\$ (4)	\$ 567
1.75% 2015 Senior Notes, due 2027	518	—	—	(1)	517
3.25% 2017 Senior Notes, due 2028	500	(13)	(2)	(1)	484
4.25% 2018 Senior Notes, due 2029	400	(35)	(1)	(1)	363
4.875% 2018 Senior Notes, due 2048	400	(35)	(6)	(3)	356
0.950% 2019 Senior Notes, due 2030	776	—	(1)	(3)	772
3.75% 2020 Senior Notes, due 2025	700	(3)	—	—	697
3.25% 2020 Senior Notes, due 2050	300	—	(4)	(3)	293
2.55% 2020 Senior Notes, due 2060	300	—	(2)	(3)	295
2.00% 2021 Senior Notes, due 2031	600	—	(6)	(4)	590
2.75% 2021 Senior Notes, due 2041	600	—	(12)	(5)	583
3.10% 2021 Senior Notes, due 2061	500	—	(7)	(5)	488
3.75% 2022 Senior Notes, due 2052	500	(43)	(8)	(5)	444
4.25% 2022 Senior Notes, due 2032	500	(8)	(2)	(3)	487
5.00% 2024 Senior Notes, due 2034	500	—	(4)	(4)	492
Total debt	\$ 7,694	\$ (169)	\$ (52)	\$ (45)	\$ 7,428
Current portion					(697)
Total long-term debt					\$ 6,731

December 31, 2023					
Notes Payable:	Principal Amount	Fair Value of Interest Rate Swaps ⁽¹⁾	Unamortized (Discount) Premium	Unamortized Debt Issuance Costs	Carrying Value
5.25% 2014 Senior Notes, due 2044	\$ 600	\$ (34)	\$ 3	\$ (4)	\$ 565
1.75% 2015 Senior Notes due 2027	552	—	—	(1)	551
3.25% 2017 Senior Notes, due 2028	500	(26)	(2)	(2)	470
4.25% 2018 Senior Notes, due 2029	400	(34)	(2)	(2)	362
4.875% 2018 Senior Notes, due 2048	400	(36)	(6)	(3)	355
0.950% 2019 Senior Notes, due 2030	829	—	(2)	(4)	823
3.75% 2020 Senior Notes, due 2025	700	(16)	(1)	(1)	682
3.25% 2020 Senior Notes, due 2050	300	—	(4)	(3)	293
2.55% 2020 Senior Notes, due 2060	300	—	(2)	(3)	295
2.00% 2021 Senior Notes, due 2031	600	—	(6)	(4)	590
2.75% 2021 Senior Notes, due 2041	600	—	(12)	(5)	583
3.10% 2021 Senior Notes, due 2061	500	—	(7)	(5)	488
3.75% 2022 Senior Note, due 2052	500	(29)	(8)	(5)	458
4.25% 2022 Senior Note, due 2032	500	(8)	(2)	(4)	486
Total long-term debt	\$ 7,281	\$ (183)	\$ (51)	\$ (46)	\$ 7,001

⁽¹⁾ The fair value of interest rate swaps in the tables above represents the cumulative amount of fair value hedging adjustments included in the carrying amount of the hedged debt.

Credit Facility

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On May 6, 2024, the Company entered into a five-year senior, unsecured revolving credit facility with the capacity to borrow up to \$1.25 billion, which expires in May 2029. The 2024 Credit Facility replaces the Company's \$1.25 billion 2021 Credit Facility that was scheduled to mature in December 2026. Further information on the key terms of these revolving credit facilities is below:

	Issue Date	Capacity	Maturity	December 31, 2024		December 31, 2023	
				Drawn	Undrawn	Drawn	Undrawn
2021 Credit Facility	December 17, 2021	\$ 1,250	December 17, 2026 (Terminated in 2024)	\$ —	\$ —	\$ —	\$ 1,250
2024 Credit Facility	May 6, 2024	\$ 1,250	May 6, 2029	\$ —	\$ 1,250	\$ —	\$ —

Interest on borrowings under the 2024 Credit Facility is payable at rates that are based on an adjusted term SOFR Rate plus a premium that can range from 80.5 BPS to 122.5 BPS, depending on the Company's index debt ratings, as set forth in the 2024 Credit Facility. The Company also has the option to choose other rates, such as those based on adjusted Daily Simple SOFR or an alternate base rate, as set forth in the 2024 Credit Facility. Regardless of borrowing activity under the 2024 Credit Facility, the Company pays quarterly fees for the 2024 Credit Facility that can range from 7 BPS of the 2024 Credit Facility amount to 15 BPS, depending on the Company's index debt ratings. The 2024 Credit Facility contains certain customary covenants and also contains a financial covenant that requires the Company to maintain a total debt to EBITDA Ratio of (i) not more than 4 to 1 at the end of any fiscal quarter or (ii) not more than 4.5 to 1 as of the end of the first three consecutive quarters immediately following any acquisition with consideration in excess of \$500 million, subject to certain conditions as set forth in the 2024 Credit Facility.

Commercial Paper

On August 3, 2016, the Company entered into a private placement commercial paper program under which the Company may issue CP notes up to a maximum amount of \$1.0 billion. Borrowings under the CP Program are backstopped by the 2024 Credit Facility. Amounts under the CP Program may be re-borrowed. The maturity of the CP Notes will vary, but may not exceed 397 days from the date of issue. The CP Notes are sold at a discount from par, or alternatively, sold at par and bear interest at rates that will vary based upon market conditions. The rates of interest will depend on whether the CP Notes will be a fixed or floating rate. The interest on a floating rate may be based on the following: (a) certificate of deposit rate; (b) commercial paper rate; (c) the federal funds rate; (d) the SOFR; (e) prime rate; (f) Treasury rate; or (g) such other base rate as may be specified in a supplement to the private placement agreement. The CP Program contains certain events of default including, among other things: non-payment of principal, interest or fees; entrance into any form of moratorium; and bankruptcy and insolvency events, subject in certain instances to cure periods. As of December 31, 2024, the Company has no CP borrowings outstanding.

Notes Payable

At December 31, 2024, the Company was in compliance with all covenants contained within all of the debt agreements. All of the debt agreements contain cross default provisions which state that default under one of the aforementioned debt instruments could in turn permit lenders under other debt instruments to declare borrowings outstanding under those instruments to be immediately due and payable. As of December 31, 2024, there were no such cross defaults.

The repayment schedule for the Company's borrowings is as follows:

Year Ending December 31,	Total
2025	\$ 700
2026	—
2027	518
2028	500
2029	400
Thereafter	5,576
Total	\$ 7,694

Interest expense, net

The following table summarizes the components of interest as presented in the consolidated statements of operations and the cash paid for interest:

	Year Ended December 31,		
	2024	2023	2022
Expense on borrowings ⁽¹⁾	\$ (300)	\$ (296)	\$ (216)
(Expense) income on UTPs and other tax related liabilities ⁽²⁾	(13)	8	(13)
Net periodic pension costs - interest component	(26)	(26)	(17)
Income	102	63	15
Interest expense, net	\$ (237)	\$ (251)	\$ (231)
Interest paid ⁽³⁾	\$ 280	\$ 281	\$ 198

⁽¹⁾ Expense on borrowings includes interest on long-term debt, as well as realized gains/losses related to interest rate swaps and cross currency swaps, which are more fully discussed in Note 6.

⁽²⁾ The amount for the year ended December 31, 2023 includes a \$22 million reduction of tax-related interest expense primarily related to the resolutions of tax matters.

⁽³⁾ Interest paid includes net settlements on interest rate swaps more fully discussed in Note 6.

The fair value and carrying value of the Company's debt as of December 31, 2024 and 2023 are as follows:

	December 31, 2024		December 31, 2023	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Total debt	\$ 7,428	\$ 6,601	\$ 7,001	\$ 6,402

The fair value of the Company's debt is estimated based on quoted prices in active markets as of the reporting date, which are considered Level 1 inputs within the fair value hierarchy.

NOTE 17 CAPITAL STOCK

Authorized Capital Stock

The total number of shares of all classes of stock that the Company has authority to issue under its Restated Certificate of Incorporation is 1.02 billion shares with a par value of \$0.01, of which 1.0 billion are shares of common stock, 10.0 million are shares of preferred stock and 10.0 million are shares of series common stock. The preferred stock and series common stock can be issued with varying terms, as determined by the Board.

Share Repurchase Program

The Company first implemented a systematic share repurchase program in the third quarter of 2005 through an SEC Rule 10b5-1 program and has maintained its program since. Moody's may also purchase opportunistically when conditions warrant. As a result, Moody's share repurchase activity will continue to vary from quarter to quarter. The table below summarizes the Company's remaining authority under its share repurchase program as of December 31, 2024:

Date Authorized	Amount Authorized	Remaining Authority
October 15, 2024	\$ 1,500	\$ 1,500
February 5, 2024	1,000	67
Total Remaining Authority at December 31, 2024		\$ 1,567

During 2024, Moody's repurchased 2.9 million shares of its common stock under its share repurchase program and issued a net 0.7 million shares under employee stock-based compensation plans. The net amount includes shares withheld for employee payroll taxes.

Dividends

The Company's cash dividends were:

	Dividends Per Share					
	Year ended December 31,					
	2024		2023		2022	
	Declared	Paid	Declared	Paid	Declared	Paid
First quarter	\$ 0.85	\$ 0.85	\$ 0.77	\$ 0.77	\$ 0.70	\$ 0.70
Second quarter	0.85	0.85	0.77	0.77	0.70	0.70
Third quarter	0.85	0.85	0.77	0.77	0.70	0.70
Fourth quarter	0.85	0.85	0.77	0.77	0.70	0.70
Total	\$ 3.40	\$ 3.40	\$ 3.08	\$ 3.08	\$ 2.80	\$ 2.80

On February 12, 2025, the Board approved the declaration of a quarterly dividend of \$0.94 per share of Moody's common stock, payable on March 14, 2025 to shareholders of record at the close of business on February 25, 2025. The continued payment of dividends at the rate noted above, or at all, is subject to the discretion of the Board.

NOTE 18 LEASES

The Company has operating leases, substantially all of which relate to the lease of office space. The Company's leases which are classified as finance leases are not material to the consolidated financial statements. Certain of the Company's leases include options to renew, with renewal terms that can extend the lease term from one year to 20 years at the Company's discretion.

The following table presents the components of the Company's lease cost:

	Year ended December 31,		
	2024	2023	2022
Operating lease cost	\$ 88	\$ 93	\$ 102
Sublease income	(7)	(7)	(7)
Variable lease cost	22	22	20
Total lease cost	\$ 103	\$ 108	\$ 115

During 2023 and 2022, the Company recorded charges of \$32 million and \$23 million, respectively, related to the exit of certain real estate leases that resulted in ROU Asset impairment. The charges were recorded within restructuring expense in the consolidated statements of operations. Refer to Note 9 for further details.

The following tables present other information related to the Company's operating leases:

	Year ended December 31,		
	2024	2023	2022
Cash paid for amounts included in the measurement of operating lease liabilities	\$ 120	\$ 119	\$ 118
Right-of-use assets obtained in exchange for new operating lease liabilities	\$ 21	\$ 40	\$ 35

	December 31,		
	2024	2023	2022
Weighted-average remaining lease term (in years)	3.8	4.4	4.9
Weighted-average discount rate applied to operating leases	3.2 %	3.2 %	3.1 %

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The following table presents a maturity analysis of the future minimum lease payments included within the Company's operating lease liabilities at December 31, 2024:

Year Ending December 31,	Operating Leases	
2025	\$	111
2026		91
2027		74
2028		23
2029		19
Thereafter		20
Total lease payments (undiscounted)		338
Less: Interest		20
Present value of lease liabilities:	\$	318
Lease liabilities - current	\$	102
Lease liabilities - noncurrent	\$	216

As of December 31, 2024, the Company has entered into an additional operating lease that has not yet commenced, with a lease obligation of approximately \$140 million related to the lease of office space. Accordingly, the ROU Assets and operating lease liabilities at December 31, 2024 do not reflect the amounts for this lease. This operating lease will commence in 2025 with a lease term of 15 years.

NOTE 19 CONTINGENCIES

Given the nature of the Company's activities, Moody's and its subsidiaries are subject to legal and tax proceedings, governmental, regulatory and legislative investigations, subpoenas and other inquiries, and claims and litigation by governmental and private parties that are based on ratings assigned by MIS or that are otherwise incidental to the Company's business. Moody's and MIS also are subject to periodic reviews, inspections, examinations and investigations by regulators in the U.S. and other jurisdictions, any of which may result in claims, legal proceedings, assessments, fines, penalties or restrictions on business activities. On September 3, 2024, MIS settled charges by the SEC for failure to comply with record preservation requirements applicable to MIS. The settlement followed an investigation relating to certain business communications sent over electronic messaging channels that had not been approved by MIS. The SEC has settled similar charges with other NRSROs and other registrants subject to record preservation requirements. The terms of MIS's settlement included the payment of a \$20 million civil monetary penalty. As previously disclosed, the Company had accrued that amount in its consolidated financial statements. Moody's also is subject to ongoing tax audits as addressed in Note 15 to the consolidated financial statements.

Management periodically assesses the Company's liabilities and contingencies in connection with these matters based upon the latest information available. For claims, litigation and proceedings and governmental investigations and inquiries not related to income taxes, the Company records liabilities in the consolidated financial statements when it is both probable that a liability has been incurred and the amount of loss can be reasonably estimated and periodically adjusts these as appropriate. When the reasonable estimate of the loss is within a range of amounts, the minimum amount of the range is accrued unless some higher amount within the range is a better estimate than another amount within the range. In instances when a loss is reasonably possible but uncertainties exist related to the probable outcome and/or the amount or range of loss, management does not record a liability but discloses the contingency if material. As additional information becomes available, the Company adjusts its assessments and estimates of such matters accordingly. Moody's also discloses material pending legal proceedings pursuant to SEC rules and other pending matters as it may determine to be appropriate.

In view of the inherent difficulty of assessing the potential outcome of legal proceedings, governmental, regulatory and legislative investigations and inquiries, claims and litigation and similar matters and contingencies, particularly when the claimants seek large or indeterminate damages or assert novel legal theories or the matters involve a large number of parties, the Company often cannot predict what the eventual outcome of the pending matters will be or the timing of any resolution of such matters. The Company also may be unable to predict the impact (if any) that any such matters may have on how its business is conducted, on its competitive position or on its financial position, results of operations or cash flows. As the process to resolve any pending matters progresses, management will continue to review the latest information available and assess its ability to predict the outcome of such matters and the effects, if any, on its operations and financial condition and to accrue for and disclose such matters as and when required. However, because such matters are inherently unpredictable and unfavorable developments or resolutions can occur, the ultimate outcome of such matters, including the amount of any loss, may differ from those estimates.

NOTE 20 SEGMENT INFORMATION

The Company is organized into two operating segments: MA and MIS and accordingly, the Company reports in two reportable segments: MA and MIS.

The MA segment develops a wide range of products and services that support the risk management activities of institutional participants in global financial markets. The MA segment consists of three LOBs - DS, R&I, and D&I.

The MIS segment consists of five LOBs. The CFG, FIG, PPIF and SFG LOBs generate revenue principally from fees for the assignment and ongoing monitoring of credit ratings on debt obligations and the entities that issue such obligations in markets worldwide. The MIS Other LOB primarily consists of financial instruments pricing services in the Asia-Pacific region, ICRA non-ratings revenue and revenue from providing professional services.

Revenue for MA and expenses for MIS include an intersegment fee charged to MIS from MA for certain MA products and services utilized in MIS's ratings process. Additionally, revenue for MIS and expenses for MA include intersegment fees charged to MA for the rights to use and distribute content, data and products developed by MIS. These intersegment fees are generally based on the market value of the products and services being transferred between the segments.

Overhead expenses include costs such as rent and occupancy, information technology and support staff such as finance, human resources and legal. Such costs and corporate expenses that exclusively benefit one segment are fully charged to that segment.

For overhead costs and corporate expenses that benefit both segments, costs are generally allocated to each segment based on historical revenue amounts.

"Eliminations" in the following table represent intersegment revenue/expense. Moody's does not report the Company's assets by reportable segment, as this metric is not used by the chief operating decision maker to allocate resources to the segments.

Financial Information by Segment

The table below presents revenue, significant expenses regularly provided to the CODM and Adjusted Operating Income by reportable segment. The CODM, identified as the Company's CEO, utilizes the Adjusted Operating Income measure to assess the profitability of the Company and each of its reportable segments each quarter. Adjusted Operating Income is also used in our budgeting and forecasting processes, enabling the allocation of capital resources across the Company's strategic initiatives.

	Year Ended December 31,							
	2024				2023			
	MA	MIS	Eliminations	Consolidated	MA	MIS	Eliminations	Consolidated
Total external revenue	\$ 3,295	\$ 3,793	\$ —	\$ 7,088	\$ 3,056	\$ 2,860	\$ —	\$ 5,916
Intersegment revenue	13	193	(206)	—	13	186	(199)	—
Revenue	3,308	3,986	(206)	7,088	3,069	3,046	(199)	5,916
Compensation expense	1,370	1,169	—	2,539	1,238	1,003	—	2,241
Non-compensation expense	731	410	—	1,141	708	370	—	1,078
Intersegment expense	193	13	(206)	—	186	13	(199)	—
Operating, SG&A	2,294	1,592	(206)	3,680	2,132	1,386	(199)	3,319
Adjusted Operating Income	1,014	2,394	—	3,408	937	1,660	—	2,597
Add:								
Depreciation and amortization	353	78	—	431	298	75	—	373
Restructuring	42	17	—	59	59	28	—	87
Charges related to asset abandonment	43	—	—	43	—	—	—	—
Operating Income				\$ 2,875				\$ 2,137
Non-operating (expense) income, net				\$ (176)				\$ (202)
Income before provision for income taxes				\$ 2,699				\$ 1,935

	Year Ended December 31, 2022			
	MA	MIS	Eliminations	Consolidated
Total external revenue	\$ 2,769	\$ 2,699	\$ —	\$ 5,468
Intersegment revenue	8	174	(182)	—
Revenue	2,777	2,873	(182)	5,468
Compensation expense	1,116	940	—	2,056
Non-compensation expense	647	437	—	1,084
Intersegment expense	174	8	(182)	—
Operating, SG&A	1,937	1,385	(182)	3,140
Adjusted Operating Income	840	1,488	—	2,328
Add:				
Depreciation and amortization	250	81	—	331
Restructuring	49	65	—	114
Operating income				\$ 1,883
Non-operating (expense) income, net				\$ (123)
Income before provision for income taxes				\$ 1,760

The table below shows cumulative restructuring expense incurred through December 31, 2024 by reportable segment.

	MA	MIS	Total
2022 - 2023 Geolocation Restructuring Program	\$ 116	\$ 98	\$ 214
Strategic and Operational Efficiency Restructuring Program	\$ 34	\$ 11	\$ 45

The costs expected to be incurred related to the Strategic and Operational Efficiency Restructuring Program are \$125 million to \$155 million for the MA segment and \$75 million to \$95 million for the MIS segment, which include allocations of charges associated with corporate functions.

The restructuring programs are more fully discussed in Note 9.

CONSOLIDATED REVENUE AND LONG-LIVED ASSETS INFORMATION BY GEOGRAPHIC AREA

	Year Ended December 31,		
	2024	2023	2022
Revenue:			
U.S.	\$ 3,836	\$ 3,071	\$ 2,865
Non-U.S.:			
EMEA	2,174	1,886	1,708
Asia-Pacific	629	570	539
Americas	449	389	356
Total Non-U.S.	3,252	2,845	2,603
Total	\$ 7,088	\$ 5,916	\$ 5,468
Long-lived assets at December 31:			
U.S.	\$ 4,395	\$ 4,323	\$ 4,408
Non-U.S.	4,361	4,562	4,489
Total	\$ 8,756	\$ 8,885	\$ 8,897

NOTE 21 VALUATION AND QUALIFYING ACCOUNTS

Accounts receivable allowances represent estimates for uncollectible accounts. The valuation allowance on deferred tax assets relates to foreign net operating tax losses for which realization is uncertain. Below is a summary of activity:

Year Ended December 31,	Balance at Beginning of the Year	Charged to costs and expenses	Deductions ⁽¹⁾	Balance at End of the Year
2024				
Allowances for credit losses	\$ (35)	\$ (15)	\$ 18	\$ (32)
Deferred tax assets—valuation allowance	\$ (24)	\$ (2)	\$ 1	\$ (25)
2023				
Allowances for credit losses	\$ (40)	\$ (22)	\$ 27	\$ (35)
Deferred tax assets—valuation allowance	\$ (21)	\$ (2)	\$ (1)	\$ (24)
2022				
Allowances for credit losses	\$ (32)	\$ (25)	\$ 17	\$ (40)
Deferred tax assets—valuation allowance	\$ (18)	\$ (4)	\$ 1	\$ (21)

⁽¹⁾ Reflects write-off of uncollectible accounts receivable or expiration of foreign net operating tax losses.

NOTE 22 OTHER STATEMENTS OF OPERATIONS INFORMATION

Other non-operating income, net

The following table summarizes the components of other non-operating income, net as presented in the consolidated statements of operations:

	Year Ended December 31,		
	2024	2023	2022
FX loss ⁽¹⁾	\$ —	\$ (30)	\$ (10)
Net periodic pension income - non-service and non-interest cost components	30	35	24
Income/gain from investments in non-consolidated affiliates	15	19	17
Gain on previously held equity method investments ⁽²⁾	7	—	—
Gain (loss) on investments	13	14	(14)
Other	(4)	11	21
Total	\$ 61	\$ 49	\$ 38

⁽¹⁾ The amount for the year ended December 31, 2023 includes a \$23 million loss recorded pursuant to an immaterial out-of-period adjustment relating to the 2022 fiscal year. The amount for the year ended December 31, 2022 includes FX translation losses of \$20 million reclassified to earnings resulting from the Company no longer conducting commercial operations in Russia.

⁽²⁾ The amount for the year ended December 31, 2024 reflects non-cash gains relating to the step-acquisitions of Praedicat and GCR.

Charges related to asset abandonment:

During the year ended December 31, 2024, the Company recorded charges related to asset abandonment of \$43 million pursuant to the Company's decision to outsource the production of certain sustainability content utilized in our product offerings. These charges consist of: i) \$12 million related to severance incurred pursuant to a reduction in staff; and ii) \$31 million in incremental amortization expense related to the change in estimated useful lives of certain internally developed software and amortizable intangible assets that are associated with the sustainability content offerings for which production is being outsourced.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Not applicable.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

The Company carried out an evaluation, as required by Rule 13a-15(b) under the Exchange Act, under the supervision and with the participation of the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures, as defined in Rule 13a-15(e) of the Exchange Act, as of the end of the period covered by this report (the "Evaluation Date"). Based on such evaluation, such officers have concluded that, as of the Evaluation Date, the Company's disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the communication to the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

Information in response to this Item is set forth under the caption "Management's Report on Internal Control Over Financial Reporting," in Part II, Item 8 of this annual report on Form 10-K.

The Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, has determined that there were no changes in the Company's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, these internal controls over financial reporting during the three months ended December 31, 2024.

Limitations on Controls

The Company's disclosure controls and procedures are designed to provide reasonable assurance of achieving the objectives as specified above. The Company's management does not expect, however, that these disclosure controls and procedures will prevent or detect all instances of error or fraud. Any control system, regardless of how well designed and operated, is based upon certain assumptions and can provide only reasonable, not absolute, assurance that its objectives will be met. Further, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur, or that all control issues and instances of fraud, if any, within the Company have been detected.

ITEM 9B. OTHER INFORMATION

Not applicable.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

Except for the information relating to the executive officers of the Company set forth in Part I of this annual report on Form 10-K, the information called for by Items 10-14 is contained in the Company's definitive proxy statement for use in connection with its annual meeting of stockholders and is incorporated herein by reference.

ITEM 10 DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information required by this Item 10 is included under the heading "Information about our Executive Officers" in Part I, Item 1 of this Form 10-K, as well as under the headings "Item 1—Election of Directors," "Corporate Governance—Codes of Business Conduct and Ethics; Insider Trading Policies and Procedures" "The Audit Committee," and "Delinquent Section 16(a) Reports" in the 2025 Proxy Statement and is incorporated by reference.

ITEM 11 EXECUTIVE COMPENSATION

Information required by this Item 11 is included under the headings "Compensation Discussion and Analysis," "Summary Compensation Table," "Grants of Plan-Based Awards Table for 2024," "Outstanding Equity Awards at Fiscal Year-End Table for 2024," "Option Exercises and Stock Vested Table for 2024," "Pension Benefits Table for 2024," "Non-Qualified Deferred Compensation Table," "Potential Payments Upon Termination or Change in Control," "Compensation of Directors," "Relationship of Compensation Practices to Risk Management," "Pay Versus Performance," "CEO Pay Ratio," and "Report of the Compensation & Human Resources Committee" in the 2025 Proxy Statement and is incorporated by reference.

ITEM 12 SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Information required by this Item 12 is included under the heading "Equity Compensation Plan Information" in Part II, Item 5 of this Form 10-K, as well as under the heading "Security Ownership of Certain Beneficial Owners and Management" in the 2025 Proxy Statement and is incorporated by reference.

ITEM 13 CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Information required by this Item 13 is included under the headings “Corporate Governance–Director Independence” and “Certain Relationships and Related Transactions” in the 2025 Proxy Statement and is incorporated by reference.

ITEM 14 PRINCIPAL ACCOUNTING FEES AND SERVICES

Information required by this Item 14 is included under the headings “Item 2–Ratification of Appointment of Independent Registered Public Accountants–Principal Accounting Fees and Services” and “The Audit Committee” in the 2025 Proxy Statement and is incorporated by reference.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

LIST OF DOCUMENTS FILED AS PART OF THIS REPORT.

(1) Financial Statements.

See Index to Financial Statements on page 63, in Part II. Item 8 of this Form 10-K.

(2) Financial Statement Schedules.

None.

(3) Exhibits.

INDEX TO EXHIBITS

S-K EXHIBIT NUMBER

3	Articles of Incorporation and By-laws
.1	Restated Certificate of Incorporation of the Registrant, effective April 17, 2024 (incorporated by reference to Exhibit 3.3 to the Report on Form 8-K of the Registrant, file number 1-14037, filed April 19, 2024).
.2	Amended and Restated By-laws of Moody's Corporation, effective April 17, 2024 (incorporated by reference to Exhibit 3.2 to the Report on Form 8-K of the Registrant, file number 1-14037, filed April 19, 2024)
4	Instruments Defining the Rights of Security Holders, Including Indentures
.1*	Description of the Registrant's securities registered pursuant to Section 12 of the Securities Exchange Act of 1934
.2	Specimen Common Stock certificate (incorporated by reference to Exhibit 4.1 to the Report on Form 8-K of the Registrant, file number 1-14037, filed October 4, 2000).
.3.1	Indenture, dated as of August 19, 2010, between Moody's Corporation and Wells Fargo, National Association, as trustee (incorporated by reference to Exhibit 4.1 to the Report on Form 8-K of the Registrant, file number 1-14037, filed August 19, 2010)
.3.2	Fourth Supplemental Indenture, dated July 16, 2014, between the Company and Wells Fargo Bank, National Association, as trustee, including the form of 5.250% Senior Notes due 2044 (incorporated by reference to Exhibit 4.1 to the Report on Form 8-K of the Registrant, file number 1-14037, filed July 16, 2014)
.3.3.1	Fifth Supplemental Indenture, dated March 9, 2015, between the Company, Wells Fargo Bank, National Association, as trustee and Elavon Financial Services Limited, UK Branch as paying agent and transfer agent and Elavon Financial Services Limited as registrar, including the form of 1.75% Senior Notes due 2027 (incorporated by reference to Exhibit 4.1 to the Report on Form 8-K of the Registrant, file number 1-14037, filed March 10, 2015)
.3.3.2	Agency Agreement, dated March 9, 2015, between the Company, Wells Fargo Bank, National Association, as trustee and Elavon Financial Services Limited, UK Branch as paying agent and transfer agent and Elavon Financial Services Limited as registrar (incorporated by reference to Exhibit 4.3 to the Report on Form 8-K of the Registrant, file number 1-14037, filed March 10, 2015)
.3.4	Seventh Supplemental Indenture, dated as of June 12, 2017, between Moody's Corporation and Wells Fargo, National Association, as trustee, including the form of 2.625% Senior Notes due 2023 and the form of 3.250% Senior Notes due 2028 (incorporated by reference to Exhibit 4.3 to the Report on Form 8-K of the Registrant, file number 1-14037, filed June 12, 2017)
.3.5	Ninth Supplemental Indenture, dated as of December 17, 2018, between the Company and Wells Fargo Bank, National Association, as trustee, including the form of 4.250% Senior Note due 2029 and the form of 4.875% Senior Note due 2048 (incorporated by reference to Exhibit 4.1 to the Report on Form 8-K of the Registrant, file number 1-14037, filed December 21, 2018)
.3.6.1	Tenth Supplemental Indenture, dated as of November 25, 2019, between the Company, Wells Fargo Bank, National Association, as trustee, Elavon Financial Services Limited, UK Branch as paying agent and U.S. Bank National Association as registrar and transfer agent, including the form of 0.950% Senior Note due 2030 (incorporated by reference to Exhibit 4.1 to the Report on Form 8-K of the Registrant, file number 1-14037, filed November 25, 2019)

S-K EXHIBIT NUMBER

- .3.6.2 [Agency Agreement, dated November 25, 2019, between the Company, Wells Fargo Bank, National Association, as trustee, Elavon Financial Services Limited, UK Branch as paying agent and U.S. Bank National Association as registrar and transfer agent \(incorporated by reference to Exhibit 4.3 to the Report on Form 8-K of the Registrant, file number 1-14037, filed November 25, 2019\)](#)
- .3.7 [Eleventh Supplemental Indenture, dated as of March 24, 2020, between the Company and Wells Fargo Bank, National Association, as trustee, including the form of 3.750% Senior Note due 2025 \(incorporated by reference to Exhibit 4.1 to the Report on Form 8-K of the Registrant, file number 1-14037, filed March 25, 2020\)](#)
- .3.8 [Twelfth Supplemental Indenture, dated as of May 20, 2020, between the Company and Wells Fargo Bank, National Association, as trustee, including the form of 3.250% Senior Note due 2050 \(incorporated by reference to Exhibit 4.1 to the Report on Form 8-K of the Registrant, file number 1-14037, filed May 20, 2020\)](#)
- .3.9 [Thirteenth Supplemental Indenture, dated as of August 18, 2020, between the Company and Wells Fargo Bank, National Association, as trustee, including the form of 2.550% Senior Note due 2060 \(incorporated by reference to Exhibit 4.1 to the Report on Form 8-K of the Registrant, file number 1-14037, filed August 18, 2020\)](#)
- .3.10 [Fourteenth Supplemental Indenture, dated as of August 19, 2021, between the Company and Wells Fargo Bank, National Association, as trustee, including the form of 2.000% Senior Note due 2031 and the form of 2.750% Senior Notes due 2041 \(incorporated by reference to Exhibit 4.1 to the Report on Form 8-K of the Registrant, file number 1-14037, filed August 19, 2021\)](#)
- .3.11 [Fifteenth Supplemental Indenture, dated as of November 29, 2021, between the Company and Computershare Trust Company, N.A. as successor to Wells Fargo Bank, National Association, as trustee, including the form of 3.100% Senior Note due 2061 \(incorporated by reference to Exhibit 4.1 to the Report on Form 8-K of the Registrant, file number 1-14037, filed November 29, 2021\)](#)
- .3.12 [Sixteenth Supplemental Indenture, dated as of February 25, 2022, between the Company and Computershare Trust Company, N.A. as successor to Wells Fargo Bank, National Association, as Trustee, including the form of 3.750% Senior Note due 2052 \(incorporated by reference to Exhibit 4.1 to the Report on Form 8-K of the Registrant, file number 1-14037, filed February 28, 2022\)](#)
- .3.13 [Seventeenth Supplemental Indenture, dated as of August 8, 2022, between the Company and Computershare Trust Company, N.A. as successor to Wells Fargo Bank, National Association, as Trustee, including the form of 4.250% Senior Note due 2032 \(incorporated by reference to Exhibit 4.1 to the Report on Form 8-K of the Registrant, file number 1-14037, filed August 8, 2022\)](#)
- .3.14 [Eighteenth Supplemental Indenture, dated as of August 5, 2024, between the Company and Computershare Trust Company, N.A. as successor to Wells Fargo Bank, National Association, as Trustee, including the form of 5.000% Senior Note due 2034 \(incorporated by reference to Exhibit 4.1 to the Report on Form 8-K of the Registrant, file number 1-14037, filed August 5, 2024\)](#)

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Material Contracts

- .1.1† [1998 Moody's Corporation Non-Employee Directors' Stock Incentive Plan \(Adopted September 8, 2000; Amended and Restated as of December 11, 2012, October 20, 2015, December 14, 2015 and December 18, 2017\) \(incorporated by reference to Exhibit 10.2.1 to the Registrant's Annual Report on Form 10-K, file number 1-14037, filed February 27, 2018\)](#)
- .1.2† [Form of Non-Employee Director Restricted Stock Unit Grant Agreement \(for awards after 2017\) for the 1998 Moody's Corporation Non-Employee Directors' Stock Incentive Plan \(Adopted September 8, 2000; Amended and Restated as of December 11, 2012, October 20, 2015, December 14, 2015 and December 18, 2017\) \(incorporated by reference to Exhibit 10.2.3 to the Registrant's Annual Report on Form 10-K, file number 1-14037, filed February 27, 2018\)](#)
- .2† [Moody's Corporation 1999 Employee Stock Purchase Plan \(as amended and restated December 15, 2008\) \(formerly, The Dun & Bradstreet Corporation 1999 Employee Stock Purchase Plan\) \(incorporated by reference to Exhibit 10.38 to the Registrant's Annual Report on Form 10-K, file number 1-14037, filed March 2, 2009\)](#)
- .3.1† [Amended and Restated 2001 Moody's Corporation Key Employees' Stock Incentive Plan \(incorporated by reference to Exhibit 10.1 to the Report on Form 8-K of the Registrant, file number 1-14037, filed April 21, 2023\)](#)
- .3.2.1† [Form of Employee Non-Qualified Stock Option Grant Agreement \(for awards granted prior to 2023\) for the Amended and Restated 2001 Moody's Corporation Key Employees' Stock Incentive Plan \(incorporated by reference to Exhibit 10.3.3.2 to the Registrant's Annual Report on Form 10-K, file number 1-14037, filed February 24, 2020\)](#)
- .3.2.2† [Form of Employee Non-Qualified Stock Option Grant Agreement \(for awards granted in 2023\) for the Amended and Restated 2001 Moody's Corporation Key Employees' Stock Incentive Plan \(incorporated by reference to Exhibit 10.3.2.3 to the Registrant's Annual Report on Form 10-K, file number 1-14037, filed February 15, 2023\)](#)
- .3.2.3† [Form of Employee Non-Qualified Stock Option Grant Agreement \(for awards granted in 2024 or later\) for the Amended and Restated 2001 Moody's Corporation Key Employees' Stock Incentive Plan \(incorporated by reference to Exhibit 10.3.2.3 to the Registrant's Annual Report on Form 10-K, file number 1-14037, filed February 14, 2024\)](#)
- .3.2.4† [Form of Special Non-Qualified Stock Option Grant Agreement for the Amended and Restated 2001 Moody's Corporation Key Employees' Stock Incentive Plan \(incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q, file number 1-14037, filed May 2, 2024\)](#)

[Table of Contents](#)

S-K EXHIBIT NUMBER

.3.3.1†	Form of Performance Share Award Letter (for awards granted prior to 2023) for the Amended and Restated 2001 Moody's Corporation Key Employees' Stock Incentive Plan (incorporated by reference to Exhibit 10.3.4.3 to the Registrant's Annual Report on Form 10-K, file number 1-14037, filed February 24, 2020)
.3.3.2†	Form of Performance Share Award Letter (for awards granted in 2023) for the Amended and Restated 2001 Moody's Corporation Key Employees' Stock Incentive Plan (incorporated by reference to Exhibit 10.3.3.2 to the Registrant's Annual Report on Form 10-K, file number 1-14037, filed February 15, 2023)
.3.3.3†	Form of Performance Share Award Letter (for awards granted in 2024 or later) for the Amended and Restated 2001 Moody's Corporation Key Employees' Stock Incentive Plan (incorporated by reference to Exhibit 10.3.3.3 to the Registrant's Annual Report on Form 10-K, file number 1-14037, filed February 14, 2024)
.3.4.1†	Form of Restricted Stock Unit Grant Agreement (for awards granted prior to 2023) for the Amended and Restated 2001 Moody's Corporation Key Employees' Stock Incentive Plan (incorporated by reference to Exhibit 10.3.5.2 to the Registrant's Annual Report on Form 10-K, file number 1-14037, filed February 24, 2020)
.3.4.2†	Form of Restricted Stock Unit Grant Agreement (for awards granted in 2023) for the Amended and Restated 2001 Moody's Corporation Key Employees' Stock Incentive Plan (incorporated by reference to Exhibit 10.3.4.3 to the Registrant's Annual Report on Form 10-K, file number 1-14037, filed February 15, 2023)
.3.4.3†	Form of Restricted Stock Unit Grant Agreement (for awards granted in 2024 or later) for the Amended and Restated 2001 Moody's Corporation Key Employees' Stock Incentive Plan (incorporated by reference to Exhibit 10.3.4.3 to the Registrant's Annual Report on Form 10-K, file number 1-14037, filed February 14, 2024)
.3.5.1†	Form of Special Long-Term Incentive Award Letter for the Amended and Restated 2001 Moody's Corporation Key Employees' Stock Incentive Plan (incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q, file number 1-14037, filed May 2, 2024)
.3.5.2†	Form of Moody's Investors Service, Inc. Strategic Incentive Award Letter for the Amended and Restated 2001 Moody's Corporation Key Employees' Stock Incentive Plan (incorporated by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q, file number 1-14037, filed May 2, 2024)
.3.5.3†	Form of Moody's Analytics, Inc. Strategic Incentive Award Letter for the Amended and Restated 2001 Moody's Corporation Key Employees' Stock Incentive Plan (incorporated by reference to Exhibit 10.4 to the Registrant's Quarterly Report on Form 10-Q, file number 1-14037, filed May 2, 2024)
.4†	2004 Moody's Corporation Covered Employee Cash Incentive Plan (as amended on February 10, 2015) (incorporated by reference to Exhibit 10.15 to the Registrant's Annual Report on Form 10-K, file number 1-14037, filed February 26, 2015)
.5†	Moody's Corporation Deferred Compensation Plan (amended and restated effective as of January 1, 2020) (incorporated by reference to Exhibit 10.5 to the Registrant's Annual Report on Form 10-K, file number 1-14037, filed February 22, 2021)
.6†	Supplemental Executive Benefit Plan of Moody's Corporation, amended and restated as of January 1, 2008 (incorporated by reference to Exhibit 10.38 to the Registrant's Annual Report on Form 10-K, file number 1-14037, filed February 29, 2008)
.7†	Pension Benefit Equalization Plan of Moody's Corporation, amended and restated as of January 1, 2008 (incorporated by reference to Exhibit 10.39 to the Registrant's Annual Report on Form 10-K, file number 1-14037, filed February 29, 2008)
.8.1†	Moody's Corporation Cafeteria Plan, effective January 1, 2008 (incorporated by reference to Exhibit 10.46 to the Registrant's Annual Report on Form 10-K, file number 1-14037, filed March 2, 2009)
.8.2†	First Amendment to the Moody's Corporation Cafeteria Plan (incorporated by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q, file number 1-14037, filed July 31, 2014)
.8.3†	Second Amendment to the Moody's Corporation Cafeteria Plan (incorporated by reference to Exhibit 10.33 to the Registrant's Annual Report on Form 10-K, file number 1-14037, filed February 26, 2015)
.9†	Moody's Corporation Change in Control Severance Plan (as amended December 18, 2017) (incorporated by reference to Exhibit 10.10 to the Registrant's Annual Report on Form 10-K, file number 1-14037, filed February 27, 2018)
.10.1†	Moody's Corporation Retirement Account (amended and restated as of January 1, 2021) (incorporated by reference to Exhibit 10.10 to the Registrant's Annual Report on Form 10-K, file number 1-14037, filed February 22, 2021)
.10.2†	First Amendment to the Moody's Corporation Retirement Account (effective January 1, 2021) (incorporated by reference to Exhibit 10.10.2 to the Registrant's Annual Report on Form 10-K, file number 1-14037, filed February 22, 2022)
.11.1†	Profit Participation Plan of Moody's Corporation (amended and restated as of January 1, 2020) (incorporated by reference to Exhibit 10.11 to the Registrant's Annual Report on Form 10-K, file number 1-14037, filed February 22, 2021)
.11.2†	First Amendment to the Profit Participation Plan of Moody's Corporation (effective January 1, 2020) (incorporated by reference to Exhibit 10.11.2 to the Registrant's Annual Report on Form 10-K, file number 1-14037, filed February 22, 2022)
.12†	The Moody's Corporation Nonfunded Deferred Compensation Plan for Non-Employee Directors (as amended December 16, 2008, October 15, 2015 and December 19, 2016) (incorporated by reference to Exhibit 10.12 to the Registrant's Annual Report on Form 10-K, file number 1-14037, filed February 22, 2022)

S-K EXHIBIT NUMBER

.13†	Amended and Restated Moody's Corporation Career Transition Plan (amended and restated as of March 1, 2024) (incorporated by reference to Exhibit 10.5 to the Registrant's Quarterly Report on Form 10-Q, file number 1-14037, filed May 2, 2024)
.14†	Supplemental Executive Disability Benefit Plan of Moody's Corporation, effective as of January 1, 2019 (incorporated by reference to Exhibit 10.22 to Registrant's Annual Report on Form 10-K, file number 1-14037, filed February 25, 2019)
.15	Form Indemnification Agreement (incorporated by reference to Exhibit 10.1 to the Report on Form 8-K of the Registrant, file number 1-14037, filed December 22, 2017)
.16	Form Commercial Paper Dealer Agreement between Moody's Corporation, as Issuer, and the Dealer party thereto (incorporated by reference to Exhibit 10.1 to the Report on Form 8-K of the Registrant, file number 1-14037, filed August 3, 2016)
.17	Credit Agreement, dated as of May 6, 2024, among Moody's Corporation, the borrowing subsidiaries party thereto, the lenders and issuing banks party thereto, JPMorgan Chase Bank, N.A., as administrative agent, and the other agents party thereto (incorporated by reference to Exhibit 10.1 to the Report on Form 8-K of the Registrant, file number 1-14037, filed May 6, 2024)
.18	Moody's Corporation Career Transition Plan (Amended and Restated as of October 1, 2024) (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q, file number 1-14037, filed October 23, 2024)
19	Insider Trading Policies
.1*	Securities Trading Policy for Employee Trading of Shares of Moody's Corporation
.2*	Company Procedures for Transactions in Company Securities
21*	Subsidiaries of the Registrant List of Active Subsidiaries as of December 31, 2024
23	Consent of Independent Registered Public Accounting Firm
.1*	Consent of KPMG LLP
31	Certifications Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
.1*	Chief Executive Officer Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
.2*	Chief Financial Officer Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32	Certifications Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
.1*	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. The Company has furnished this certification and does not intend for it to be considered filed under the Securities Exchange Act of 1934 or incorporated by reference into future filings under the Securities Act of 1933 or the Securities Exchange Act of 1934
.2*	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. The Company has furnished this certification and does not intend for it to be considered filed under the Securities Exchange Act of 1934 or incorporated by reference into future filings under the Securities Act of 1933 or the Securities Exchange Act of 1934
97	Policy Relating to Recovery of Erroneously Awarded Compensation
.1	Moody's Corporation Comprehensive Clawback Policy (incorporated by reference to Exhibit 97.1 to the Registrant's Annual Report on Form 10-K, file number 1-14037, filed February 14, 2024)
101	Inline XBRL
.INS*	Inline XBRL Instance Document
.SCH*	Inline XBRL Taxonomy Extension Schema Document
.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
.DEF*	Inline XBRL Definitions Linkbase Document
.LAB*	Inline XBRL Taxonomy Extension Labels Linkbase Document
.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	The cover page from this Annual Report on Form 10-K (formatted in Inline XBRL and contained in Exhibit 101)

* Filed herewith

† Management contract or compensatory plan or arrangement

ITEM 16 FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MOODY'S CORPORATION

(Registrant)

By: /s/ ROBERT FAUBER

Robert Fauber

President and Chief Executive Officer

Date: February 14, 2025

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

/s/ ROBERT FAUBER

Robert Fauber,

President and Chief Executive Officer

(principal executive officer)

/s/ KATHRYN M. HILL

Kathryn M. Hill,

Director

/s/ NOÉMIE HEULAND

Noémie Heuland,

Senior Vice President and Chief Financial Officer

(principal financial officer)

/s/ LLOYD W. HOWELL, JR.

Lloyd W. Howell, Jr.,

Director

/s/ CAROLINE SULLIVAN

Caroline Sullivan,

Chief Accounting Officer and Corporate Controller

(principal accounting officer)

/s/ JOSE MINAYA

Jose Minaya,

Director

/s/ JORGE A. BERMUDEZ

Jorge A. Bermudez,

Director

/s/ LESLIE F. SEIDMAN

Leslie F. Seidman,

Director

/s/ THÉRÈSE ESPERDY

Thérèse Esperdy,

Director

/s/ ZIG SERAFIN

Zig Serafin,

Director

/s/ VINCENT A. FORLENZA

Vincent A. Forlenza,

Chairman of the Board

/s/ BRUCE VAN SAUN

Bruce Van Saun,

Director

Date: February 14, 2025

EXHIBIT 4.1

DESCRIPTION OF THE REGISTRANT'S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

Moody's Corporation has three classes of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"): (1) our Common Stock; (2) our 1.75% Senior Notes due 2027; and (3) our 0.950% Senior Notes due 2030.

DESCRIPTION OF THE COMPANY'S COMMON STOCK

General

We are authorized to issue up to 1,000,000,000 shares of Common Stock, par value \$.01 per share ("Common Stock"). We are also authorized to issue up to 10,000,000 shares of Preferred Stock, par value \$.01 per share ("Preferred Stock"), none of which are outstanding or reserved for issuance, and 10,000,000 shares of Series Common Stock, par value \$.01 per share ("Series Common Stock"), none of which are outstanding or reserved for issuance.

The principal stock exchange on which our Common Stock is listed is the New York Stock Exchange under the symbol "MCO." All outstanding shares of Common Stock are validly issued, fully paid and nonassessable.

The following description of the terms of our common shares is not complete and is qualified in its entirety by reference to our Restated Certificate of Incorporation (the "Certificate"), and our Amended and Restated By-laws (the "By-laws") both of which are exhibits to our Annual Report on Form 10-K to which this Exhibit 4.1 is a part.

Voting Rights

The holders of our Common Stock generally are entitled to one vote on all matters submitted for action by our stockholders; provided, however, that, except as otherwise required by law, holders of our Common Stock shall not be entitled to vote on any amendment to the Certificate (including any certificate of designations relating to any series of Preferred Stock or Series Common Stock) that relates solely to the terms of one or more outstanding series of Preferred Stock or Series Common Stock (if any are issued in the future).

There is no provision for cumulative voting with regard to the election of directors.

Dividend and Liquidation Rights

Subject to the rights applicable to any shares of Preferred Stock or Series Common Stock outstanding at any time, holders of our Common Stock are entitled to receive dividends at such times and in such amounts as the Board of Directors in its discretion shall determine and are entitled, in the event of a liquidation, to share ratably in all assets remaining paid after payment of liquidation.

Other Rights

The holders of our Common Stock have no preemptive rights and no rights to convert their shares of Common Stock into any other securities, and our shares of Common Stock are not subject to any redemption or sinking fund provisions. Additionally, a stockholder or group of stockholders may nominate director candidates and have the candidates included in our proxy materials, provided that the stockholder(s) and nominee(s) satisfy the requirements specified in our Certificate and our By-laws.

Anti-Takeover Provisions

Some provisions of Delaware law, our Certificate and our By-laws may have the effect of delaying, deferring or discouraging another party from acquiring control of us.

Certificate and By-laws

The Certificate and the By-laws:

- authorize the Board to issue, at any time, Preferred Stock, the terms of which may be determined by the Board;
- do not authorize cumulative voting;
- authorize the Board to adopt, amend, or repeal By-laws; and
- provide that a special meeting of stockholders (1) may be called at any time at the direction of the Chief Executive Officer, the Chairman of the Board or the Board pursuant to a resolution approved by the Board; and (2) shall be called by the Chief Executive Officer or the Secretary upon the written request or requests of one or more stockholders of record that own, or who are acting on behalf of persons who own, shares representing 25% or more of the voting power of the stock entitled to vote on the matter or matters to be brought before the proposed special meeting, and otherwise in accordance with the Certificate and the By-laws.

Delaware Law

We are subject to Section 203 of the Delaware General Corporation Law, which regulates, subject to some exceptions, acquisitions of publicly-held Delaware corporations. In general, Section 203 prohibits us from engaging in a “business combination” with an “interested stockholder” for a period of three years following the date the person becomes an interested stockholder, unless:

- the Board approved the business combination or the transaction in which the person became an interested stockholder prior to the date the person attained this status;
- upon consummation of the transaction that resulted in the person becoming an interested stockholder, the person owned at least 85 percent of our voting stock outstanding at the time the transaction commenced, excluding shares owned by persons who are directors and also officers and issued under employee stock plans under which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or
- on or subsequent to the date the person became an interested stockholder, the Board approved the business combination and the stockholders other than the interested stockholder authorized the transaction at an annual or special meeting of stockholders by the affirmative vote of at least 66 2/3 percent of the outstanding stock not owned by the interested stockholder.

Section 203 defines a “business combination” to include:

- any merger or consolidation involving us and the interested stockholder;
 - any sale, transfer, pledge or other disposition involving the interested stockholder of 10 percent or more of our assets;
 - in general, any transaction that results in the issuance or transfer by us of any of our stock to the interested stockholder;
 - any transaction involving us that has the effect of increasing the proportionate share of our stock owned by the interested stockholders; and
 - the receipt by the interested stockholder of the benefit of any loans, advances, guarantees, pledges, or other financial benefits provided by or through us.
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In general, Section 203 defines an “interested stockholder” as any person who, together with the person’s affiliates and associates, owns, or within three years prior to the time of determination of interested stockholder status did own, 15 percent or more of a corporation’s voting stock.

DESCRIPTION OF THE COMPANY’S 1.75% SENIOR NOTES DUE 2027 AND 0.950% SENIOR NOTES DUE 2030

The following summary of our 1.75% Senior Notes due 2027 (the “2027 notes”) and our 0.950% Senior Notes due 2030 (the “2030 notes”) and, together with the 2027 notes, the “notes”) is based on, subject to, and qualified in its entirety by the indenture dated as of August 19, 2010 between Moody’s Corporation and Wells Fargo Bank, National Association, as trustee (the “Trustee”), as supplemented in respect of the 2027 notes by the fifth supplemental indenture thereto dated as of March 9, 2015 between Moody’s Corporation, the Trustee, and Elavon Financial Services DAC (formerly Elavon Financial Services Limited), UK Branch, as paying agent (the “Paying Agent”) and transfer agent and Elavon Financial Services DAC (formerly Elavon Financial Services Limited), as registrar, and in respect of the 2030 notes by the tenth supplemental indenture thereto dated as of November 25, 2019 between Moody’s Corporation, the Trustee, the Paying Agent, as paying agent, and U.S. Bank National Association as registrar and transfer agent. References to the “Company,” “we,” “us,” “our” and similar words refer to Moody’s Corporation and not to any of its subsidiaries. The 2027 notes and the 2030 notes are traded on The New York Stock Exchange under the trading symbols “MCO 27” and “MCO 30,” respectively.

General

The notes:

- are senior unsecured obligations of ours;
- rank equally with all of our other senior unsecured indebtedness from time to time outstanding;
- are structurally subordinated to all existing and future obligations of our subsidiaries, including claims with respect to trade payables;
- are effectively junior to any existing and future secured indebtedness to the extent of the value of the assets securing such indebtedness;
- were initially limited to €500,000,000 aggregate principal amount for the 2027 notes and €750,000,000 aggregate principal amount for the 2030 notes, each of which remains the respective amount outstanding; and
- were issued in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof.

Principal, Maturity and Interest

Each 2027 note bears interest from March 9, 2015 at a rate of 1.75% per year. Each 2030 note bears interest from November 25, 2019 at a rate of 0.950% per year. Interest on the 2027 notes is payable annually in arrears on March 9 of each year. Interest on the 2030 notes is payable annually in arrears on February 25 of each year. Interest on the notes is computed on the basis of (i) the actual number of days in the period for which interest is being calculated and (ii) the actual number of days from and including the last date on which interest was paid on the notes of the applicable series, to but excluding the next scheduled interest payment date. This payment convention is referred to as ACTUAL/ACTUAL (ICMA) as defined in the rulebook of the International Capital Markets Association.

Interest on the 2027 notes accrues from and including March 9, 2015. Interest on the 2030 notes accrues from and including November 25, 2019. Interest on the notes of each series will be paid to holders of record on the date that is 15 calendar days immediately before the respective interest payment date. The rights of holders of beneficial interests of notes of either series to receive the payments of interest on such notes are subject to the applicable procedures of Euroclear Bank SA/ NV, as operator of the Euroclear System (“Euroclear”), and Clearstream Banking, *société anonyme* (“Clearstream”).

The 2027 notes and the 2030 notes will mature on March 9, 2027 and February 25, 2030, respectively. On the respective maturity dates of the notes, the holders will be entitled to receive 100% of the principal amount of the notes of the applicable series. The notes do not have the benefit of any sinking fund.

With respect to the notes, a “business day” means any day, other than a Saturday or Sunday, (i) that is not a day on which banking institutions in The City of New York or London are authorized or required by law or executive order to close and (ii) on which the Trans-European Automated Real-time Gross Settlement Express Transfer system, or the TARGET2 system, or any successor thereto, operates. If any interest payment date, maturity date or redemption date is not a business day, then the related payment for such interest payment date, maturity date or redemption date shall be paid on the next succeeding business day with the same force and effect as if made on such interest payment date, maturity date or redemption date, as the case may be, and no further interest shall accrue as a result of such delay.

Priority

The notes are general unsecured obligations of ours and will rank equally with all of our existing and future unsubordinated obligations.

Holders of any secured indebtedness we may issue will have claims that are prior to claims of the holders of the notes, to the extent of the value of the assets securing such indebtedness, in the event of any bankruptcy, liquidation or similar proceeding.

We conduct our operations through subsidiaries. As a result, distributions or advances from our subsidiaries are a major source of funds necessary to meet our debt service and other obligations. Contractual provisions, laws or regulations, as well as our subsidiaries’ financial condition and operating requirements, may limit our ability to obtain cash required to pay our debt service obligations, including payments on the notes. The notes are “structurally” subordinated to all obligations of our subsidiaries including claims with respect to trade payables. This means that in the event of bankruptcy, liquidation or reorganization of any of our subsidiaries, the holders of notes will have no direct claim to participate in the assets of such subsidiary but may only recover by virtue of our equity interest in our subsidiaries (except to the extent we have a claim as a creditor of such subsidiary). As a result all existing and future liabilities of our subsidiaries, including trade payables and claims of lessors under leases, have the right to be satisfied in full prior to our receipt of any payment as any equity owner of our subsidiaries.

Further Issues

The indenture provides that we may issue debt securities (the “debt securities”) thereunder from time to time in one or more series, and permits us to establish the terms of each series of debt securities at the time of issuance. The indenture does not limit the aggregate amount of debt securities that may be issued under the indenture.

The 2027 notes and 2030 notes each constitute a separate series of debt securities under the indenture, initially limited to €500,000,000 and €750,000,000, respectively. Under the indenture, we may, without the consent of the holders of the notes of the applicable series, “reopen” either series and issue additional notes of such series from time to time in the future, provided that if the additional notes of such series are not fungible for U.S. federal income tax purposes with the notes of such series, the additional notes of such series will have a separate ISIN and/or any other identifying number. This means that, in circumstances where the indenture provides for the holders of notes of either series to vote or take any action, any of the outstanding notes of either series as well as any respective additional notes of such series that we may issue by reopening the series, will vote or take action as a single class.

Optional Redemption

We may redeem all or a portion of either series of notes at our option at any time or from time to time as set forth below. We may redeem such notes at a redemption price equal to the greater of:

- 100% of the principal amount plus accrued and unpaid interest to, but excluding, the redemption date; and
 - the sum of the present values of the Remaining Scheduled Payments (as defined below) of principal and interest on the notes to be redeemed (not including any portion of such payments of interest accrued as of the date of redemption) discounted to the date of redemption on an annual basis (ACTUAL/ACTUAL (ICMA)) at the applicable Comparable Government Bond Rate (as defined below) plus 25 basis points for the 2027 notes and 20 basis points for the 2030 notes, plus accrued and unpaid interest on the principal amount being redeemed to, but excluding, the redemption date.
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Notwithstanding the immediately preceding paragraph, we may redeem all or a portion of the 2027 notes at our option at any time on or after December 9, 2026 (90 days prior to their maturity) and all or a portion of the 2030 notes at our option at any time on or after November 25, 2029 (three months prior to their maturity), in each case at a redemption price equal to 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest, if any, to, but excluding, the redemption date.

If money sufficient to pay the redemption price of all of the notes (or portions thereof) to be redeemed on the redemption date is deposited with the Paying Agent on or before the redemption date and certain other conditions are satisfied, then on and after such redemption date, interest will cease to accrue on such notes (or such portion thereof) called for redemption.

“Comparable Government Bond Rate” means, with respect to any redemption date, the price, expressed as a percentage (rounded to three decimal places, with 0.0005 being rounded upwards), at which the gross redemption yield on the notes to be redeemed, if they were to be purchased at such price on the third business day prior to the date fixed for redemption, would be equal to the gross redemption yield on such business day of the Comparable Government Bond (as defined below) on the basis of the middle market price of the Comparable Government Bond prevailing at 11:00 a.m. (London time) on such business day as determined by an independent investment bank selected by us.

“Comparable Government Bond” means, in relation to any Comparable Government Bond Rate calculation, at the discretion of an independent investment bank selected by us, a German government bond whose maturity is closest to the maturity of the notes to be redeemed, or if such independent investment bank in its discretion determines that such similar bond is not in issue, such other German government bond as such independent investment bank may, with the advice of three brokers of, and/or market makers in, German government bonds selected by us, determine to be appropriate for determining the Comparable Government Bond Rate.

“Remaining Scheduled Payments” means, with respect to each note to be redeemed, the remaining scheduled payments of the principal thereof and interest thereon that would be due after the related redemption date but for such redemption; provided, however, that, if such redemption date is not an interest payment date with respect to such note, the amount of the next succeeding scheduled interest payment thereon will be deemed to be reduced by the amount of interest accrued thereon to such redemption date.

We will, or will cause the Trustee or Paying Agent on our behalf to, mail notice of a redemption to holders of the applicable notes to be redeemed by first-class mail (or otherwise transmit in accordance with applicable procedures of Euroclear/Clearstream) at least 30 and not more than 60 days prior to the date fixed for redemption. Unless we default in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the applicable notes or portions thereof called for redemption. On or before the redemption date, we will deposit with the Paying Agent or set aside, segregate and hold in trust (if we are acting as paying agent), funds sufficient to pay the redemption price of, and accrued and unpaid interest on, such notes to be redeemed on that redemption date. If fewer than all of the notes of either series are to be redeemed, the Paying Agent will select, not more than 60 days prior to the redemption date, the particular notes or portions thereof for redemption from the outstanding notes of the applicable series not previously called by such method as the Paying Agent deems fair and appropriate and in accordance with the applicable procedures of the depository; provided, however, that no notes of a principal amount of €100,000 or less shall be redeemed in part.

We may at any time, and from time to time, purchase the notes of either series at any price or prices in the open market or otherwise.

Payment of Additional Amounts

We will, subject to the exceptions and limitations set forth below, pay to the holder of any 2027 note such additional amounts as may be necessary to ensure that every net payment on such 2027 note, after deduction or withholding for or on account of any present or future tax, assessment or other governmental charge imposed upon or as a result of such payment by the United States or any political subdivision or taxing authority of the United States, will not be less than the amount provided in such 2027 note to be then due and payable. However, we will not pay additional amounts for or on account of

- 1) any tax, assessment or other governmental charge that is imposed or withheld solely by reason of the existence of any present or former connection (other than the mere fact of being a holder or beneficial owner of a 2027 note) between the holder or beneficial owner (or between a fiduciary, settlor, beneficiary or person holding a power over such holder or beneficial owner, if the beneficial owner is an
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estate or trust, or a partner, member or shareholder of the beneficial owner, if the beneficial owner is a partnership, limited liability company or corporation) of a 2027 note and the United States, including, without limitation, such holder or beneficial owner (or such fiduciary, settlor, beneficiary, person holding a power, partner, member or shareholder) being or having been a citizen or resident of the United States or treated as being or having been a resident thereof;

- 2) any tax, assessment or other governmental charge that is imposed or withheld solely by reason of the holder or beneficial owner (or a fiduciary, settlor, beneficiary or person holding a power over such beneficial owner, if the beneficial owner is an estate or trust, or a partner, member or shareholder of the beneficial owner, if the beneficial owner is a partnership, limited liability company or corporation) (i) being or having been present in, or engaged in a trade or business in, the United States, (ii) being treated as having been present in, or engaged in a trade or business in, the United States, or (iii) having or having had a permanent establishment in the United States;
 - 3) any tax, assessment or other governmental charge that is imposed or withheld solely by reason of the holder or beneficial owner (or a fiduciary, settlor, beneficiary or person holding a power over such beneficial owner, if the beneficial owner is an estate or trust, or a partner, member or shareholder of the beneficial owner, if the beneficial owner is a partnership, limited liability company or corporation) being or having been with respect to the United States a personal holding company, a controlled foreign corporation, a passive foreign investment company, a foreign private foundation or other foreign tax- exempt organization, or being a corporation that accumulates earnings to avoid U.S. federal income tax;
 - 4) any tax, assessment or other governmental charge imposed on a beneficial owner that actually or constructively owns 10% or more of the total combined voting power of all of our classes of stock that are entitled to vote within the meaning of Section 871(h)(3) of the Internal Revenue Code of 1986, as amended (the "Code");
 - 5) any tax, assessment or other governmental charge which would not have been so imposed but for the presentation (where such presentation is required) of such 2027 note for payment on a date more than 30 days after the date on which such payment became due and payable or the date on which such payment is duly provided for, whichever occurs later;
 - 6) any tax, assessment or other governmental charge that is payable by any method other than withholding or deduction by us or any paying agent from payments in respect of such 2027 note;
 - 7) any gift, estate, inheritance, sales, transfer, personal property or excise tax or any similar tax, assessment or other governmental charge;
 - 8) any withholding or deduction that is imposed on a payment that is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive amending, supplementing or replacing such Directive, or any law implementing or complying with our introduced in order to conform to, such Directive or Directives;
 - 9) any tax, assessment or other governmental charge required to be withheld by any paying agent from any payment in respect of any 2027 note if such payment can be made without such withholding by at least one other paying agent;
 - 10) any tax, assessment or other governmental charge that is imposed or withheld by reason of a change in law, regulation, or administrative or judicial interpretation that becomes effective more than 15 days after the payment becomes due or is duly provided for, whichever occurs later;
 - 11) any tax, assessment or other governmental charge imposed as a result of the failure of the holder or beneficial owner of a 2027 note to comply with a request to comply with applicable certification, information, documentation or other reporting requirements concerning the nationality, residence, identity or connection with the United States of the holder or beneficial owner of a 2027 note, if such compliance is required by statute or regulation of the United States as a precondition to relief or exemption from such tax, assessment or other governmental charge;
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- 12) any tax, assessment or other governmental charge imposed by reason of the failure of the beneficial owner to fulfill the statement requirements of Section 871(h) or Section 881(c) of the Code;
- 13) any tax, assessment or other governmental charge imposed under Sections 1471-1474 of the Code and the U.S. Treasury regulations thereunder ("FATCA"), any agreement with the U.S. Internal Revenue Service in connection with FATCA, any intergovernmental agreement between the United States and any other jurisdiction with respect to FATCA, or any law, regulation or other official guidance enacted in any jurisdiction implementing, or in connection with, FATCA or any intergovernmental agreement; or
- 14) any combination of items (1) through (13) above.

We will, subject to the exceptions and limitations set forth below, pay to the holder of any 2030 note such additional amounts as may be necessary to ensure that every net payment on such 2030 note, after deduction or withholding for or on account of any present or future tax, assessment or other governmental charge imposed upon or as a result of such payment by the United States or any political subdivision or taxing authority of the United States, will not be less than the amount provided in such 2030 note to be then due and payable. However, we will not pay additional amounts for or on account of

- 1) any tax, assessment or other governmental charge that is imposed or withheld solely by reason of the existence of any present or former connection (other than the mere fact of being a holder or beneficial owner of a 2030 note) between the holder or beneficial owner (or between a fiduciary, settlor, beneficiary or person holding a power over such holder or beneficial owner, if the beneficial owner is an estate or trust, or a partner, member or shareholder of the beneficial owner, if the beneficial owner is a partnership, limited liability company or corporation) of a 2030 note and the United States, or any political subdivision or taxing authority of the United States, including, without limitation, such holder or beneficial owner (or such fiduciary, settlor, beneficiary, person holding a power, partner, member or shareholder) being or having been a citizen or resident of the United States or treated as being or having been a resident thereof;
 - 2) any tax, assessment or other governmental charge that is imposed or withheld solely by reason of the holder or beneficial owner (or a fiduciary, settlor, beneficiary or person holding a power over such beneficial owner, if the beneficial owner is an estate or trust, or a partner, member or shareholder of the beneficial owner, if the beneficial owner is a partnership, limited liability company or corporation) (i) being or having been present in, or engaged in a trade or business in, the United States, (ii) being treated as having been present in, or engaged in a trade or business in, the United States, or (iii) having or having had a permanent establishment in the United States;
 - 3) any tax, assessment or other governmental charge that is imposed or withheld solely by reason of the holder or beneficial owner (or a fiduciary, settlor, beneficiary or person holding a power over such beneficial owner, if the beneficial owner is an estate or trust, or a partner, member or shareholder of the beneficial owner, if the beneficial owner is a partnership, limited liability company or corporation) being or having been with respect to the United States a personal holding company, a controlled foreign corporation, a passive foreign investment company, a foreign private foundation or other foreign tax- exempt organization, or being a corporation that accumulates earnings to avoid U.S. federal income tax;
 - 4) any tax, assessment or other governmental charge imposed on a beneficial owner that actually or constructively owns 10% or more of the total combined voting power of all of our classes of stock that are entitled to vote within the meaning of Section 871(h)(3) of the Code;
 - 5) any tax, assessment or other governmental charge which would not have been so imposed but for the presentation (where such presentation is required) of such 2030 note for payment on a date more than 30 days after the date on which such payment became due and payable or the date on which such payment is duly provided for, whichever occurs later;
 - 6) any tax, assessment or other governmental charge that is payable or otherwise imposed by any method other than withholding or deduction by us or any paying agent from payments in respect of such 2030 note;
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- 7) any gift, estate, inheritance, sales, transfer, personal property or excise tax or any similar tax, assessment or other governmental charge;
- 8) any tax, assessment or other governmental charge required to be withheld by any paying agent from any payment in respect of any 2030 note if such payment can be made without such withholding by at least one other paying agent;
- 9) any tax, assessment or other governmental charge that is imposed or withheld by reason of a change in law, regulation, or administrative or judicial interpretation that becomes effective more than 15 days after the payment becomes due or is duly provided for, whichever occurs later;
- 10) any tax, assessment or other governmental charge imposed as a result of the failure of the holder or beneficial owner of a 2030 note to comply with a request to comply with applicable certification, information, documentation or other reporting requirements concerning the nationality, residence, identity or connection with the United States of the holder or beneficial owner of a 2030 note, if such compliance is required by statute or regulation of the United States as a precondition to relief or exemption from such tax, assessment or other governmental charge;
- 11) any tax, assessment or other governmental charge imposed by reason of the failure of the beneficial owner to fulfill the statement requirements of Section 871(h) or Section 881(c) of the Code;
- 12) any tax, assessment or other governmental charge imposed under Sections 1471-1474 of FATCA, any agreement with the U.S. Internal Revenue Service in connection with FATCA, any intergovernmental agreement between the United States and any other jurisdiction with respect to FATCA, or any law, regulation or other official guidance enacted, or practices adopted, in any jurisdiction implementing, or in connection with, FATCA or any intergovernmental agreement, treaty or convention implementing FATCA; or
- 13) any combination of items (1) through (12) above.

In addition, we will not pay additional amounts to a beneficial owner of a note of either series that is a fiduciary, partnership, limited liability company or other fiscally transparent entity, or to a beneficial owner of a note of either series that is not the sole beneficial owner of such note, as the case may be. This exception, however, will apply only to the extent that a beneficiary or settlor with respect to the fiduciary, or a beneficial owner, partner or member of the partnership, limited liability company or other fiscally transparent entity, would not have been entitled to the payment of an additional amount had the beneficiary, settlor, beneficial owner, partner or member received directly its beneficial or distributive share of the payment. For purposes of this paragraph, the term "beneficial owner of a note" includes any person holding a note on behalf of or for the account of a beneficial owner. Except as specifically provided under this heading "- Payment of Additional Amounts," we will not be required to make any payment for any tax, assessment or other governmental charge imposed by any government or a political subdivision or taxing authority of or in any government or political subdivision.

With respect to the 2027 notes, we undertake that, to the extent permitted by law, we will maintain a paying agent in a Member State of the European Union (if any) that will not require withholding or deduction of tax pursuant to European Council Directive 2003/48/EC on the taxation of savings income or any law implementing or complying with, or introduced to conform to, such European Council Directive.

In the event that we are required to pay additional amounts to holders of notes of either series, we will provide written notice to the Trustee of its obligation to pay additional amounts, and the notice shall set forth the additional amounts to be paid by us on such payment date. The Trustee shall not at any time be under any duty or responsibility to any holder of notes of either series to determine the additional amounts, or with respect to the nature, extent, or calculation of the amount of additional amounts owed, or with respect to the method employed in such calculation of the additional amounts.

Redemption for Tax Reasons

The 2027 notes and the 2030 notes will mature and be redeemed at par on their maturity dates of March 9, 2027 and February 25, 2030, respectively, and are not redeemable prior to maturity except as described above under "- Optional Redemption" or below under "-Change of Control" or upon certain tax events described below.

We may redeem the notes of either series prior to maturity in whole, but not in part, on not more than 60 days' notice and not less than 30 days' notice at a redemption price equal to the principal amount of such notes plus any accrued interest and additional amounts to, but not including, the date fixed for redemption if:

- as a result of a change in or amendment to the tax laws, regulations or rulings of the United States or any political subdivision or taxing authority of or in the United States or any change in official position regarding the application or interpretation of such laws, regulations or rulings (including a holding by a court of competent jurisdiction in the United States) that is announced or becomes effective on or after March 9, 2015 for the 2027 notes and November 25, 2019 for the 2030 notes, we have or will become obligated, on the next date on which any payment under the notes of such series is due, to pay additional amounts with respect to the notes of such series as described above under "Payment of Additional Amounts," and we, in our business judgment, determine that such obligations cannot be avoided by the use of reasonable measures available to us; or
- on or after March 9, 2015 for the 2027 notes and November 25, 2019 for the 2030 notes, any action is taken by a taxing authority of, or any decision has been rendered by a court of competent jurisdiction in, the United States or any political subdivision of or in the United States, including any of those actions specified above, whether or not such action was taken or decision was rendered with respect to us, or any change, amendment, application or interpretation is officially proposed, which, in any such case, in the written opinion of independent legal counsel of recognized standing, will result in a material probability that we will become obligated to pay additional amounts with respect to the notes of such series, and we, in our business judgment, determine that such obligations cannot be avoided by the use of reasonable measures available to us.

If we exercise our option to redeem the notes of either series, we will deliver to the Trustee a certificate signed by an authorized officer stating that we are entitled to redeem the notes of such series and an opinion of independent tax counsel to the effect that the circumstances described in either of the above bullets exist.

Merger, Consolidation or Sale of Assets

Under the terms of the indenture, we are permitted to consolidate or merge with another entity or to sell all or substantially all of our assets to another entity, subject to our meeting all of the following conditions:

- any successor or purchaser is a corporation, limited liability company, partnership or trust organized under the laws of the United States of America, any State or the District of Columbia;
- immediately following the consolidation, merger, sale or conveyance, the resulting, surviving or transferee entity (if other than us) would not be in default in the performance of any covenant in the indenture; and
- we must deliver a supplemental indenture by which the surviving entity (if other than us) expressly assumes our obligations under the indenture.

In the event that we consolidate or merge with another entity or sell all or substantially all of our assets to another entity, the surviving entity (if other than us) will be substituted for us under the indenture, and we will be discharged from all of our obligations under the indenture.

Although there is a limited body of case law interpreting the phrase "all or substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve a disposition of "all or substantially all" of our assets. As a result, it may be unclear as to whether the merger, consolidation or sale of assets covenant would apply to a particular transaction as described above absent a decision by a court of competent jurisdiction.

Change of Control

Upon the occurrence of a Change of Control Triggering Event with respect to either series of notes, unless we have exercised our right to redeem the notes of such series as described under "Optional Redemption" above, the indenture provides that each holder of notes of such series will have the right to require us to purchase all or a portion of such holder's notes of such series pursuant to the offer described below (the "Change of Control Offer"), at a purchase price equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to the date of

purchase, subject to the rights of holders of notes of such series on the relevant record date to receive interest due on the relevant interest payment date.

Within 30 days following the date upon which the Change of Control Triggering Event occurred, or at our option, prior to any Change of Control but after the public announcement of the pending Change of Control, we will be required to send, by first class mail, a notice to each holder of notes of such series, with a copy to the Trustee, which notice will govern the terms of the Change of Control Offer. Such notice will state, among other things, the purchase date, which must be no earlier than 30 days nor later than 60 days from the date such notice is mailed, other than as may be required by law (the "Change of Control Payment Date"). The notice, if mailed prior to the date of consummation of the Change of Control, will state that the Change of Control Offer is conditioned on the Change of Control being consummated on or prior to the Change of Control Payment Date. Holders of notes of such series electing to have notes of such series purchased pursuant to a Change of Control Offer will be required to surrender their notes, with the form entitled "Option of Holder to Elect Purchase" on the reverse of the note completed, to the paying agent at the address specified in the notice, or transfer their notes of such series to the paying agent by book-entry transfer pursuant to the applicable procedures of the paying agent, prior to the close of business on the third business day prior to the Change of Control Payment Date.

We will not be required to make a Change of Control Offer if a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirements for such an offer made by us and such third party purchases all notes of such series properly tendered and not withdrawn under its offer.

Our ability to pay cash to holders of notes of a series upon a repurchase may be limited by our then existing financial resources.

Holders of either series of the notes will not be entitled to require us to purchase their notes in the event of a takeover, recapitalization, leveraged buyout or similar transaction that is not a Change of Control. In addition, holders may not be entitled to require us to purchase their notes in certain circumstances involving a significant change in the composition of our Board of Directors, including in connection with a proxy contest where our Board of Directors does not approve a dissident slate of directors but approves them as required by clause (4) of the first paragraph of the definition of "Change of Control."

We will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of notes of either series as a result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of the indenture, we will comply with the applicable securities laws and regulations and will not be deemed to have breached our obligations under the Change of Control provisions of the indenture by virtue of such compliance.

"Change of Control" means the occurrence of any one of the following:

- 1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the assets of the Company and its Subsidiaries taken as a whole to any "person" (as that term is used in Section 13(d)(3) of the Exchange Act) other than to the Company or one of its Subsidiaries;
 - 2) the consummation of any transaction (including without limitation, any merger or consolidation) the result of which is that any "person" (as that term is used in Section 13(d)(3) of the Exchange Act) becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of the outstanding Voting Stock of the Company, measured by voting power rather than number of shares;
 - 3) the Company consolidates with, or merges with or into, any Person, or any Person consolidates with, or merges with or into, the Company, in any such event pursuant to a transaction in which any of the outstanding Voting Stock of the Company or such other Person is converted into or exchanged for cash, securities or other property, other than any such transaction where the shares of the Voting Stock of the Company outstanding immediately prior to such transaction constitute, or are converted into or exchanged for, a majority of the Voting Stock of the surviving Person immediately after giving effect to such transaction;
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- 4) the first day on which the majority of the members of the board of directors of the Company cease to be Continuing Directors; or
- 5) the adoption of a plan relating to the liquidation or dissolution of the Company.

Notwithstanding the foregoing, a transaction will not be deemed to involve a Change of Control under clause (2) above if (i) we become a direct or indirect wholly-owned subsidiary of a holding company, and (ii) (A) the direct or indirect holders of the Voting Stock of such holding company immediately following that transaction are substantially the same as the holders of our Voting Stock immediately prior to that transaction or (B) immediately following that transaction no person (other than a holding company satisfying the requirements of this sentence) is the beneficial owner, directly or indirectly, of more than 50% of the Voting Stock of such holding company.

"Change of Control Triggering Event" (i) with respect to the 2027 notes means the 2027 notes cease to be rated Investment Grade by S&P or, if S&P and another "nationally recognized statistical rating organization" (as defined in Rule 15c3-1(c)(2)(vi)(F) of the Exchange Act) shall provide a rating of the 2027 notes, by S&P and any such other rating organization, and (ii) with respect to the 2030 notes, means the 2030 notes cease to be rated Investment Grade by S&P or Fitch or, if S&P or Fitch and another "nationally recognized statistical rating organization" (as defined in Rule 15c3-1(c)(2)(vi)(F) of the Exchange Act) shall provide a rating of the 2030 notes, by S&P or Fitch and any such other rating organization, on any date during the period (the "Trigger Period") commencing 60 days prior to the first public announcement by the Company of any Change of Control (or pending Change of Control) and ending 60 days following consummation of such Change of Control (which Trigger Period will be extended following consummation of a Change of Control for so long as S&P (in the case of the 2027 notes) or S&P or Fitch (in the case of the 2030 notes) or such other rating organization shall have publicly announced that it is considering a possible ratings change). Notwithstanding the foregoing, no Change of Control Triggering Event will be deemed to have occurred in connection with any particular Change of Control unless and until such Change of Control has actually been consummated.

"Continuing Director" means, as of any date of determination, any member of the board of directors of the Company who:

- 1) was a member of such board of directors on the date of the indenture; or
- 2) was nominated for election or elected to such board of directors with the approval of a majority of the Continuing Directors who were members of such board of directors at the time of such nomination or election.

"Investment Grade" means a rating of BBB- or better by S&P or Fitch (or its equivalent under any successor rating category of S&P or Fitch, as applicable); and an equivalent rating of another "nationally recognized statistical rating organization" that shall provide a rating of the notes of a series.

"Fitch" means Fitch Ratings, a part of the Fitch Group, and its successors. "S&P" means S&P Global Ratings and its successors.

"Voting Stock" of any specified Person as of any date means the capital stock of such Person that is at the time entitled to vote generally in the election of the board of directors of such Person.

Limitations on Liens

We have covenanted in the indenture that we will not, and will not permit any Restricted Subsidiary to, create, assume, incur or guarantee any Indebtedness secured by a mortgage, security interest, pledge, lien, charge or other encumbrance upon any of our or our Restricted Subsidiaries' properties or assets (a "Lien"), whether owned on the applicable date of issuance of the notes or thereafter acquired, unless the notes are at least equally and ratably secured with such secured Indebtedness (together with, if we so determine, any other Indebtedness of or guaranty by us or such Restricted Subsidiary then existing or thereafter created that is not subordinated to the notes) for so long as such other Indebtedness is so secured (and any Lien created for the benefit of the holders of the notes and any other debt securities of any series issued pursuant to the indenture and having the benefit of this covenant shall provide by its terms that such Lien will be automatically released and discharged upon the release and discharge of the Lien securing such other Indebtedness); provided, however, that the above restrictions shall not apply to the following (the "Permitted Liens"):

- 1) Liens on property or other assets of any Person existing at the time such Person becomes a Restricted Subsidiary, provided that such Lien was not incurred in anticipation of such Person becoming a Restricted Subsidiary;
- 2) Liens on property or other assets existing at the time of acquisition by the Company or any Restricted Subsidiary, provided that such Lien was not incurred in anticipation of such acquisition;
- 3) Liens on property or assets to secure any Indebtedness incurred prior to, at the time of, or within 270 days after, the acquisition of such property or in the case of real property, the completion of construction, the completion of improvements or the beginning of substantial commercial operation of such real property for the purpose of financing all or any part of the purchase price of such real property, the construction thereof or the making of improvements thereto;
- 4) Liens in our favor or in favor of a Restricted Subsidiary;
- 5) Liens existing on the date of issuance of the notes;
- 6) Liens on property or other assets of a Person existing at the time the Person is merged into or consolidated with us or any Restricted Subsidiary or at the time of a sale, lease or other disposition of the properties of a Person as an entirety or substantially as an entirety to either us or any Restricted Subsidiary, provided that such Lien was not incurred in anticipation of the merger or consolidation or sale, lease or other disposition;
- 7) Liens arising in connection with the financing of accounts receivable by us or any Restricted Subsidiary; provided that the uncollected amount of account receivables subject at any time to any such financing shall not exceed \$150,000,000; and
- 8) extensions, renewals or replacements (or successive extensions, renewals or replacements) in whole or in part of any Lien referred to above without increase of the principal of the Indebtedness (plus any premium or fee payable in connection with any such extension, renewal or replacement) secured by the Lien; provided, however, that any Permitted Liens shall not extend to or cover any property of the Company or that of any Restricted Subsidiary, as the case may be, other than the property specified in the foregoing clauses and improvements to this property.

Notwithstanding the foregoing, the Company and any Restricted Subsidiary may create, assume, incur or guarantee Indebtedness secured by a Lien without equally and ratably securing the notes; provided, that at the time of such creation, assumption, incurrence or guarantee, after giving effect thereto and to the retirement of any Indebtedness that is concurrently being retired, the sum of (i) the aggregate amount of all outstanding Indebtedness secured by Liens other than Permitted Liens, and (ii) the Attributable Debt of all our Sale/Leaseback Transactions (as defined below) permitted by the third paragraph under "Limitation on Sale and Leaseback Transactions" below does not at such time exceed 5% of Consolidated Total Assets.

Limitations on Sale and Leaseback Transactions

We have covenanted in the indenture that we will not, and will not permit any Restricted Subsidiary to, enter into any arrangement relating to property now owned or hereafter acquired whereby either we transfer, or any Restricted Subsidiary transfers, such property to a Person and either we or any Restricted Subsidiary leases it back from such Person (a "Sale/Leaseback Transaction"), unless:

- we or such Restricted Subsidiary could, at the time of entering into such arrangement, incur Indebtedness secured by a Lien on the property involved in the transaction in an amount at least equal to the Attributable Debt with respect to such Sale/Leaseback Transaction, without equally and ratably securing the notes as described under "Limitation on Liens" above; or
 - the net proceeds of the Sale/Leaseback Transaction are at least equal to such property's fair market value, as determined by our Board of Directors, and the proceeds are applied within 180 days of the effective date of the Sale/Leaseback Transaction to the repayment of senior indebtedness of ours or any Restricted Subsidiary.
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The restrictions set forth above do not apply to a Sale/Leaseback Transaction: (i) entered into prior to the date of issuance of the notes; (ii) that exists at the time any Person that owns property or assets becomes a Restricted Subsidiary; (iii) between us and a Restricted Subsidiary or between Restricted Subsidiaries; (iv) involving leases for a period of no longer than three years; or (v) in which the lease for the property or asset is entered into within 270 days after the date of acquisition, completion of construction or commencement of full operations of such property or asset, whichever is latest.

Notwithstanding the restrictions contained above, we and our Restricted Subsidiaries may enter into a Sale/Leaseback Transaction; provided that at the time of such transaction, after giving effect thereto, the aggregate amount of all Attributable Debt with respect to Sale/Leaseback Transactions existing at such time that could not have been entered into pursuant to the above restrictions, together with the aggregate amount of all outstanding Indebtedness secured by Liens as permitted by the last paragraph under the section entitled "Limitation on Liens" above, does not at such time exceed 5% of Consolidated Total Assets.

"Attributable Debt" means an amount equal to the lesser of (i) the fair market value of the property (as determined by our Board of Directors) or (ii) the present value of the total net amount of payments to be made under the lease during its remaining term, discounted at the interest rate set forth or implicit in the terms of the lease, compounded semi-annually.

"Consolidated Total Assets" means the total assets of the Company and its consolidated subsidiaries, as set forth on our most recent consolidated balance sheet, as determined under GAAP.

"GAAP" means with respect to any computations required or permitted hereunder, generally accepted accounting principles in effect in the United States as in effect from time to time; provided, however, if the Company is required by the SEC to adopt (or is permitted to adopt and so adopts) a different accounting framework, including but not limited to the International Financial Reporting Standards, "GAAP" shall mean such new accounting framework as in effect from time to time, including, without limitation, in each case, those accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as approved by a significant segment of the accounting profession.

"Indebtedness" means any and all obligations of a Person for money borrowed which, in accordance with GAAP, would be reflected on the balance sheet of such person as a liability on the date as of which Indebtedness is to be determined.

"Net Revenue" means, with respect to any Person for any period, the net revenue of such Person and its consolidated subsidiaries, determined on a consolidated basis in accordance with GAAP for such period.

"Person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or political subdivision thereof.

"Restricted Subsidiary" means any Subsidiary (i) the Total Assets of which exceed 10% of Consolidated Total Assets as of the end of the most recently completed fiscal year or (ii) the Net Revenue of which exceeds 10% of the Net Revenue of the Company and its consolidated subsidiaries as of the end of the most recently completed fiscal year.

"Subsidiary" means, with respect to any Person, any corporation, association, partnership or other business entity of which more than 50% of the total voting power of shares of capital stock or other interests (including partnership interests) entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by (i) such Person, (ii) such Person and one or more Subsidiaries of such Person or (iii) one or more Subsidiaries of such Person.

"Total Assets" means, at any date as to any Person, the total assets of such Person and its consolidated subsidiaries at such date, determined on a consolidated basis in accordance with GAAP.

SEC Reports

The indenture provides that any documents or reports that we are required to file with the SEC pursuant to Section 13 or 15(d) of the Exchange Act must be filed by us with the Trustee within 30 days after the same are filed with the SEC. Documents filed by us with the SEC via the EDGAR system (or any successor thereto) will be deemed to be filed with the Trustee as of the time such documents are filed via EDGAR.

Events of Default

Holders of each series of notes will have specified rights if an Event of Default (as defined below) occurs. The term “Event of Default” in respect of a series of notes means any of the following:

- we do not pay interest on any note of such series within 30 days of its due date;
- we do not pay the principal of or any premium on any note of such series, when due and payable, at maturity, or upon acceleration or redemption;
- we remain in breach of a covenant or warranty in respect of the indenture or any note of such series (other than a covenant included in the indenture solely for the benefit of debt securities of another series) for 90 days after we receive a written notice of default, which notice must be sent by either the Trustee or holders of at least 25% in principal amount of the outstanding notes of such series;
- we or a Restricted Subsidiary fail to pay the principal of any Indebtedness when due at maturity in an aggregate amount of \$50 million or more, or a default occurs that results in the acceleration of the maturity of our or any of our Restricted Subsidiaries' Indebtedness in an aggregate amount of \$50 million or more; or
- we file for bankruptcy, or other events of bankruptcy, insolvency or reorganization specified in the indenture.

If the euro is unavailable to us due to the imposition of exchange controls or other circumstances beyond our control or if the euro is no longer being used by the then-member states of the European Monetary Union that have adopted the euro as their currency or for the settlement of transactions by public institutions of or within the international banking community, then all payments in respect of the notes will be made in U.S. dollars until the euro is again available to us or so used. The amount payable on any date in euros will be converted into U.S. dollars on the basis of the most recently available market exchange rate for euros. Any payment in respect of the notes so made in U.S. dollars will not constitute an event of default. Neither the Trustee nor the paying agent shall have any responsibility for effecting such currency conversions.

If an Event of Default with respect to a series of notes has occurred, the Trustee or the holders of at least 25% in principal amount of the applicable series of notes may declare the entire unpaid principal amount of (and premium, if any), and all the accrued interest on, such notes to be due and immediately payable. This is called a declaration of acceleration of maturity. There is no action on the part of the Trustee or any holder of such notes required for such declaration if the Event of Default is the Company's bankruptcy, insolvency or reorganization. Holders of a majority in principal amount of the applicable series of notes may also waive certain past defaults under the indenture with respect to the notes on behalf of all of such holders of the notes of such series. A declaration of acceleration of maturity may be canceled, under specified circumstances, by the holders of at least a majority in principal amount of the applicable series of notes and the Trustee.

The Trustee is not required to take any action under the indenture at the request of holders unless the holders offer the Trustee protection from expenses and liability satisfactory to the Trustee. If an indemnity satisfactory to the Trustee is provided, the holders of a majority in principal amount of notes of the applicable series may direct the time, method and place of conducting any lawsuit or other formal legal action seeking any remedy available to the Trustee. The Trustee may refuse to follow those directions in certain circumstances specified in the indenture. No delay or omission in exercising any right or remedy will be treated as a waiver of the right, remedy or Event of Default.

Before holders are allowed to bypass the Trustee and bring a lawsuit or other formal legal action or take other steps to enforce their rights or protect their interests relating to a series of notes, the following must occur:

- such holders must give the Trustee written notice that an Event of Default has occurred and remains uncured;
 - holders of at least 25% in principal amount of the notes of the applicable series must make a written request that the Trustee take action because of the default and must offer the Trustee indemnity satisfactory to the Trustee against the cost and other liabilities of taking that action; and
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- the Trustee must have failed to take action for 60 days after receipt of the notice and offer of indemnity.

Holders are, however, entitled at any time to bring a lawsuit for the payment of money due on the notes of a series on or after the due date.

We are required to furnish to the Trustee annually, within 120 days after the end of each fiscal year, a brief certificate from certain of our officers as to his or her knowledge of our compliance with all conditions and covenants under the indenture and, in the event of any default, specifying each such default and the nature and status thereof of which such officer may have knowledge.

Modification of the Indenture

The indenture provides that we and the Trustee may, without the consent of any holders of notes, enter into supplemental indentures for the purposes, among other things, of:

- curing ambiguities or inconsistencies in the indenture or making any other provisions with respect to matters or questions arising under the indenture;
- providing for the assumption by a successor corporation of the obligations of the Company under the indenture;
- adding guarantees with respect to the notes;
- securing the notes;
- adding to the covenants of the Company for the benefit of the holders or surrendering any right or power conferred upon the Company;
- adding additional events of default;
- making any change that does not adversely affect the rights of any holder;
- changing or eliminating any provisions of the indenture so long as there are no holders entitled to the benefit of the provisions;
- complying with any requirement of the SEC in connection with the qualification of the indenture under the Trust Indenture Act of 1939; or
- conforming the provisions of the indenture and the notes to the "Description of Notes" section in the prospectus supplement relating to the applicable series of notes.

With specific exceptions, the indenture or the rights of the holders of the notes of a series may be modified by us and the Trustee with the consent of the holders of a majority in aggregate principal amount of the notes of such series, but no modification may be made without the consent of the holder of each outstanding note of a series that, among other things, would:

- extend the maturity of any payment of principal of or any installment of interest on any notes of such series;
 - reduce the principal amount of any note of such series, or the interest thereon, or any premium payable on any note of such series upon redemption thereof;
 - change any place of payment where, or the currency in which, any note of such series or any premium or interest is denominated as payable;
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- change the ranking of the notes of such series;
- impair the right to sue for the enforcement of any payment on or with respect to any note of such series; or
- reduce the percentage in principal amount of outstanding notes of such series required to consent to any supplemental indenture, any waiver of compliance with provisions of the indenture or specific defaults and their consequences provided for in the indenture, or otherwise modify the sections in the indenture relating to these consents.

Defeasance and Covenant Defeasance

We may elect either (i) to defease and be discharged from any and all obligations with respect to the notes of any series (except as otherwise provided in the indenture) (“defeasance”), or (ii) to be released from our obligations with respect to certain covenants that are described in the indenture (“covenant defeasance”), upon the deposit with the Trustee, in trust for such purpose, of money and/or government obligations that through the payment of principal and interest in accordance with their terms will provide money in an amount sufficient, as certified by a nationally recognized firm of certified public accountants or other appropriate independent financial professional, without reinvestment, to pay the principal of, premium, if any, and interest on the notes of such series to maturity or redemption, as the case may be, and any mandatory sinking fund or analogous senior payments thereon. As a condition to defeasance or covenant defeasance, we must deliver to the Trustee an opinion of counsel to the effect that the holders of the notes of such series will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such defeasance or covenant defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such defeasance or covenant defeasance had not occurred. We may exercise our defeasance option with respect to either series of the notes notwithstanding our prior exercise of our covenant defeasance option. If we exercise our defeasance option, payment of the notes of such series may not thereafter be accelerated because of an Event of Default.

If we exercise our covenant defeasance option, payment of the notes of such series may not thereafter be accelerated by reference to any covenant from which we are released as described under clause (ii) of the immediately preceding paragraph. However, if acceleration were to occur for other reasons, the realizable value at the acceleration date of the money and government obligations in the defeasance trust could be less than the principal and interest then due on the notes of such series, in that the required deposit in the defeasance trust is based upon scheduled cash flows rather than market value, which will vary depending upon interest rates and other factors.

As used in this section, the term “government obligations” shall include (i) securities that are direct obligations of the Federal Republic of Germany for the payment of which its full faith and credit is pledged or (ii) obligations of a person controlled or supervised by and acting as an agency or instrumentality of the Federal Republic of Germany, the payment of which is unconditionally guaranteed as a full faith and credit obligation by the Federal Republic of Germany, which, in either case under clauses (i) or (ii) are not callable or redeemable at the option of the issuer thereof.

Paying Agent and Payments on the Notes

Principal of, premium, if any, and interest on the notes of each series will be payable at the office of the Paying Agent or, at the option of the Company, payment of interest may be made by check mailed to the holders of the notes of such series at their respective addresses set forth in the register of holders; *provided* that all payments of principal, premium, if any, and interest with respect to the notes of such series represented by one or more global notes deposited with, or on behalf of, a common depository, and registered in the name of the nominee of the common depository for the accounts of Clearstream and Euroclear will be made through the facilities of the common depository. We may change the paying agent without prior notice to the holders and the Company or any of its Subsidiaries may act as paying agent. With respect to the 2027 notes, we undertake to maintain a paying agent in a member state of the European Union that, to the extent permitted by law, will not be obliged to withhold or deduct tax pursuant to the European Union Directive 2003/48/EC regarding the taxation of savings income in relation to the 2027 notes.

Issuance in Euros

Initial holders of each series of the notes were paid for the notes of such series in euros, and all payments of interest and principal, including payments made upon any redemption of the notes of such series, will be payable in euros. If the euro is unavailable to us due to the imposition of exchange controls or other circumstances beyond our control or if the euro is no longer being used by the then member states of the European Union that have adopted the euro as their currency or for the settlement of transactions by public institutions of or within the international banking community, then all payments in respect of the notes of such series will be made in U.S. dollars until the euro is again available to us or so used. The amount payable on any date in euros will be converted into U.S. dollars on the basis of the most recently available market exchange rate for euro. Any payment in respect of the notes of such series so made in U.S. dollars will not constitute an event of default under the notes of such series or the indenture governing the notes of such series. Neither the Trustee nor the Paying Agent shall have any responsibility for any calculation or conversion in connection with the foregoing.

“Market exchange rate” means the noon buying rate in The City of New York for cable transfers of euros as certified for customs purposes (or, if not so certified, as otherwise determined) by the Federal Reserve Bank of New York.

Title

We, the Trustee and any agent of ours may treat the registered owner of any debt security as the absolute owner thereof (whether or not the debt security shall be overdue and notwithstanding any notice to the contrary) for the purpose of making payment and for all other purposes.

Replacement of Notes

We will replace any mutilated note at the expense of the holders upon surrender to the Trustee. We will replace notes that become destroyed, lost or stolen at the expense of the holder upon delivery to the Trustee of satisfactory evidence of the destruction, loss or theft thereof. In the event of a destroyed, lost or stolen note, an indemnity or security satisfactory to us and the Trustee will be required at the expense of the holder of the note before a replacement note will be issued.

Book-Entry System

Global Clearance and Settlement

The notes of each series were issued in the form of one or more global notes (each a “global note”) in fully registered form, without coupons, and were deposited on the closing date with a common depository for, and in respect of interests held through, Euroclear and Clearstream. Except as described herein, certificates will not be issued in exchange for beneficial interests in the global notes.

Except as set forth below, the global notes may be transferred, in whole and not in part, only to Euroclear or Clearstream or their respective nominees.

Beneficial interests in the global notes are represented, and transfers of such beneficial interests are effected, through accounts of financial institutions acting on behalf of beneficial owners as direct or indirect participants in Euroclear or Clearstream. Those beneficial interests must be in denominations of €100,000 and integral multiples of €1,000 in excess thereof. Investors may hold notes directly through Euroclear or Clearstream, if they are participants in such systems, or indirectly through organizations that are participants in such systems.

Owners of beneficial interests in the global notes are not entitled to have notes registered in their names, and are not entitled to receive physical delivery of notes in definitive form. Except as provided below, beneficial owners are not considered the owners or holders of the notes under the indenture, including for purposes of receiving any reports delivered by us or the Trustee pursuant to the indenture. Accordingly, each beneficial owner must rely on the procedures of the clearing systems and, if such person is not a participant of the clearing systems, on the procedures of the participant through which such person owns its interest, to exercise any rights of a holder under the indenture. Under existing industry practices, if we request any action of holders or a beneficial owner desires to give or take any action which a holder is entitled to give or take under the indenture, the clearing systems would authorize their participants holding the relevant beneficial interests to give or take action and the participants would authorize beneficial owners owning through the participants to give or take such action or would otherwise act upon the instructions of beneficial owners. Conveyance of notices and other communications by the clearing systems to their participants, by the participants to indirect participants and by the participants and indirect participants to beneficial owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may

be in effect from time to time. The laws of some jurisdictions require that certain purchasers of securities take physical delivery of such securities in certificated form. These limits and laws may impair the ability to transfer beneficial interests in global notes.

Persons who are not Euroclear or Clearstream participants may beneficially own notes held by the common depositary for Euroclear and Clearstream only through direct or indirect participants in Euroclear and Clearstream. So long as the common depositary for Euroclear and Clearstream is the registered owner of the Global Note, the common depositary for all purposes will be considered the sole holder of the notes represented by the Global Note under the indenture and the Global Notes.

Certificated Notes

If the applicable depositary is at any time unwilling or unable to continue as depositary for any of the global notes and a successor depositary is not appointed by us within 90 days, we will issue the notes in definitive form in exchange for the applicable global notes. We will also issue the notes in definitive form in exchange for the global notes if an event of default has occurred with regard to the notes represented by the global notes and has not been cured or waived. In addition, we may at any time and in our sole discretion determine not to have the notes represented by the global notes and, in that event, will issue the notes in definitive form in exchange for the global notes. In any such instance, an owner of a beneficial interest in the global notes will be entitled to physical delivery in definitive form of the notes represented by the global notes equal in principal amount to such beneficial interest and to have such notes registered in its name. The notes so issued in definitive form will be issued as registered in minimum denominations of €100,000 and integral multiples of €1,000 thereafter, unless otherwise specified by us. Our definitive form of the notes can be transferred by presentation for registration to the registrar at its office and must be duly endorsed by the holder or his attorney duly authorized in writing, or accompanied by a written instrument or instruments of transfer in form satisfactory to us or the registrar duly executed by the holder or his attorney duly authorized in writing. We may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any exchange or registration of transfer of definitive notes.

Notices

Notices to holders of the notes will be sent by mail or email to the registered holders, or otherwise in accordance with the procedures of the applicable depositary.

Registrar and Transfer Agent

Elavon Financial Services DAC has been appointed as registrar for the 2027 notes. Elavon Financial Services DAC, UK Branch has been appointed as transfer agent for the 2027 notes. U.S. Bank National Association has been appointed as registrar and transfer agent for the 2030 notes. We may change the registrar and the transfer agent for either series of the notes without prior notice to the holders, and we or any of our Subsidiaries may act as the registrar or the transfer agent.

Governing Law

The indenture and the notes are governed by, and construed in accordance with, the laws of the State of New York.

Securities Trading Policy

Issued by:	Moody's Compliance Department
Applicable to:	All Employees, Executive Officers and Members of the Board of Directors
Scope:	Global
Last Revision Date:	12 February 2025

This Securities Trading Policy (the “Policy”) sets forth Moody’s restrictions, requirements and expectations for Ownership and Trading of Securities for all Employees.

- Section I of the Policy is applicable to all Employees. Appendix A sets forth additional trading window and preclearance requirements for trading in Moody’s Securities that are applicable to Executive Officers, Members of the Board of Directors, and certain other Employees.
- Section II of the Policy sets out the meaning of capitalized terms used in this Policy.
- Sections III and IV of the Policy set forth Moody’s restrictions, requirements and expectations for Ownership and Trading of Securities for certain Employees based on their role in and influence over the ratings process (see the definition of “Monitored Employees”), including any Reporting obligations Monitored Employees have in connection with Owning and Trading Securities. Specific policy requirements for Moody’s Ratings Singapore Employees can be found in Appendix B. Details regarding requirements for employees of certain Moody’s Local entities can be found in Appendix C.

I. GENERAL PROVISIONS

- A. Policy Against Insider Trading and Tipping
 - 1. Insider Trading

It is a violation of this Policy (and illegal in many countries) for any Employee or Family Member to:

- engage in any Trade of a Moody’s Security while aware of Material Non-Public Information (MNPI) about Moody’s. This prohibition applies regardless of the source from which the Employee or Family Member becomes aware of MNPI about Moody’s;
- engage in any Trade of a Security while aware of MNPI relating to the Issuer of the Security or the Security itself as a result of their employment or other relationship with Moody’s. This prohibition applies with respect to any MNPI concerning any Issuer or Security learned as a result of the person’s employment or other relationship with Moody’s, regardless of whether or not rated by Moody’s, and regardless of the circumstances under which a Moody’s Employee or Family Member becomes aware of MNPI concerning another Issuer or Security; and

- engage in any Trade of a Security while the Employee or Family Member is aware of Non-Public Information relating to that Issuer or Security that is proprietary to Moody's, regardless of whether the information is MNPI. Information relating to a potential rating action decision—including a decision not to take a rating action—is considered "proprietary" to Moody's and Moody's treats such information as MNPI for the purposes of this Policy.

The foregoing prohibitions on Trading remain in effect through the end of the second business day after the MNPI or proprietary Non-Public Information has been widely disseminated to the public.

2. Tipping

It is a violation of this Policy (and illegal in many countries) for any Employee or Family Member:

- while aware of MNPI about Moody's, to recommend that a third party Trade in Moody's Securities or to convey such MNPI to a third party other than on a work-related need-to-know basis; and
- while aware of either (i) MNPI about another Issuer or Security as a result of their employment or other relationship with Moody's or (ii) proprietary Non-Public Information about another Issuer or Security, to recommend that a third party Trade in such Issuer's Securities or to convey such information to an unauthorized third party other than on a work-related need-to-know basis.

Such actions constitute "tipping." Tipping is prohibited regardless of whether or not the Employee or Family Member who provides the tip receives any monetary or other benefit.

3. Penalties for Insider Trading and Violations of This Policy

Persons who violate Insider Trading laws, including by Tipping, in the United States and in many other jurisdictions may face criminal penalties (including lengthy prison sentences), civil penalties and private damage awards. Aside from such penalties, subject to applicable law, an Employee who violates this Policy or who has a Family Member whose actions cause the Employee to violate this Policy may be required to take certain remedial steps including, potentially, the divestment of Securities, and/or will be subject to disciplinary action by Moody's up to and including termination of employment.

4. Rule 10b5-1 Trading Plans

Rule 10b5-1 under the Securities Exchange Act of 1934 ("Rule 10b5-1") and this Policy permit Employees to Trade in Moody's Securities regardless of their awareness of MNPI if the transaction is made pursuant to a pre-arranged written Trading plan entered into when the person was not aware of MNPI and that complies with the requirements of Rule 10b5-1, including all applicable cooling-off periods (a "Rule 10b5-1 Trading Plan"). All Rule 10b5-1 Trading Plans, including amendments to plans and termination of plans, must be approved by the Moody's Legal Department.

5. Post-Termination Transactions

This Policy will continue to apply to an Employee and their Family Members after the Employee's employment, service, or relationship with Moody's has terminated with respect to any MNPI or proprietary Non-Public Information until such information has been publicly disclosed or, if applicable, when the MNPI is no longer material.

B. Additional Restrictions on Moody's Securities - Applicable to All Employees of Moody's Corporation

1. Short Sales

Employees and their Family Members may not sell Moody's Securities "short," regardless of whether they are aware of any MNPI about Moody's. A short sale has occurred if the seller: (i) does not own the securities sold; or (ii) does own the securities sold but does not deliver or transmit them within the customary settlement period (which is referred to as "selling short against the box").

2. Purchasing Moody's Securities on Margin

Employees and their Family Members may not buy Moody's Securities on margin, regardless of whether they are aware of any MNPI about Moody's.

3. Pledging Moody's Securities (including in Margin Accounts)

Employees and their Family Members may not pledge Moody's Securities as collateral for a loan, including by holding Moody's Securities in a broker's margin account when there is an outstanding loan or extension of credit to the account. This restriction does not apply to broker-assisted exercise or settlement of equity awards granted by Moody's that may involve an extension of credit only until the sale is settled.

4. Speculative Trades

Employees and their Family Members are prohibited from engaging in short-term or speculative transactions primarily involving or referencing Moody's Securities, including purchasing or selling put or call options and entering into other derivative transactions primarily involving or referencing Moody's Securities. The prohibition on speculative Trading of Moody's Securities does not apply to Employees' exercise of Moody's stock options received in connection with their compensation.

5. Hedging Transactions

Employees and their Family Members are prohibited from engaging in any derivative transaction primarily involving or referencing Moody's Securities (including prepaid variable forward contracts and collars) that hedge or offset, or are designed to hedge or offset, any decrease in the market value of Moody's Securities.

C. Applicability of this Policy

1. Entities Subject to This Policy

As reflected in the definition of "Family Member," this Policy applies to any other legal person, trust, entity or partnership (other than blind trusts) whose investment responsibilities are discharged by, or that is directly or indirectly controlled by, or whose economic interests are substantially equivalent to, the Employee or any Family Member.

2. Transactions Subject to This Policy

The prohibitions in this Policy also apply to Managed Accounts and other investment portfolios that hold Moody's Securities or another Issuer if the Employee or Family Member has, shares, or can exercise control over the transactions in individual stocks within the fund or portfolio in addition to the third-party investment manager. In addition, Trading shares of a mutual fund or

exchange traded fund may violate this Policy and may be deemed to constitute insider trading if Moody's Securities or Securities of another Issuer represent a significant percentage of the fund's assets and the Trade is intended to take advantage of MNPI regarding Moody's or the other Issuer.

D. Applicability to Moody's Stock Plans

1. Moody's Stock Options

Employees may not sell shares issued under any Moody's stock options while aware of MNPI about Moody's, including in connection with a broker-assisted stock option exercise, unless the Trading is undertaken pursuant to an approved Rule 10b5-1 Trading Plan.

2. Moody's Employee Stock Purchase Plan

This Policy does not apply to transactions involving Moody's Corporation Common Stock resulting from an Employee's payroll contributions to Moody's Employee Stock Purchase Plan ("ESPP") under an election made when the Employee was not aware of any MNPI about Moody's. However, no Employee, while aware of MNPI about Moody's or while subject to a closed trading window (as discussed below), may:

- elect to begin participating or cease participating in the ESPP;
- increase or decrease the percentage of the Employee's monthly payroll contributions to the ESPP; or
- sell Moody's Securities purchased pursuant to the ESPP.

3. Moody's Profit Participation Plan

This Policy does not apply to Trades or the non-discretionary reallocation of Moody's Securities in Moody's Profit Participation Plan ("PPP") or other Moody's-sponsored retirement plans resulting from an Employee's periodic payroll contributions to the plans under an election made when the Employee was not aware of any MNPI about Moody's. However, no Employee, while aware of MNPI about Moody's or while subject to a closed trading window, may:

- increase or decrease the percentage of the Employee's periodic payroll contribution that will be allocated to Moody's stock fund;
- make an intra-plan transfer of an existing account balance into or out of Moody's stock fund;
- elect to borrow money against the Employee's PPP or other Moody's sponsored retirement plan if the loan will result in a liquidation of some or all of the Employee's Moody's stock fund balance; or
- prepay a plan loan if the pre-payment will result in the allocation of loan proceeds to Moody's stock fund.

E. Additional Requirements

1. Certification of Compliance

All Employees must certify compliance with this Policy:

- within 60 days of being notified of the requirement; and
- on an annual basis thereafter.

2. Reporting Violations/Seeking Advice

Employees must immediately report violations or suspected violations of this Policy to the Moody's Compliance Department. If you have any questions about this Policy or any doubt as to your obligations under this Policy, you should immediately seek guidance from the Securities Trade Monitoring Unit. Do not attempt to resolve uncertainties on your own and do not Trade if you are uncertain until you have received guidance from the Securities Trade Monitoring Unit.

3. Compliance with Local Laws

Where a local jurisdiction's laws contain mandatory requirements that prohibit conduct in addition to what is prohibited under this Policy, that jurisdiction's laws apply in addition to this Policy. Please contact the Moody's Legal Department if you have any questions regarding the interaction of this Policy and the laws of the country in which you are employed.

4. No Rights Created

This Policy is not intended to, and does not, create any obligations to or rights in any Employee, Family Member, client, supplier, competitor, shareholder or any other person or entity. From time to time, Moody's may impose additional restrictions that supplement and extend those stipulated in this Policy. Moody's will communicate any such changes to Employees.

II. DEFINED TERMS

A. General Defined Terms

Employee means, for purposes of this Policy, any Member of the Board of Directors or any full-time or part-time employee of Moody's Corporation or any of its direct or indirect wholly-owned and majority-owned subsidiaries, wherever located, provided that the employees of any Excluded Subsidiary shall not be considered "Employees" under this Policy.

Excluded Subsidiary means any non-U.S. direct or indirect wholly or majority-owned subsidiary of Moody's Corporation that is designated by the Moody's Legal Department as being excluded from application of this Policy and whose Employees are subject to their subsidiary-specific securities trading policies.

Executive Officer means an "officer" of Moody's Corporation subject to Section 16 of the Securities Exchange Act of 1934.

Family Member means any of the following:

- an Employee's spouse or domestic partner;
- a person with whom an Employee cohabits, such as a shared living arrangement where the relationship is more than casual or more than a typical roommate relationship, whether or not they share financial responsibilities;
- an Employee's minor or dependent children, regardless of whether living at home or away at school;
- any other relative sharing the same household as an Employee;
- any persons who do not live in the same household as an Employee but whose Trades in Securities are directed by or are subject to the Employee's influence or control (either direct

or indirect) (such as parents or children living in separate households who consult with the Employee before they Trade); and

- any other natural or legal person, trust, entity or partnership (other than blind trusts) whose investment responsibilities are discharged by, or that is directly or indirectly controlled by, or whose economic interests are substantially equivalent to, the Employee or any Family Member.

Insider Trading means Trading a Security while aware of Material Non-Public Information.

Issuer means any entity by which a Security has been issued, guaranteed or by which the credit underlying a Security has been otherwise supported. The term Issuer also includes the corporate parent or majority-owned subsidiary of an issuer.

Managed Account is an investment account where Trading decisions and activities are performed by a third-party investment manager under a formal advisory agreement granting the investment manager discretion to trade in individual securities for the account.

Material Non-Public Information or **MNPI** refers to Non-Public Information that is also material, meaning that it might reasonably be expected to have an effect on the market for a Security generally or affect an investment decision of a reasonable investor. Examples include, but are not limited to: sales results; earnings or estimates (including reaffirmations or changes to previously released earnings information); dividend actions; strategic plans; new products, discoveries or services; important personnel changes; acquisition and divestiture plans; financing plans; proposed Securities offerings; marketing plans and joint ventures; government actions; major litigation, litigation developments or potential claims; restructurings and recapitalizations; the negotiation or termination of major contracts; data or security breaches or cyber-related incidents and vulnerabilities; and potential or pending Moody's Ratings or Moody's Local rating actions. Information about pending or future Moody's rating actions or other material public announcements (such as research reports) is presumed to be material.

Member of the Board of Directors means a member of the Moody's Corporation Board of Directors.

Moody's means Moody's Corporation, together with its direct and indirect wholly-owned subsidiaries.

Moody's Security means any Security issued by, or that has a value derived from a Security issued by, Moody's.

Non-Public Information is information that has not been broadly publicly disseminated (including through any of the following methods: public filing with a securities regulatory authority; issuance of a press release; disclosure of the information in a national or broadly disseminated financial news service; or the issuance of a proxy statement or prospectus). The fact that rumors, speculation or statements attributed to unidentified sources are public is not sufficient for information to be considered publicly disclosed even when the information is accurate.

Own, Owning and Ownership refer to all methods by which an Employee or Family Member may possess direct or indirect investment control over a Security or an account with a financial services institution. For the purposes of this Policy, ownership includes all Securities held in trust (other than a blind trust) over which the person has investment control and all Securities held in any individual retirement account or 401(k) other than Moody's Profit Participation Investment Plan, and Employees are deemed to own all Securities held by their Family Members.

Security means any equity or fixed-income security or any non-deposit financial instrument that has a value derived from an equity or fixed income security. This includes, but is not limited to: stocks, bonds, debentures, options, equity securities, convertible securities, warrants, derivative instruments (including swaps, commodities and futures based on or linked to equity or fixed income securities), notes, collective investment schemes, fixed annuities, variable annuities, open- or closed-end mutual funds, exchange-traded funds and unit investment trusts. For example, as used in this Policy, references to Securities issued or guaranteed by an Issuer such as Moody's Corporation include options or other Securities with a value derived from any equity or fixed- income security issued by Moody's Corporation, even if the derivative security is not issued directly by Moody's.

Securities Trade Monitoring Unit refers to the Moody's Compliance team that administers the securities trading monitoring program described in this Policy.

Tippling refers to when a person who is aware of Material Non-Public Information about Moody's or any other Issuer (i) recommends that a third party Trade in the Issuer's Securities or (ii) conveys such Material Non-Public Information to a third party.

Trade (including Trades, Traded and/or Trading) refers to any transaction by which a person acquires or divests from an interest or position in a Security, including but not limited to purchases, sales (including entry into or modification of a Rule 10b5-1 Trading Plan), gifts, charitable donations (including dispositions to donor advised funds), certain transfers to trusts or estate planning entities, repurchase agreements, short sales, spread betting (and other forms of gambling on Securities) and entering into derivative transactions, including put options, calls and equity swaps as well as liquidating such derivative positions through purchase, sale or exercise.

B. Additional Defined Terms Applicable to Monitored Employees

The defined terms below apply to Monitored Employees for purposes of Sections III and IV of this Policy.

Analyst means any Moody's Ratings or Moody's Local Employee assigned to, or supporting in an analytical capacity, a ratings team with the title of Ratings Associate or higher whose function is to (i) assign or monitor Ratings and, if applicable, the related Outlook or Review, (ii) assist in drafting materials or developing deal-specific models being considered for rating committees, or (iii) supervise Moody's Ratings or Moody's Local Employees included in clauses (i) or (ii) of this definition. The definition of Analyst excludes any Moody's Ratings or Moody's Local Employee assigned to a rating team who does not participate in the Rating process or who supports the Rating process solely through administrative tasks, such as entering information into internal systems.

Ancillary Service means those Moody's Ratings or Moody's Local products and services that are not Credit Rating Services and which may include market forecasts, estimates of economic trends, pricing analysis or other general data analysis as well as related distribution services.

Anticipated Ratings Process means the process by which a provisional notation may be removed from a Credit Rating assigned to an instrument or issuer, when the applicable contingencies which were the basis for affixing the (P) notation are deemed to have been fulfilled. For example, when a rating of (P) Baa1 is assigned to a debt instrument, it is anticipated that the (P) notation will be removed from the Baa1 rating when it is determined that the contingencies indicated by the (P) notation have been fulfilled.

Category means the classification to which all Employees are assigned under this Policy and that

defines their securities ownership trading and reporting requirements based on the responsibilities of their job position. Every Employee is either in Category A, B, C or D.

Credit Rating means an opinion from Moody's Ratings or Moody's Local regarding the creditworthiness of an entity, a debt or financial obligation, debt security, preferred share or other financial instrument, or of an issuer of such a debt or financial obligation, debt security, preferred share or other financial instrument, issued using an established and defined ranking system of rating categories. All references to a Credit Rating in this Policy include the Credit Rating and, to the extent applicable, any related Outlook or Review.

Credit Rating Action means any one of the items below:

- the assignment of a Credit Rating to an Issuer or obligation, including Credit Ratings assigned in the Subsequent Ratings Process;
- the removal of a provisional notation from a Credit Rating when applicable contingencies are deemed to have been fulfilled in the Anticipated Ratings Process;
- a change in a Credit Rating (i.e., upgrade or downgrade);
- placing a Credit Rating on Review, changing the direction of an existing Review or taking a Credit Rating off Review (i.e., Credit Rating confirmation);
- the assignment or change in an Outlook associated with a Rated Entity or one or more Credit Ratings;
- an affirmation of a Credit Rating; and
- a withdrawal of a Credit Rating

Credit Rating Services means those products and services offered with respect to Credit Ratings and, if applicable, the related Outlook or Review. Credit Rating Services specifically exclude all Ancillary Services or Other Permissible Services.

Designated Broker-Dealer are those broker-dealers approved by Moody's to provide electronic feeds of Trades and account activity. For certain US and UK Employees, ByAllAccounts will be considered a Designated Broker-Dealer for purposes of this Policy.

Lead Rating Analyst, Lead Analyst or Lead is the Moody's Ratings or Moody's Local Employee who is currently assigned the primary responsibility for assigning or monitoring a given Rating and, if applicable, the related Outlook or Review.

Monitored Accounts are those accounts in which Reportable Securities are held.

Monitored Employees are those Employees in Categories A, B or C whose Trading activity and Securities holdings are required to be disclosed due to Ownership of Reportable Securities.

Moody's Local refers to the affiliates of MCO that issue Ratings under the "Moody's Local" brand name. A suffix is added to specify each jurisdiction using the brand name.

Moody's Non-Public Ratings Information means MNPI about Issuers or obligations, including but not limited to non-public information relating to Credit Rating Actions or the Anticipated Rating Process.

Moody's Ratings means all subsidiaries of Moody's Corporation that issue Ratings under the "Moody's Ratings" brand name, including Moody's Investor Services, Inc. and the credit rating affiliates listed in Item 3 of Form NRSRO filed with the U.S. Securities and Exchange Commission

(available on <https://ratings.Moodys.com/>).

Other Permissible Service are those products and services identified in the Rating Symbols and Definitions publication that are not Credit Rating Services or Ancillary Services.

Outlook means an opinion regarding the likely direction of an Issuer's rating over the medium term, as further described in the Rating Symbols and Definitions publication.

Person Approving Credit Ratings (PACR) is the person who is designated to oversee and provide senior level approval for a Credit Rating Action. Designation of individuals as PACR is determined by each Rating Group.

Position Profile refers to the Category—A, B, C, or D—to which an Employee belongs as well as any Restricted List(s), if any, that apply to the Employee.

Rated Entity means any entity rated by Moody's Ratings or Moody's Local or any entity that issues securities rated by Moody's Ratings or Moody's Local, or any entity that is seeking a Credit Rating from Moody's Ratings or Moody's Local.

Rating means any rating or assessment with respect to Credit Rating Services, Ancillary Services, and Other Permissible Services.

Rating Group means an analytical rating team in Moody's Ratings or Moody's Local.

Rating Group Head means, for Moody's Ratings, the Managing Director or, for Moody's Local, the Rating Manager who is, in either case, in charge of a Rating Group.

Rating Symbols and Definitions is a reference guide that sets out definitions of the rating symbols and rating scales used by Moody's Ratings or Moody's Local.

Reporting means disclosing to Moody's all Reportable Securities held or Traded.

Reportable Securities means any Securities (based on the definition of Security above) held by a Monitored Employee and/or his or her Family Members that are not subject to an exemption as set forth in Section III.F, Exemptions.

Restricted List means a list of Securities by industry, geography or regulation, which an Employee and any Family Members of that Employee may not Own or Trade.

Review means is an indication that a rating is under consideration for a change in the near term as further described in the Rating Symbols and Definitions publication.

Subsequent Ratings Process means the process of assigning Credit Ratings that (together with the associated outlook or review status, if applicable) are derived exclusively by reference to an existing Credit Rating of a program, series category/class of debt or primary Rated Entity. This includes:

- Assignment of a Credit Rating to issuance of debt within or under an existing rated program where the transaction structure and terms have not changed in a manner that would affect the Credit Rating indicated by the program rating (examples include covered bond programs, shelf registrations, and medium term note programs);
- Credit Ratings assigned based on the pass-through of a primary Issuer's Credit Rating, including monoline or guarantee linked ratings; or
- Assignment of Credit Ratings to debt instruments of the same seniority as previously rated debt when such issuance of debt is contemplated in the existing Credit Ratings. Examples include ratings on debt issued by frequent corporate and government issuers. This also

includes Credit Ratings assigned to new debts, new programs, or amended and extended credit facilities by reference to an existing rating of the same debt class, at the same rating level, whether or not the new debts or programs replace similarly structured debts, programs or credit facilities.

III. REPORTING AND TRADING REQUIREMENTS

A. Reportable Securities

Monitored Employees must ensure that all Reportable Securities and Monitored Accounts are reported to the Securities Trade Monitoring Unit.

Certain Securities are exempt and are considered not Reportable for purposes of this Policy. These are detailed in Section III.F, Exemptions, and Section III.G, Exempted Securities Issued by Moody's. Unless a Security is explicitly exempted in Section III.F or Section III.G, it is considered to be a Reportable Security for the purposes of this Policy.

B. Categorization of Employees

Under this Policy, different requirements apply to Employees and their Family Members depending on the Employee's ability to access MNPI and the Employee's role in and influence over the ratings process. Each Employee falls into one of four Categories, which are outlined below in Table 3.1. Each Category of Employees is subject to different requirements, which are outlined in Table 3.2, except that Employees in Category D are not "Monitored Employees" and therefore are not subject to any of the additional restrictions set out in this Section III. Your assigned Category and Restricted List(s) can be found in Expo under "View Your STP Category/Restrictions." Each Employee will be able to view only his or her own Position Profile information. If you have questions about the Category to which you have been assigned, please contact your manager.

Table 3.1: Employee Categories

Category	Description
A	<ul style="list-style-type: none"> → Influence on ratings and access to Moody's Non-Public Ratings Information → Perceived or actual influence on a rating → Sits on rating committees → Provides input to the rating process → Manages Employees with ratings influence → Ability to routinely access Moody's Non-Public Ratings Information as part of the regular course of Employee's job
B	<ul style="list-style-type: none"> → Ability to routinely access Moody's Non-Public Ratings Information as part of job responsibility, but no influence on ratings → Ability to routinely access rating action information prior to publication → Ability to routinely access folders, shared drives or systems (e.g., AccuRate) containing MNPI
C	<ul style="list-style-type: none"> → Sporadic access to Moody's Non-Public Ratings Information, but no influence on ratings → No systematic access to Moody's Non-Public Ratings Information as part of job responsibility → No responsibility for processing Moody's Non-Public Ratings Information → Occasional access to Moody's Non-Public Ratings Information as a result of inquiries, special projects or other tasks on a case-by-case basis
D	<ul style="list-style-type: none"> → No influence on ratings and no access to Moody's Non-Public Ratings Information

C. Requirements Applicable to Employee Categories

The Reporting requirements under this Section are based on (i) your Employee Category and (ii) the type of Monitored Account(s) in which you hold Reportable Securities. For purposes of this Policy, there are three types of Monitored Accounts:

- *Direct Control Accounts*: a Trading or investment account where the account holder has full discretion/control over the account and can effect Trades in the account. This includes, but is not limited to, regular brokerage accounts or other financial services accounts, 401ks, IRAs, custodial and similar accounts. These accounts may be controlled directly by the account holder or through direction provided by the account holder to a financial services provider or financial advisor.
- *Managed Self Directed Accounts*: an investment account where the account holder may choose the initial asset allocation but cannot direct any Trading activity after the initial investment. All Trading decisions and activities are performed by a third-party manager/advisor under a formal investment agreement.
- *Managed Fully Discretionary Accounts*: an investment account where the account holder has no control over the investments or Trading activity in the account. The initial asset allocation and all Trading decisions and activities are performed by a third-party manager/advisor under a formal investment agreement.

Managed Accounts where the Employee or Family Member has, shares, or can exercise control over the transactions in individual stocks within the fund or portfolio in addition to the third-party investment manager will be treated as Direct Control Accounts under this Policy.

For Managed Accounts where Employees or their Family Members hold Reportable Securities, Employees must submit documentation to the Securities Trade Monitoring Unit detailing the nature of the Managed Account, including the extent of any control over transactions by the Employee or a Family Member. Table 3.3 provides the Reporting requirements as they pertain to each Employee Category.

D. Description of Employee Requirements

All Reporting on Monitored Employees will be conducted through the Employee Compliance Manager System (the "ECM System"), which may be accessed on the Expo Securities Trading Program page.

1. Monitored Employee Account Disclosure

Subject to local law, existing Employees must:

- provide to Moody's a complete list of all Reportable Securities and Monitored Accounts held by the Employee or their Family Members (including the name of the financial institution, account number, the name of the account holder(s) and the type of account); and
- provide consent authorizing all relevant financial institutions to provide Moody's with access to all Trade confirmations and account statements relating to their Monitored Accounts.

Securities that are not held in a brokerage account or other financial services account must be reported to the Securities Trade Monitoring Unit separately.

2. Changes to Employee Securities Account Status

Monitored Employees must promptly notify the Securities Trade Monitoring Unit by email in any of the following circumstances:

- when they or a Family Member opens a new Monitored Account at a brokerage firm or other financial services firm that contains Reportable Securities or obtains a beneficial interest in, or the authority to Trade in, an additional Monitored Account containing Reportable Securities; or¹
- when an existing Monitored Account is closed or materially changed.²

The Compliance Department may require additional documentation regarding such accounts.

3. Designated Broker-Dealers

All Monitored Employees and their Family Members (wherever they are located) who have a Monitored Account that holds Reportable Securities maintained in the United States and/or the United Kingdom are required to maintain such Monitored Account(s) with one or more Designated Broker-Dealers. In limited circumstances, the Compliance Department may grant a waiver of the requirement to maintain Monitored Accounts at Designated Broker-Dealers pursuant to the waiver procedures set out in Section III.D.13.

The list³ of current Designated Broker-Dealers is:

- Charles Schwab (including former TD Ameritrade accounts)
- Fidelity
- Interactive Brokers
- Bank of America Merrill Lynch
- Morgan Stanley (including former E-Trade Financial accounts)
- UBS Financial Services
- Vanguard
- Hargreaves Lansdown (U.K.)
- Interactive Investor (U.K.)
- Fidelity International (U.K.)

For accounts with Reportable Securities established at a Designated Broker-Dealer, Employees are required to complete and submit the associated Duplicate Authorization form to the Securities Trade Monitoring Unit granting consent for the brokerage firm to send duplicate Trade confirmations and account statements to Moody's via electronic feeds. Required forms and submission details are available on the Expo Securities Trading Program page.

- Designated Broker-Dealers will provide all Trade confirmations and Monitored Account holdings to Moody's by electronic data feed.

¹ Fidelity accounts opened by Moody's Corporation for Employee Stock Purchase Plan or to hold shares of Moody's stock received as compensation are not automatically reported to the Compliance Department for monitoring. These accounts must be reported to Compliance by the Employee if and when they choose to invest in Reportable Securities within the account.

² An example of a material change would be the addition of another beneficial owner or person who can authorize Trades in the account or the account becoming (or ceasing to be) a Managed Account or other Reportable account.

³ Subsidiaries of these Designated Broker-Dealers, where the electronic feed is confirmed as being supported by the approved Broker-Dealer, can be utilized by Employees. Additional Designated Broker-Dealers may be added or permitted through the waiver process discussed in Section III.D.13. The list will be updated once new Designated Broker- Dealer relationships are established.

- Securities information received via electronic feeds will be automatically fed into Moody's third-party vendor system used for monitoring Employee trading activity.

All Monitored Employees and their Family Members (wherever they are located) who have a Monitored Account that holds Reportable Securities maintained in any jurisdiction other than the United States and the United Kingdom may use any Designated Broker-Dealer if available in their jurisdiction or a local non- Designated Broker-Dealer.

- For Monitored Accounts not held at a Designated Broker-Dealer, the Monitored Employee must provide duplicate Trade confirmations and account statements to the local Moody's Compliance Officer or the Securities Trade Monitoring Unit on a timely basis.
- For monitoring purposes, the Securities Trade Monitoring Unit will enter into the ECM System Securities information as reflected on the duplicate Trade Confirmations and/or account statements provided to Moody's.

4. Non-Designated Broker-Dealers - Manual Reporting of Trades

Employees and their Family Members may report their Trades other than electronically only if their Monitored Accounts are held in jurisdictions in which the use of Designated Broker-Dealers is not required under this Policy or where a waiver has been granted by the Moody's Compliance Department. In those limited cases where Designated Broker-Dealers are not required, Employees and their Family Members must make arrangements with their broker-dealer for the Securities Trade Monitoring Unit to receive duplicate account statements or they are to provide copies directly to the Securities Trade Monitoring Unit.

5. Reporting of Securities Not Held at a Broker-Dealer or Other Financial Firms

Employees are required to disclose Reportable Securities in the form of stock certificates, government Securities that are purchased and redeemed directly from a sovereign in paperless electronic form (e.g., U.S. Treasuries via Treasury Direct or U.K. Gilts via Direct.gov), as well as securities not custodied at a broker-dealer. Required forms and submission details are available on the Expo Securities Trading Program page.

6. Restricted Lists

Restricted Lists have been developed for Moody's Employees based on each Rating Group in Moody's Ratings and cover both US and global Issuers regardless of whether they are rated by Moody's Ratings. Additional Restricted Lists have been created for Employees of certain Moody's Local entities as described in Appendix C. Monitored Employees assigned Category A or B, and their Family Members, may not Own or Trade any Security on the Restricted List(s) applied to them. Additional restrictions may apply depending on an Employee's geography.

Each Employee's Position Profile, including any Restricted List(s) that applies to the Employee, is available on Expo. Each Employee will be able to view only his or her own position profile information. Employees and their Family Members may not Own or Trade Securities on any Restricted List applicable to the Employee.

Moody's reserves the right to prohibit Trades of Securities not listed on the applicable Restricted Lists for any Employee and his/her Family Members. Moody's will communicate all such further restrictions to Employees if and when they occur.

Note that Restricted Lists include sector funds. For example, an Analyst (or his or her Family Member) who is prohibited from holding or Trading any Security on the "CFG –Technology / Telecommunications / Media/Services" Restricted List also may not Own a telecommunications sector fund, and Analysts (and their Family Members) who are prohibited from holding or Trading any securities on the "Financials" Restricted List also may not Own or Trade financial institution sector funds. Such Analysts (and their Family Members) may, however, Own or Trade a health care sector fund, for example.

Any investments you select in a Moody's sponsored retirement account (e.g., Profit Participation Plan) must comply with any Restricted List(s) assigned to you in your current role at Moody's and must be evaluated as your role and/or those lists change.

Employees who, on limited occasions, participate in rating committees outside of their area of analytic/professional responsibility will be subject to restrictions based on the specific committee participation, not the entire Restricted List for that Rating Group. Employees who routinely participate in rating committees outside of their area of analytic/professional responsibility will be subject to the respective Restricted List for that Rating Group in addition to the Restricted List applicable to their own Rating Group.⁴ In both circumstances, these additional restrictions will remain in place for a period of 90 calendar days following the date of the rating committee or three days after the Rating becomes public, whichever is longer.

When an Employee is no longer deemed subject to a specific Restricted List (for example due to a change in responsibilities), the Restricted List that previously applied will continue to apply to the Employee and their Family Members for a period of 90 calendar days to provide for a cooling-off period.

7. Pre-Trade Clearance for Category A and B Employees and Family Members

Subject to local law requirements, Employees in Categories A and B, and their Family Members in all jurisdictions, are required to provide advance notice and obtain pre-approval of any Trades in Reportable Securities. Such Employees are responsible for ensuring that their Family Members provide their proposed Trades to the Employee for compliance with this Policy's pre-clearance requirements. Prior to Category A and B Employees or their Family Members executing any Reportable Trade, they must obtain a pre-clearance approval from the ECM System or in writing from the Securities Trade Monitoring Unit.

To accomplish this requirement, Category A and B Employees must enter all reportable Trade requests into the ECM System and receive an approval before executing any Trades with their broker-dealer. The ECM System will instantly display an Approved or Denied message depending on the restrictions that apply. The system will also send an email detailing the outcome of the request.

Employees in job positions classified as Category A or B who are Trading products that are not recognized by the ECM System must obtain written pre-clearance approval from the Securities Trade Monitoring Unit. For example, Trade requests for "new issues" that are not yet included in the ECM System will require a written pre-clearance from the Securities Trade Monitoring Unit.

⁴ Category A or B Employees hired by or transferred into Moody's Ratings on or after October 1, 2017 will continue to have all Restricted Lists apply to them regardless of their Rating Committee participation status.

Trade requests will be denied if: (a) the security to be Traded is on any Restricted List associated with the requesting Category A or B Employee; (b) a sell request does not meet the 30-Day Hold requirement; or (c) additional restrictions are in effect.

All approved pre-clearance requests will remain in effect for the duration of the day of the approval, through the close of business on the following business day. After a pre-clearance request is approved, Category A and B Employees, and their Family Members, must place orders with their broker-dealer by the close of business on the next business day after approval was granted. If the order is not placed with your broker-dealer before the pre-clearance approval expires, a new pre-clearance request must be submitted and approved.

Managed Self-Directed Accounts and Managed Fully Discretionary Accounts as defined in Section III.C are not subject to the pre-Trade clearance requirement. For exceptions to pre-Trade clearance requirements, see Table 3.3.

8. Post-Trade Review

Trading activity for Employees in Categories A, B, and C, and their Family Members, will also be monitored on a post-Trade basis as shown in Tables 3.2 and 3.3 below. Compliance reserves the right to conduct additional post-Trade reviews as may be appropriate.

9. 30-Day Holding Period

Employees in Categories A and B, and their Family Members, who purchase a Reportable Security in a Direct Control Account must hold that Security for at least 30 consecutive calendar days after the most recent purchase of the Security (the "30-Day Holding Period"). The reinvestment of dividends, interest or capital gains will not be considered a new purchase and will not impact the holding period. No sale of a Reportable Security may occur less than 30 days after the most recent purchase of such a Security, regardless of the account(s) in which the Security is held. Further, Employees in Categories A and B, and their Family Members, may not enter into a derivative contract that will expire in less than 30 days.

The 30-Day Holding Period does not apply to Employees in Category C or to Trades made within Managed Self-Directed Accounts and Managed Fully Discretionary Accounts, as defined in Section III.C. See Table 3.3 below for additional details regarding Managed Accounts.

10. Orders

A Good-Til-Canceled (GTC) order is an order to buy or sell a Security at a specific price which lasts until the Trade is executed or cancelled. A Stop Order, also referred to as a Stop-Loss Order, is considered a GTC order for the purposes of this Policy. GTC orders are permitted and may remain in effect as permitted by the rules of your broker-dealer subject to restrictions regarding Trading Securities while aware of MNPI as set out in this Policy. Prior to placing a GTC order, Category A and B Employees and their Family Members must also obtain a pre-clearance approval to Trade the Security. This approval must be obtained from the ECM System or in writing from the Compliance department prior to the initial order. Any changes to the GTC order other than cancellation must also be submitted for pre-trade clearance. All approved pre-clearance requests on GTC orders will remain in effect for the duration of the day of the approval, through close of business on the following business day. If the GTC order is not placed with your broker-dealer before the pre-clearance approval expires, a new pre-clearance request for the GTC order must be submitted and approved. The 30-Day Holding Period also applies to Trades that are executed as a result of a GTC order to sell.

11. Leave of Absence

If an Employee is on a leave of absence, their Reporting obligations are dependent upon whether or not they continue to have access to Moody's systems. An Employee who continues to have access to Moody's systems, including mobile devices, laptop, or any other mechanism, is required to comply with the Reporting requirements of the Policy, including pre-trade clearance and submissions of periodic trade confirmations and monthly statements. If an Employee relinquishes his/her Moody's issued mobile devices, laptop, or any other mechanism by which he/she can access Moody's systems, the Reporting obligations can be temporarily lifted until the Employee returns to work.

However, in these instances, an Employee is still subject to his/her Restricted Lists for a period of 90 calendar days to provide for a cooling-off period. While on leave of absence, Employees are bound by the Moody's Corporation Code of Business Conduct and this Policy and cannot engage in any trading activity with respect to an Issuer while aware of MNPI regarding such Issuer. For instances in which the Reporting requirements are temporarily lifted, accounts held with designated brokers will continue to provide trade data through our direct feeds. For those accounts not maintained with a designated broker, the Employee will be required to provide the Securities Trade Monitoring Unit with monthly account statements generated during the leave upon their return to work.

12. Summary of Employee and Reporting Requirements

Tables 3.2 and 3.3 below provide a summary of Employee and Reporting requirements under this Policy, organized by Employee Category and account type.

13. Waivers

Under certain limited circumstances, the Compliance Department may grant written waivers of the Reporting, Trading or Ownership restrictions imposed upon Employees and their Family Members. Waiver requests must be made in writing and should include all relevant facts in support of the waiver request. Requests must be submitted by the Employee to his/her direct manager for approval. If the manager approves the request, it must then be submitted to the Securities Trade Monitoring Unit for consideration. The Employee is bound by the restrictions in this Policy unless and until the Compliance Department approves the waiver request.

In those cases, in which the Securities Trade Monitoring Unit grants a waiver of the Trading or Ownership restrictions with respect to a particular Issuer, the Employee still will be precluded from participating in any rating action, including attending rating committees, for that Issuer. In situations in which a waiver relating to one or more aspects of the Policy is granted, the Employee will still be subject to the other provisions of the Policy and certain restrictions relating to his or her job activities may apply. Under no circumstances would a waiver authorize an Employee or Family Member to violate Insider Trading or other applicable laws.

Table 3.2: Employee Requirements by Category

	Category A	Category B	Category C	Category D
Required to use Designated Broker-Dealer⁵				NA
Restricted List(s) Apply			NA	NA
Disclosure/Certifications				
New Employee Securities disclosure				NA
New Employee STP certification				
Annual STP certification				
Trades and holdings in Monitored accounts				NA
Self-disclosure of violations or suspected				
Trade Requirements by Account Type				
Direct Control account				
Pre-Trade clearance			NA	NA
Post-Trade review				NA
30-Day Holding Period			NA	NA
Restricted List(s) apply			NA	NA
Managed Self Directed account				
Post-Trade review	*	*	*	NA
Restricted List(s) apply			NA	NA
Managed Fully Discretionary account				
Post-Trade review	*	*	*	NA
Restricted List(s) apply			NA	NA

Requirement applies to this Category

* Post-Trade Review only required in the event of account opening, closure, or in the case of material amendments or material funding changes as described in Table 3.3

⁵ This is applicable in the US and UK.

Table 3.3: Monitored Account Type Details

	Category A	Category B	Category C
Direct Control Account (including through use of a financial advisor or money manager)	<ul style="list-style-type: none"> → Restricted List(s) apply → Pre-Trade clearance and 30-Day Holding Period apply 	<ul style="list-style-type: none"> → Restricted List(s) apply → Pre-Trade clearance and 30-Day Holding Period apply 	<ul style="list-style-type: none"> → Post-Trade review applies
Managed Self Directed Account Documentation must be provided to the Securities Trade Monitoring Unit that supports the discretionary nature of accounts and that the advisor has been notified of the applicable restricted list(s)	<ul style="list-style-type: none"> → Restricted List(s) apply → Pre-Trade clearance and 30-Day Holding Period do not apply → Employee must notify the Compliance Department when account is opened, closed, materially changed or when funds are added or withdrawn (representing 50% or greater of the account value except for pre-programmed additions or withdrawals) → In these instances, any Trades associated with the opening, closing, material amendment or funding change will be monitored on a post-Trade basis 	<ul style="list-style-type: none"> → Restricted List(s) apply → Pre-Trade clearance and 30-Day Holding Period do not apply → Employee must notify the Compliance Department when account is opened, closed, materially changed, or when funds are added or withdrawn (representing 50% or greater of the account value except for pre-programmed additions or withdrawals) → In these instances, any Trades associated with the opening, closing, material amendment or funding change will be monitored on a post-Trade basis 	<ul style="list-style-type: none"> → Employee must notify the Compliance Department when account is opened, closed, materially changed, or when funds are added or withdrawn (representing 50% or greater of the account value except for pre-programmed additions or withdrawals) → In these instances, any Trades associated with the opening, closing, material amendment or funding change will be monitored on a post-Trade basis
Managed Fully Discretionary Account Documentation must be provided to the Securities Trade Monitoring Unit that supports the discretionary nature of accounts and that the advisor has been notified of the applicable restricted list(s)	<ul style="list-style-type: none"> → Restricted List(s) apply → Pre-Trade clearance and 30-Day Holding Period do not apply → Employee must notify the Compliance Department when account is opened, closed, materially changed, or funds are added or withdrawn (representing 50% or greater of the account value except for pre-programmed additions or withdrawals) → In these instances, any Trades associated with the opening, closing, material amendment or funding change will be monitored on a post-Trade basis 	<ul style="list-style-type: none"> → Restricted List(s) apply → Pre-Trade clearance and 30-Day Holding Period do not apply → Employee must notify the Compliance Department when account is opened, closed, materially changed, or funds are added or withdrawn (representing 50% or greater of the account value except for preprogrammed additions or withdrawals) → In these instances, any Trades associated with the opening, closing, material amendment or funding change will be monitored on a post-Trade basis 	<ul style="list-style-type: none"> → Employee must notify the Compliance Department when account is opened, closed, materially changed, or funds are added or withdrawn (representing 50% or greater of the account value except for pre-programmed additions or withdrawals) → In these instances, any Trades associated with the opening, closing, material amendment or funding change will be monitored on a post-Trade basis

E. Certifications And Self Disclosure

1. New Employee Compliance Certification

Prior to their employment start date, all Category A, B and C candidates must submit a list of all Reportable Securities held by them and their Family Members for review by the hiring manager. Each Category A, B and C Employee must complete an initial compliance certification within 60 days of being notified of the requirement to certify. The certification acknowledges that such Employee has read, understands and agrees to comply with this Policy.

Subject to local law requirements, each Category A, B and C Employee also must certify that such Employee:

- agrees to provide Moody's with a complete list of all Reportable Securities held by the Employee and his/her Family Members, as well as a list of all Monitored Accounts associated with such Securities;
- has submitted Duplicate Account Authorization Form(s) to Moody's allowing the Compliance Department to obtain access to all Trade confirmations and account statements for all Monitored Accounts in which the Employee or his/her Family Members hold Reportable Securities; and
- has disclosed all Reportable holdings and Trades conducted by the Employee and/or his or her Family Members for Securities that are not held in a brokerage account or other financial services account (e.g., when the Security is in the form of a physical certificate).

2. Annual Compliance Certification

Annually, each Category A, B and C Employee also must certify that such Employee has been in continuous compliance with the Monitored Employees Policy since the prior certification, including compliance with the Reporting requirements of the Policy as applicable to the Employee's Category. During the annual certification, Monitored Employees will also be required to confirm their Reportable Accounts. Employees are able to review their own accounts and holdings information in the ECM System.

3. Self-Disclosure of Non-Compliance

Either you or a Family Member may find that a change of circumstances creates potential non-compliance with this Policy. For example, you may be re-assigned to a new rating team, or you or a Family Member may inherit Securities that are on a Restricted List(s) that applies to you. In such circumstances, you must contact your manager and the Compliance Department promptly in writing to address any such potential non-compliance with this Policy. Please note that before you or your Family Member sells any Security you believe may not be in compliance with this Policy, you must obtain clearance from the Securities Trade Monitoring Unit.

F. Exemptions

The following are exemptions from Section III Reporting and Trading Requirements:

1. Government-issued Savings Bonds

Government-issued bonds that are non-transferable and backed by the full faith and credit of the issuing government (e.g., US Savings Bonds, Japanese Government Bonds (JGBs), or similar savings bond type securities issued by other sovereigns for individual investors) are exempt.

However, government securities (e.g., Treasury bonds, bills, or "gilts") that may be sold or transferred in the secondary market are subject to the Reporting requirements and Trading restrictions for Monitored Employees.

2. Precious Metals

Funds or ETFs solely holding physical precious metal bullion (i.e., gold, silver, and platinum) are exempt. However, ETFs holding securities related to the precious metals industry are subject to the Reporting requirements and Trading restrictions for Monitored Employees.

3. Insurance Policies and Annuities

Personal insurance policies, such as homeowners, life, auto, disability and individual annuity policies, where there is no ability for the account holder to direct the investments or Trading within the annuity are exempt.

4. Certificates of Deposit

Certificates of deposits and equivalents, such as those issued by governments, banks, credit unions, and savings and loans, are exempt.

5. Blind Trusts

Trades of Securities made in a "blind trust" held for the benefit of an Employee or his or her Family Members are exempt. For the trust to qualify as a blind trust, however, the Employee and/or his or her Family Members must have:

- no knowledge of the Securities held in the trust; and
- no discretion or control over the Trading of Securities in the trust.

To rely on this exemption, an Employee or his or her Family Member must provide a copy of the agreement covering any blind trust that is held for the benefit of the Employee or his or her Family Members to the Moody's Legal Department for approval. The Legal Department will report approvals to the Securities Trade Monitoring Unit who will record the approval in the ECM System and notify the Employee that an exemption from Reporting has been granted. This exemption does not apply until the documentation establishing the trust has been approved by the Legal Department, reported to the Securities Trade Monitoring Unit and has become effective (i.e., the Securities have been transferred to the trust account). All changes to an approved blind trust must be made in writing and must be approved by the Legal Department. An Employee who opens a blind trust will be prevented from participating in any rating committees relating to any Security that is being transferred into the trust for a period of 90 days from the date that the blind trust was opened.

6. Widely Diversified Funds

This exemption applies to:

- money market mutual funds;
- widely diversified mutual funds⁶, meaning that the fund's investment objectives are not focused on any particular type of investment or industry and the fund does not invest

⁶ Mutual funds previously considered widely diversified and held by an Employee as of October 1, 2012 for U.S. Employees; December 31, 2012, for U.K. Employees; and March 31, 2013, for Employees in all other regions will continue to be treated as such for that Employee.

80% or more of its assets in a particular industry;

→ widely diversified collective investment schemes;

→ exchange-traded funds that represent a diversified index or otherwise are not sector specific; and

→ unit investment trusts.

7. Dividend Reinvestment Plans

Although participation by Employees or their Family Members in a dividend reinvestment plan in a Security is subject to pre-approval for Category A and B Employees, each subsequent investment through the dividend reinvestment plan does not need to be pre-cleared unless the Employee or his or her Family Member is changing the manner of the investment or the Security in which the investment is being made. To obtain pre-approval for a dividend reinvestment plan, please contact the Securities Trade Monitoring Unit.

8. Education Savings Plans

Education savings plans (such as plans that comply with Section 529 of the U.S. Internal Revenue Code, commonly referred to as "529 Plans"), where there is no ability for the account holder to view the underlying securities or direct the investments or Trading within the account, are also exempt.

G. Exempted Securities Issued by Moody's

1. Moody's Stock Options

The Reporting requirements outlined in this Section III do not apply to the receipt, holding or exercise of Moody's stock options received by an Employee in connection with their compensation.

2. Moody's Stock Received in Connection with Compensation

Neither the Reporting requirements nor the 30-Day Holding Period apply to Trades of Moody's shares received by an Employee under Moody's compensation plans.

3. Moody's Employee Stock Purchase Plan

Neither the Reporting requirements nor the 30-Day Holding Period apply to MCO trades resulting from an Employee's payroll contributions to Moody's Employee Stock Purchase Plan ("ESPP") under an election made when the Employee was not aware of any MNPI about Moody's.

4. Moody's Profit Participation and Other Moody's Sponsored Plans

Neither the Reporting requirements nor the 30-Day Holding Period apply to Trades or the non-discretionary reallocation of Moody's Securities in Moody's Profit Participation Plan ("PPP"), Moody's Deferred Compensation Plans, or other Moody's-sponsored retirement plans resulting from an Employee's periodic payroll contributions to the plans under an election made when the Employee was not aware of any MNPI about Moody's.

H. Employees of Moody's Corporation Participating In Credit Rating Actions

1. Participation in Credit Rating Actions

Employees may not directly or indirectly participate in a Credit Rating Action if they or their Family Members Own any Security that could be affected by that Credit Rating Action. Direct or indirect participation in a Credit Rating Action includes, but is not limited to: serving in various roles (Lead Analyst, back-up Analyst, Rating Analyst, Rating Committee Chair, Person Approving Credit Rating); participating in rating committee meeting(s) (both voting and non-voting participants); assisting in drafting the materials specifically produced for the rating committee (financial analysis, models, drafting); providing the approval to record and release a Credit Rating Action; or working with a rating team or Analyst on a model specific to the Credit Rating.

2. Ownership of Certain Securities

Monitored Employees categorized as A or B are restricted from Owning or Trading certain Securities on Restricted Lists assigned to them where they have access to MNPI or influence on ratings. For more information, see Section III.D.6 (subsection "Restricted Lists"). Effective October 1, 2017, all new hires in Moody's Ratings in Categories A or B, and Employees transferring from outside Moody's Ratings to Moody's Ratings Category A or B positions, are precluded from holding any Reportable Securities as a condition of employment and are required to divest Reportable Securities prior to commencing employment. All Restricted Lists are assigned to these Employees and to their Family Members for as long as they continue in Category A or B roles.

IV. MANAGER RESPONSIBILITIES

A. Assistance to the Compliance Department

Managers are responsible for assisting the Compliance Department with any matters identified as potential violations or where further information may be required and must promptly respond to any such requests.

B. Post-Trade Review

Managers are responsible for performing post-Trade reviews of all Trades by any Employee or Family Member as requested by the Compliance Department. Managers must promptly, but in no event later than six (6) business days after being notified by the Compliance Department of any Trade(s), review such Trade(s) for compliance with this Policy and immediately report any possible violations or concerns to the Securities Trade Monitoring Unit. Management review also includes consideration of whether the Employee had access to MNPI.

For trading activity subject to post-trade review, Compliance forwards a report of all outstanding reportable transactions to each manager, detailing the executed transactions of their direct reports, for their review and approval. Once reviewed, the information will be retained in the associated Compliance tracking system.

C. Appropriate Employee Categorization/Restricted List

Managers are responsible for maintaining the Employee Category of A, B, C, or D for their Employees by reviewing all such categorizations on an annual basis. Managers must determine if any change in role, position or responsibility necessitates a change in the Employee Category and Restricted List(s). In such an event, the manager must make the necessary change in the Employee Position Profile (located in WorkWise) promptly following the determination. Management must also report the change to the Securities Trade Monitoring Unit.

If an Employee in Category A or B has changed roles and transitioned from one Restricted List to a different Restricted List, the manager is responsible for reporting the change to the Securities Trade Monitoring Unit in addition to changing the Restricted List categorization in the Employee's Position Profile.

D. Restricted List Maintenance

Rating Group Heads or their designees, with Compliance oversight, are responsible for reviewing Restricted Lists in their Rating Groups and for keeping them current, including providing changes to the Securities Trade Monitoring Unit as they arise as well as undertaking a periodic review when requested by the Compliance Department. Restricted Lists must be reviewed quarterly, and any changes must be reviewed by the Compliance Department prior to implementation.

E. New Employee Securities Disclosure Form

Managers must review the Security disclosures provided by candidates for positions in Categories A, B, and C to confirm that none of the candidates' job roles or responsibilities conflict with any of the Securities he or she may hold at the time of onboarding and, for US and UK candidates, that the candidate's Monitored Accounts are maintained at a Designated Broker-Dealer. If the candidates hold any Securities that are on a Restricted List applicable to the position for which the candidate is being considered, the Securities must be divested or, subject to the requirements in Section III.F.5 above, moved to a blind trust, prior to onboarding and a revised Disclosure Form submitted. Additionally, for US and UK candidates who have Monitored Accounts maintained at a broker-dealer or other institution that is not one of the Designated Broker-Dealers, the candidate must submit a disclosure form showing the accounts have been moved to a Designated Broker-Dealer.

APPENDIX A

ADDITIONAL TRADING WINDOWS AND PRECLEARANCE REQUIREMENTS APPLICABLE TO CERTAIN EMPLOYEES

A. Trading Window

All Executive Officers, Members of the Board of Directors, and certain other Employees identified by the Moody's Legal Department, as well as their Family Members, are subject to "trading window" restrictions. Persons subject to the trading window may Trade Moody's Securities only during an open trading window. Moody's will notify persons subject to the trading window restrictions of the dates when the trading window opens and closes. Trading windows will be pre-announced each quarter, but generally will open each quarter at the beginning of the third business day after the filing with the SEC of the Moody's Corporation annual or quarterly report and the trading window typically will close on the date set forth in the quarterly window period notice, although Moody's may close the trading window at other times. Even if the trading window is open, persons subject to the trading window restrictions and their Family Members should not Trade any Moody's Securities while aware of MNPI, unless otherwise specifically allowed under this Policy.

It is recommended that persons subject to trading window restrictions and their Family Members

(1) execute any Trades in Moody's Securities and enter into Rule 10b5-1 Trading Plans during the first ten business days of the open trading window, and (2) provide written notice to the brokerage firm that administers any Managed Account for their benefit instructing the firm not to purchase or sell Moody's Securities for the account.

B. Permission to Trade

All persons subject to the trading window, as well as their Family Members, are required to provide advance notice and obtain permission to proceed with any Trade of Moody's Securities.

- Executive Officers, Members of the Board of Directors and direct reports to the Chief Executive Officer of Moody's Corporation are required to provide advance notice of and request to proceed with any proposed Trade or other change to the Moody's General Counsel or, if unavailable, to the Moody's Company Secretary.
- All other Employees subject to the trading window must request permission to Trade following the procedure set out in the notice announcing the opening of the window period.

All requests for permission to Trade should be submitted at least two business days in advance of the proposed transaction.

If a person subject to trading window restrictions believes that he or she may be aware of MNPI, the situation should be discussed with Moody's General Counsel or, if unavailable, the Moody's Corporate Secretary when seeking permission to Trade. If in doubt as to whether permission is required for a particular transfer or transaction, a person subject to the trading window restrictions should assume that prior permission is required.

When requesting permission to Trade, the requester will be required to certify that they are not aware of MNPI, and may be required to provide additional information including (1) the number of shares involved and, if stock options are involved, exactly which stock options are proposed to be exercised, (2) the exact date the transaction is proposed to occur or other conditions to the

transaction (for example, any minimum price condition), (3) the exact nature of the transaction, including information on any other entity (trust, limited partnership, etc.) involved in the transaction and (4) if a market transaction, contact information for the broker who will be responsible for the order. Executive Officers and other Employees subject to Moody's Stock Ownership Guidelines will also be required to confirm that the proposed transaction will not result in non-compliance with such guidelines.

C. Entities and Transactions Subject to These Additional Restrictions

The trading window and permission to trade restrictions imposed under A and B above apply to Executive Officers, Members of the Board of Directors and other Employees who have been notified that they are subject to the trading window and permission to trade restrictions, as well as to their Family Members and to the entities and transactions described in Section III.C of the Policy.

D. Exempt Transactions

The following categories of Trades by Members of the Board of Directors are not subject to the window period and do not require advance notice or permission to trade: the accumulation of shares in the Moody's Common Stock Fund, Rabbi Trust Account for deferred Restricted Stock or Deferred Performance Share Account through dividend reinvestment or allocation of directors' fees. In addition, under certain limited conditions, Moody's General Counsel or, if unavailable, the Moody's Corporate Secretary may grant written exceptions of the trading window restriction imposed under Section A above.

APPENDIX B
MOODY'S RATINGS SINGAPORE

This section sets out additional requirements for the following Employees (referred to as Applicable Persons):

- Moody's Investors Service Singapore Pte. Ltd. ("Moody's Ratings Singapore") Employees;
- Moody's Ratings Singapore Board of Directors; and
- any Employee who is licensed by the Monetary Authority of Singapore ("MAS-licensed Representative").

Prohibitions

Applicable Persons and their Family Members are prohibited from:

- engaging in any trade or holding any derivative contracts (not based on or linked to equity or fixed income securities); and
- engaging in any trade or holding spot foreign exchange contracts for the purposes of leveraged foreign exchange trading.

Some of the examples of above-mentioned products include:

- Derivatives linked to currencies (e.g. forex swaps, forex futures, forex options);
- Derivatives linked to interest rates (e.g. interest rate swaps, forward rate agreements, interest rate caps and floors); and
- Derivatives linked to commodities (such as gold, silver, copper, crude oil, coffee, cocoa, etc. (e.g., gold futures, options)).

APPENDIX C**MOODY'S LOCAL ARGENTINA, URUGUAY, BRAZIL, MEXICO, AND CENTRAL AMERICA**

All provisions of the Policy apply to Employees in Moody's Local Argentina (ML-AR), Moody's Local Brazil, Moody's Local Mexico (ML-MX), and Moody's Local Central America, except that such Employees who are Category A or B are not subject to the prohibition on holding Reportable Securities nor are they subject to the requirement that all Restricted Lists be assigned to them (irrespective of their dates of hire or transfer into a Moody's Local business). In addition to the foregoing, Moody's Local Employees are also subject to the following entity-specific requirements:

Moody's Local Argentina and Uruguay

Members of the Board of Directors of ML-AR, and all ML-AR Employees and their Family Members, are prohibited from owning any Security in any company rated by ML-AR, whether in Argentina or in Uruguay. This includes any Securities that would otherwise be exempt under Section III.F, Exemptions.

In addition to pre-clearance requirements for Category A and B Employees, all ML-AR Category C Employees and their Family Members, including members of the Board of Directors, are required to pre-clear any Trade of Reportable Securities.

Moody's Local Mexico

Members of the Board of Directors of ML-MX are required to pre-clear purchases of Reportable Securities, regardless of their assigned STP Category.

Moody's Local Central America

The members of the Moody's Local Central America Board of Directors and the general manager of each Moody's Local Central America entity are classified as Category B Employees under the Policy.

All members of the Board of Directors, the general manager of each Moody's Local Central America entity, and Employees of Moody's Local Central America who are classified as Category A or B (collectively, Covered Persons) are subject to the following additional provisions:

- Covered Persons are prohibited from owning a Security in an Issuer rated by Moody's Local Central America (including those that would otherwise be exempt under Section III.F, Exemptions);
- Covered Persons will have to certify on a quarterly basis that they do not own any Security exempted under Section III.F of the Policy and that are rated by Moody's Local Central America; and
- Their trading activities and Securities holdings are subject to pre-clearance under the Restricted List for Moody's Local Central America.

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Moody's SF Japan K.K., Moody's Local AR Agente de Calificación de Riesgo S.A., Moody's Local BR Agência de Classificação de Risco LTDA, Moody's Local MX S.A. de C.V., I.C.V., Moody's Local PE Clasificadora de Riesgo S.A., and Moody's Local PA Clasificadora de Riesgo S.A. (collectively, the "Moody's Non-NRSRO CRAs") are all indirectly wholly-owned credit rating agency subsidiaries of MCO. None of the Moody's Non-NRSRO CRAs is a Nationally Recognized Statistical Rating Organization.

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MOODY'S

Company Procedures To Avoid Insider Trading

The procedures described below are designed to promote compliance with insider trading laws and regulations and applicable listing standards in the context of transactions by Moody's Corporation (the "Company") in Company securities. These procedures reflect the Company's general guidelines, and may be varied or supplemented as determined appropriate by the Chief Financial Officer or the General Counsel and do not address transactions pursuant to equity-based compensation arrangements, which are conducted in accordance with the terms of the plans and agreements governing such arrangements.

Share Repurchase Procedures. The Treasurer's office implements the Company's share repurchase program, and is responsible for confirming that any share repurchases under the program are consistent with the Board of Directors' repurchase authorization and are properly documented. That office notifies the Chief Financial Officer and the General Counsel, and any other executive officer it determines appropriate, in advance of commencing repurchases of Company securities or entering into any agreement (a "Repurchase Agreement") providing for repurchases of Company securities. The Chief Financial Officer and the General Counsel will provide confirmation to the Treasurer's office, typically in writing, that the Company is not aware of material non-public information prior to and as a condition of share repurchases being commenced or a Repurchase Agreement being entered into, including overseeing any further internal inquiries or reviews that may be appropriate for such confirmation. The Chief Financial Officer and the General Counsel will promptly notify the Treasurer's office if they determine that a prior confirmation of not being aware of material non-public information has ceased to be accurate at a time when discretionary repurchases are being conducted or prior to when a Repurchase Agreement is scheduled to be entered into. The Treasurer's office will inform the Chief Financial Officer and the General Counsel, and any other executive officer it determines appropriate, if there are any changes in the planned timing of conducting repurchases of Company securities or entering into a Repurchase Agreement.

Share Issuance Procedures. The General Counsel's office oversees offers and sales of Company securities, the procedures for which will vary based on the nature and context of the transactions and in light of additional state law and federal securities laws applicable to the particular transactions. As applicable, the General Counsel's office will coordinate any due diligence procedures in connection with underwritten offering and determine whether appropriate information has been made available to purchasers of the Company securities (which may include information provided pursuant to a confidentiality or non-disclosure agreement).

EXHIBIT 21

SUBSIDIARIES OF MOODY'S CORPORATION

The following is a list of active, majority-owned subsidiaries of Moody's Corporation as of December 31, 2024.

U.S. Entities

Able AI, Inc.	Delaware
Acquire Media U.S., LLC	Delaware
Bureau van Dijk Electronic Publishing Inc.	New York
DMG US Investments, Inc.	Delaware
DMGT US, Inc.	Delaware
DVBS, Inc. (formerly Moody's Risk Services Corp.)	Delaware
Fincura Inc.	Delaware
GGYAXIS INC	Delaware
Lewtan Technologies Inc.	Massachusetts
MIS Asset Holdings Inc.	Delaware
MIS Quality Management Corp.	Delaware
Moody's ESG Solutions USA Inc.	Delaware
Moody's Advisors Inc.	Delaware
Moody's Analytics, Inc.	Delaware
Moody's Analytics Knowledge Services Solutions (US) Inc. (formerly Exevo Inc.)	Delaware
Moody's Analytics Solutions, LLC	Delaware
Moody's Assurance Company Inc.	New York
Moody's Assureco Inc.	Delaware
Moody's Capital Markets Research, Inc.	Delaware
Moody's Group Holdings Inc.	Delaware
Moody's Holdings LLC	Delaware
Moody's International LLC	Delaware
Moody's Investors Service, Inc.	Delaware
Moody's Overseas Holdings, Inc.	Delaware
Moody's Risk Assessments Holdings LLC	Delaware
Moody's Risk Assessments, Inc.	Delaware
Moody's Shared Services, Inc.	Delaware
Numerated Growth Technologies, Inc.	Delaware
Numerated Growth Technologies Securities Corporation	Massachusetts
Omega Performance Corporation	California
Praedicat, Inc.	Delaware
Regulatory DataCorp, Inc.	Delaware
Risk First Inc.	Delaware
Risk Management Solutions Holdings, Inc.	Delaware
Risk Management Solutions, Inc.	California
RMS UK Holdings, Inc.	Delaware
RMS Worldwide, Inc.	California
The Moody's Foundation	New York
Vigeo Eiris USA, LLC	Delaware

Non-U.S. Entities

Acquire Media 1 UK Limited	UK
Bureau van Dijk Editions Electroniques SARL	Switzerland
Bureau van Dijk Editions Electroniques SRL	Belgium
Bureau van Dijk Electronic Publishing Beijing Co., Ltd.	China
Bureau van Dijk Electronic Publishing GmbH	Germany
Bureau van Dijk Electronic Publishing Hong Kong Limited	Hong Kong
Bureau van Dijk Electronic Publishing K.K.	Japan
Bureau van Dijk Electronic Publishing Limited Liability Company	Korea, Republic of
Bureau van Dijk Electronic Publishing Ltd.	UK
Bureau van Dijk Electronic Publishing Pte. Ltd.	Singapore
Bureau van Dijk Electronic Publishing Pty. Limited	Australia
Bureau van Dijk EP DMCC	United Arab Emirates
Bureau van Dijk Publicaçao Eletronica Ltda.	Brazil
Bureau van Dijk Publicaciones Electronicas S.A.	Spain
Cortera Software Private Limited	India
D2K Technologies India Private Limited	India
Gilliland Gold Young Consulting Inc.	Canada
Global Credit Rating Company Limited	Mauritius
Global Credit Rating Company Limited (Nigeria)	Nigeria
Global Credit Rating Company Limited (Senegal)	Senegal
Global Credit Rating Co. (Proprietary) Limited	South Africa
ICRA Analytics Limited (fka ICRA Online Limited)	India
ICRA ESG Ratings Limited	India
ICRA Limited	India
ICRA Lanka Limited	India
KIS Pricing, Inc.	Korea, Republic of
Korea Investors Service, Inc.	Korea, Republic of
MA Support Services CR SRL	Costa Rica
Midroog Ltd.	Israel
MIS Argentina S.A.	Argentina
MIS Brazil Servicos Tecnicos Ltda.	Brazil
MIS MX S.A. de C.V.	Mexico
MIS Support Center Private Limited	India
MIS Support Services CR Sociedad de Responsabilidad Ltda.	Costa Rica
Moody's (UK) Limited	UK
Moody's Africa Holdings Limited	Mauritius
Moody's Analytics (India) Private Limited	India
Moody's Analytics Austria GmbH	Austria
Moody's Analytics Denmark ApS	Denmark
Moody's Analytics do Brasil Soluções para Gerenciamento de Risco de Crédito Ltda	Brazil
Moody's Analytics Global Education (Canada), Inc.	Canada
Moody's Analytics Italy S.p.a	Italy
Moodys Analytics Mexico S.A. de C.V.	Mexico
Moody's Analytics Netherlands B.V.	Netherlands

Moody's Analytics Portugal, Unipessoal Lda.	Portugal
Moody's Analytics S.A.S.	France
Moody's Analytics South Africa Proprietary Ltd	South Africa
Moody's Analytics Sweden AB	Sweden
Moody's ESG Solutions Belgium SA/NV	Belgium
Moody's ESG Solutions Chile SpA	Chile
Moody's ESG Solutions France SAS	France
Moody's ESG Solutions Italia Srl	Italy
Moody's ESG Solutions UK Ltd.	UK
Moody's Group (Holdings) Unlimited	UK
Moody's Group Finance Limited	UK
Moody's Information Consulting (Shenzhen) Co., Ltd.	China
Moody's International (UK) Limited	UK
Moody's Investors Service Middle East Limited	United Arab Emirates
Moody's Local (Chile) SpA (fka Equilibrium (Chile) Holding SpA)	Chile
Moody's Local AR Agente de Calificación de Riesgo S.A. (Fka Moody's Latin America Agente de Calificación de Riesgo S.A.)	Argentina
Moody's Local MX S.A. de C.V. I.C.V.	Mexico
Moody's Local PE Clasificadora de Riesgo S.A. (fka Equilibrium Clasificadora de Riesgo S.A.)	Peru
Moody's Shared Services India Private Limited	India
Moody's Analytics (DIFC) Limited	United Arab Emirates
Moody's Analytics (Malaysia) Sdn. Bhd.	Malaysia
Moody's Analytics (Thailand) Co., Ltd.	Thailand
Moody's Analytics Australia Pty. Ltd.	Australia
Moody's Analytics Canada Inc.	Canada
Moody's Analytics Czech Republic s.r.o.	Czech Republic
Moody's Analytics Deutschland GmbH	Germany
Moody's Analytics Hong Kong Limited	Hong Kong
Moody's Analytics Japan K.K.	Japan
Moody's Analytics Knowledge Services (Jersey) Limited	Jersey
Moody's Analytics Knowledge Services Holdings (Mauritius) Limited	Mauritius
Moody's Analytics Knowledge Services Research (Mauritius) Limited	Mauritius
Moody's Analytics Korea Co., Ltd.	Korea, Republic of
Moody's Analytics SAS	France
Moody's Analytics Singapore Pte. Ltd.	Singapore
Moody's Analytics Taiwan Co., Ltd.	Taiwan
Moody's Analytics UK Limited	UK
Moody's Asia Pacific Limited	Hong Kong
Moody's Asia Pacific Group (Singapore) Pte. Ltd.	Singapore
Moody's Canada Inc.	Canada
Moody's Canada LP	Canada
Moody's China (B.V.I.) Limited	Virgin Islands (British)
Moody's Company Holdings (BVI) I Limited	Virgin Islands (British)
Moody's Company Hong Kong Limited	Hong Kong
Moody's Credit Ratings (China) Limited	China
Moody's Deutschland GmbH	Germany

Moody's EMEA Financing (Cyprus) Ltd	Cyprus
Moody's EMEA Holdings Limited	UK
Moody's Equilibrium I (BVI) Holding Corporation	Virgin Islands (British)
Moody's Equilibrium II (BVI) Holding Corporation	Virgin Islands (British)
Moody's Finance (BVI) Limited	Virgin Islands (British)
Moody's Financing (BVI) Limited	Virgin Islands (British)
Moody's Financing (Cyprus) Limited	Cyprus
Moody's France SAS	France
Moody's Group Australia Pty. Ltd.	Australia
Moody's Group Cyprus Ltd.	Cyprus
Moody's Group Deutschland GmbH	Germany
Moody's Group France SAS	France
Moody's Group Holdings (BVI) Limited	Virgin Islands (British)
Moody's Group Japan G.K.	Japan
Moody's Group NL B.V.	Netherlands
Moody's Group UK Ltd.	UK
Moody's Holdings (B.V.I.) Limited	Virgin Islands (British)
Moody's Holdings Ltd.	UK
Moody's Holdings NL B.V.	Netherlands
Moody's Investment Company India Private Limited	India
Moody's Investors Service (Beijing), Ltd.	China
Moody's Investors Service (BVI) Limited	Virgin Islands (British)
Moody's Investors Service (Korea) Inc.	Korea, Republic of
Moody's Investors Service (Nordics) AB	Sweden
Moody's Investors Service Cyprus Ltd.	Cyprus
Moody's Investors Service España SA	Spain
Moody's Investors Service Hong Kong Limited	Hong Kong
Moody's Investors Service India Private Limited	India
Moody's Investors Service Limited	UK
Moody's Investors Service Limited (Rep Office)	Switzerland
Moody's Investors Service Pty Limited	Australia
Moody's Investors Service Singapore Pte. Ltd.	Singapore
Moody's Investors Service South Africa (Pty) Limited	South Africa
Moody's Israel Holdings Inc.	Virgin Islands (British)
Moody's Italia S.r.l.	Italy
Moody's Japan K.K.	Japan
Moody's Latin America Holding Corp.	Virgin Islands (British)
Moody's Lithuania, UAB	Lithuania
Moody's Local BR Agencia de Classificacao de Risco Ltda. (fka Moody's America Latina Ltda.)	Brazil
Moody's Local PA Calificadora de Riesgo S.A (fka Equilibrium Calificadora de Riesgo S.A.)	Panama
Moody's Malta Finance Limited	Malta
Moody's Mauritius Holdings Limited	Mauritius
Moody's Risk Assessments Limited	UK
Moody's SF Japan K.K.	Japan
Moody's Shared Services UK Limited	UK

Moody's Singapore Pte Ltd	Singapore
Moody's South Africa (B.V.I.) Limited	Virgin Islands (British)
Omega Performance Corp./S.C.C. Á Rendement Omega	Canada
Passfort Limited	UK
RealXData GmbH	Germany
Regulatory DataCorp Limited	UK
Risk First Limited	UK
Risk Management Solutions (Bermuda) Ltd.	Bermuda
Risk Management Solutions Limited	UK
RMS Risk Management Solutions India Private Limited (Bangalore)	India
RMS Risk Management Solutions India Private Limited (Noida)	India
SCRiesgo S.A. de C.V. "Clasificadora de Riesgo"	El Salvador
SCRiesgo Sociedad Anonima	Guatemala
SCRiesgo Sociedad Calificadora de Riesgo S.R.L.	Dominican Republic
Sociedad Calificadora De Riesgo Centroamerica S.A.	Costa Rica
Yellow Maple Holding B.V.	Netherlands
Yellow Maple I B.V.	Netherlands
Yellow Maple II B.V.	Netherlands
Zephus Ltd.	UK

EXHIBIT 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the registration statements (No. 333-269918, No. 333-263152, No. 333-273620, No. 333-268134, No. 333-259539, No. 333-228577, No. 333-192334, No. 333-192333, No. 333-170753, No. 333-170727, No. 333-145127, No. 333-126564, No. 333-103496, No. 333-47848, No. 333-81121, No. 333-68555, No. 333-64653, No. 333-60737, No. 333-57915, and No. 333-57267) on Forms S-3 and S-8 of our report dated February 14, 2025, with respect to the consolidated financial statements of Moody's Corporation and the effectiveness of internal control over financial reporting.

/s/ KPMG LLP

New York, New York

February 14, 2025

EXHIBIT 31.1

CHIEF EXECUTIVE OFFICER CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Robert Fauber, certify that:

1. I have reviewed this annual report on Form 10-K of Moody's Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the periods covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15(d)-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ ROBERT FAUBER

Robert Fauber

President and Chief Executive Officer

February 14, 2025

EXHIBIT 31.2

CHIEF FINANCIAL OFFICER CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Noémie Heuland, certify that:

1. I have reviewed this annual report on Form 10-K of Moody's Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the periods covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15(d)-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ NOÉMIE HEULAND

Noémie Heuland

Senior Vice President and Chief Financial Officer

February 14, 2025

EXHIBIT 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Moody's Corporation on Form 10-K for the year ended December 31, 2024 as filed with the SEC on the date hereof (the "Report"), I, Robert Fauber, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ ROBERT FAUBER

Robert Fauber
President and Chief Executive Officer

February 14, 2025

EXHIBIT 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Moody's Corporation on Form 10-K for the year ended December 31, 2024 as filed with the SEC on the date hereof (the "Report"), I, Noémie Heuland, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ NOÉMIE HEULAND

Noémie Heuland

Senior Vice President and Chief Financial Officer

February 14, 2025