December 2014

MOODY'S CORPORATION

CORPORATE GOVERNANCE PRINCIPLES

The Board of Directors of Moody's Corporation has adopted the corporate governance principles set forth below as a framework for the governance of the Company. The Governance and Compensation Committee reviews the Principles annually and recommends changes to the Board of Directors as appropriate.

1. ROLE AND COMPOSITION OF THE BOARD OF DIRECTORS

Role of the Board

The Board of Directors, which is elected by the Company's stockholders, is the ultimate decision-making body of the Company except with respect to those matters reserved to the stockholders and subject to the complete independence of the Company's credit ratings, assessments and research. The Board selects the Chief Executive Officer (CEO) and approves the senior management team, which is responsible for conducting the Company's business, and monitors the performance of senior management. The Board also oversees the Company's enterprise-wide approach to the major risks facing the Company and, with the assistance of the Audit Committee and the Governance and Compensation Committee, oversees the Company's policies for assessing and managing its exposure to risk.

Size, Composition and Membership Criteria

All members of the Board, except the CEO, are independent directors. An "independent" director is a director who meets the New York Stock Exchange's definition of being "independent," as determined by the Board. The Board has adopted the standards set forth in Attachment A to these Principles to assist it in assessing the independence of directors. The Board makes an affirmative determination regarding the independence of each director annually, based upon the recommendation of the Governance and Compensation Committee.

The Governance and Compensation Committee considers and makes recommendations to the Board regarding the size, structure, composition and functioning of the Board. The Board presently has nine members. It is the Company's policy that the number of directors not exceed a number that can function efficiently as a body. The Board is divided into three classes, approximately equal in number, with staggered terms of three years each so that the term of one class expires at each annual meeting of stockholders. Thus, directors historically have stood for reelection every three years. However, the Board has initiated the declassification of the Board, as approved by stockholders. Beginning with the 2016 annual meeting, the declassification of the Board will be complete and the entire Board will stand for election annually for one-year terms.

The Governance and Compensation Committee is responsible for overseeing processes for the selection and nomination of director candidates, and for developing, recommending to the Board for approval, and periodically reviewing Board membership criteria. These criteria include business experience, qualifications, attributes and skills relevant to the management and oversight of the Company's business, independence, ability to represent diverse stockholder interests, judgment, integrity, the ability to commit sufficient time and attention to Board activities, and the absence of potential conflicts or the appearance of conflicts with the Company's business and interests. The Committee considers these criteria in the context of the perceived needs of the Board as a whole, seeking to achieve a diversity of occupational and personal backgrounds on the Board, and considers the unique nature of Moody's Investors Service and its role in the public securities markets. As an example, the Committee has determined that individuals who by profession actively manage securities portfolios could encounter conflicts of interests or give rise to the appearance of conflicts. The Committee also considers candidates recommended by stockholders in compliance with the procedures described in the Company's proxy statement.

The Governance and Compensation Committee reviews the qualifications of director candidates in light of applicable Board membership criteria and recommends the Company's candidates to the Board for election by the stockholders at the annual meeting. In addition, prior to the recommendation of the Company's director candidates to the Board, the chairman of the Board annually evaluates the performance and contributions of each incumbent director.

Board Leadership

The Board believes that it is in the best interests of the Company for the Board to periodically evaluate and make a determination regarding whether or not to separate the roles of Chairman and CEO based upon the circumstances. The Board appoints a Chairman annually to serve for a period of one year. The Board believes that presently it is in the best interests of the Company to separate the roles of Chairman and CEO and currently has selected an independent director to serve as Chairman.

The Chairman's responsibilities include: (a) approving the agenda for and presiding at meetings of the Board; (b) establishing the agenda for and presiding at executive sessions of the independent directors; (c) presiding at meetings of stockholders; (d) in collaboration with the Governance and Compensation Committee, evaluating the performance of the CEO; and (e) serving as the principal liaison on Board-wide issues among the independent directors.

Change in Principal Occupation

When a director's principal occupation or business association changes substantially during the director's tenure on the Board, the director must tender his or her resignation for consideration by the Governance and Compensation Committee. The Committee will recommend to the Board whether to accept or reject the resignation.

Service on Other Boards

Ordinarily, directors should not serve on the boards of more than four other public companies in addition to the Company's Board. Directors should advise the Chairman of the Board and the chairman of the Governance and Compensation Committee in advance of accepting an invitation to serve on another public company board.

Majority Voting

The Company has adopted majority voting in the uncontested election of directors and plurality voting in contested elections. In uncontested elections, directors are elected by a majority of the votes cast, which means that the number of shares voted "for" a director must exceed the number of votes cast "against" that director. The Company also has adopted procedures to address situations where a director does not receive a majority vote, under which a director subject to election must submit a contingent resignation which becomes effective if the director fails to receive a majority of the votes cast and the Board accepts the resignation. The procedures are set forth in a separate Director Resignation Policy and described in the Company's proxy statement.

2. FUNCTIONING OF THE BOARD

Agendas

The Chairman approves the agenda for each Board meeting in consultation with the CEO and with the understanding that certain items pertinent to the advisory and monitoring functions of the Board are brought to the Board periodically by the CEO for review and/or decision. Agenda items that fall within the scope of responsibilities of a Board committee are reviewed with the chairman of that committee. Directors are encouraged to suggest the inclusion of items on the agenda. Directors are also free to raise subjects at a Board meeting that are not on the agenda for that meeting.

Distribution and Review of Board Materials

Board materials related to agenda items are provided to directors sufficiently in advance of Board meetings to allow directors to review and prepare for discussion of the items at the meeting. In some cases, due to timing or the sensitive nature of an issue, materials are presented only at the Board meeting.

Director Access to Management, Employees and Advisors

At the invitation of the Board, members of senior management recommended by the CEO may attend Board meetings or portions of meetings for the purpose of participating in discussions. Generally, presentations of matters to be considered by the Board are made by the manager responsible for that area of the Company's operations. Directors also have full and free access to other members of management and to employees of the Company.

The Board has the authority to engage outside counsel, accountants, experts and other advisors as it determines appropriate to assist it in the performance of its functions.

Executive Sessions of Independent Directors

The independent directors routinely meet in executive session at regularly scheduled Board meetings. The Chairman establishes the agenda for and presides at these sessions and has the authority to call additional executive sessions as appropriate.

Director Compensation

The Governance and Compensation Committee annually reviews the compensation of directors and recommends any changes for approval by the Board, which has the authority to set director compensation. Non-management directors receive a combination of cash and equity compensation for service on the Board.

Stock Ownership Guidelines

The Board has established stock ownership guidelines for directors and executives of the Company, which are set forth in a separate policy and described in the Company's proxy statement.

Strategic Planning and Risk Oversight

The Board reviews the Company's long-term strategic plan at least annually. The Board oversees the Company's enterprise-wide approach to the major risks facing the Company and oversees the Company's policies for assessing and managing its exposure to risk. The Board periodically reviews these risks and the Company's risk management processes, including in connection with its review of the Company's strategy.

Succession Planning

The Board plans for succession to the position of CEO as well as certain other senior management positions. The Board, in conjunction with the Governance and Compensation Committee, annually reviews the Company's succession plans regarding the selection of individuals to fill these positions. The Board's review involves succession planning both in the context of a sudden and unplanned absence or inability of the CEO or of other senior executives to fill his position and in the context of planned promotions or retirements.

Formal Evaluation of CEO and Other Executive Officers

The Governance and Compensation Committee is responsible for setting annual and long-term performance goals for the CEO and for evaluating, in consultation with the Chairman, the performance of the CEO against those goals. The Committee both sets the CEO's goals and evaluates the CEO's performance against those goals in executive session. The Chairman shares the results of the evaluation with the CEO, and the Governance and Compensation Committee uses the results in considering and approving the compensation of the CEO.

The Governance and Compensation Committee also is responsible for reviewing and approving annual and long-term performance goals for other executive officers of the

Company. The Committee reviews with the CEO the performance of these executive officers against the goals and based upon that review, and considering recommendations from the CEO, sets the executive officers' compensation.

Annual Meeting of Stockholders

Directors are encouraged to attend the annual meeting of stockholders.

Director Orientation and Continuing Education

The Company has an orientation process for Board members that includes extensive materials and meetings with key management designed to familiarize new directors with various aspects of the Company's business, including the Company's strategy, operations, finances, risk management processes, compliance program, and governance practices. The Board encourages directors to participate in education programs to assist them in performing their responsibilities as directors.

Annual Performance Evaluation

The Board and each committee of the Board, under the oversight of the Governance and Compensation Committee, conducts an annual self-evaluation to assess its performance.

3. STRUCTURE AND FUNCTIONING OF COMMITTEES

Number, Structure and Independence of Committees

It is the general policy of the Company that all major decisions be considered by the Board as a whole. As a consequence, the committee structure of the Board is limited to those committees considered to be necessary and appropriate for the Company. Currently the Board's standing committees are the Audit Committee, the Governance and Compensation Committee and the MIS Committee. The Audit Committee and the Governance and Compensation Committee are made up solely of independent directors under the standards reflected on Attachment A. In addition, directors who serve on the Audit Committee and the Governance and Compensation Committee must be "independent" within the meaning of the New York Stock Exchange independence criteria for audit committee members and compensation committee members, respectively, both as reflected on Attachment A.

The Board may also establish and maintain other committees of the Board from time to time as it deems necessary and appropriate.

Assignment and Rotation of Committee Members

The Governance and Compensation Committee considers and makes recommendations to the Board regarding committee size, structure, composition and functioning. Committee members are recommended to the Board by the Governance and Compensation Committee and appointed by the full Board. Committee chairmen are elected by the Board. It is the policy of the Board that consideration be given to rotating committee members periodically, but the Board does not believe that rotation should be mandated as a policy.

Responsibilities

All committees report regularly to the full Board with respect to their activities. Each of the Audit Committee, the Governance and Compensation Committee and the MIS Committee operates under a written charter that sets forth the purposes, goals and responsibilities of the committee as well as qualifications for committee membership. Each of the Audit Committee, the Governance and Compensation Committee and the MIS Committee assesses the adequacy of its charter annually and recommends changes to the Board as appropriate. Each of the Audit Committee, the Governance and Compensation Committee and the MIS Committee has the authority to retain outside advisors as it determines appropriate to assist it in the performance of its functions.

Meetings and Agendas

The chairman of each committee determines the frequency, length and agenda of the committee's meetings. Materials related to agenda items are provided to committee members sufficiently in advance of meetings where necessary to allow the members to review and prepare for discussion of the items at the meeting.

Annual Performance Evaluation

In accordance with their respective charters, the Audit Committee, the Governance and Compensation Committee, and the MIS Committee each conduct an annual self-evaluation to assess their performance.

4. COMMUNICATIONS WITH DIRECTORS

Stockholders and other stakeholders may communicate with the Board, or with a specific director or directors, by writing to them c/o the Corporate Secretary, Moody's Corporation, 7 World Trade Center at 250 Greenwich Street, New York, NY 10007.

Attachment A

An "independent" director is a director whom the Board of Directors has determined has no material relationship with Moody's Corporation or any of its consolidated subsidiaries (collectively, the "Company"), either directly, or as a partner, stockholder or officer of an organization that has a relationship with the Company. For purposes of this definition, the Board has determined that a director is not independent if:

1. the director is, or in the past three years has been, an employee of the Company, or an immediate family member of the director is, or in the past three years has been, an executive officer of the Company;

2. (a) the director, or an immediate family member of the director, is a current partner of the Company's outside auditor; (b) the director is a current employee of the Company's outside auditor; (c) a member of the director's immediate family is a current employee of the Company's outside auditor and personally works on the Company's audit; or (d) the director or an immediate family member of the director was in the past three years a partner or employee of the Company's outside auditor and personally worked on the Company's audit within that time;

3. the director, or a member of the director's immediate family, is or in the past three years has been, an executive officer of another company where any of the Company's present executive officers serves or served on the compensation committee at the same time;

4. the director, or a member of the director's immediate family, has received, during any 12-month period in the past three years, any direct compensation from the Company in excess of $120,000, other than compensation for Board service, compensation received by the director's immediate family member for service as an employee (other than an executive officer) of the Company, and pension or other forms of deferred compensation for prior service with the Company;

5. the director is a current executive officer or employee, or a member of the director's immediate family is a current executive officer, of another company that makes payments to or receives payments from the Company, or during any of the last three fiscal years, has made payments to or received payments from the Company, for property or services in an amount that, in any single fiscal year, exceeded the greater of $1 million or 2% of the other company's consolidated gross revenues; or

6. the director, or the director's spouse, is an executive officer of a non-profit organization to which the Company or the Company foundation makes, or in the past three years has made, contributions that, in any single fiscal year, exceeded the greater of $1 million or 2% of the non-profit organization's consolidated gross revenues. (Amounts that the Company foundation contributes under matching gifts programs are not included in the contributions calculated for purposes of this standard.)

> An "immediate family" member includes a director's spouse, parents, children, siblings, mother and father-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone (other than a domestic employee) who shares the director's home.

In addition, a director is not considered independent for purposes of serving on the Audit Committee, and may not serve on the Audit Committee, if the director: (a) accepts, directly or indirectly, from Moody's Corporation or any of its subsidiaries, any consulting, advisory, or other compensatory fee, other than Board and committee fees and fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with Moody's Corporation; or (b) is an "affiliated person" of Moody's Corporation or any of its subsidiaries; each as determined in accordance with Securities and Exchange Commission regulations.

In addition, in determining whether a director is considered independent for purposes of serving on the Governance and Compensation Committee, the Board must consider all factors specifically relevant to determining whether the director has a relationship with the Company that is material to that director's ability to be independent from management in connection with the duties of a compensation committee member, including, but not limited to: (a) the source of the director's compensation, including any consulting, advisory or other compensatory fee paid by the Company to the director; and (b) whether the director is affiliated with Moody's Corporation, any of its subsidiaries or an affiliate of any subsidiary; each as determined in accordance with Securities and Exchange Commission regulations.