



# UK Gender Pay Gap Report 2018

MOODY'S



At Moody's, we are committed to an inclusive and diverse workplace that draws on the experiences, backgrounds and opinions of all our people. We support a work environment that values and maximizes the contributions of all employees. Our culture leverages diversity and inclusion for success, and we support the UK Gender Pay Gap reporting as part of our efforts to ensure equality of opportunity.

We have successfully worked to ensure that women and men across our company are paid equally for comparable work. But the UK gender pay gap data is not about equal pay; it is about the average pay of all women vs. all men in both Moody's Investors Service (MIS) Limited and Moody's Analytics (MA) UK Limited in aggregate. As such, the findings reflect what we already know: that there are fewer women than men in the most senior roles. We are committed to balancing our gender representation at all levels of the business and have put in place a number of activities and programmes to attract and develop female leaders, including leadership training for women, more gender-balanced recruiting and making flexible work arrangements available for all staff to recruit and retain the most talented employees.

While addressing the underlying causes of the UK gender pay gap at Moody's is a long-term effort, creating an environment that values and empowers all our staff will ultimately increase the quality of our opinions, products and services.

Raymond W. McDaniel, Jr.  
*President & Chief Executive Officer*  
*Moody's Corporation*

# Understanding the gender pay gap and why it is different from gender pay equality.

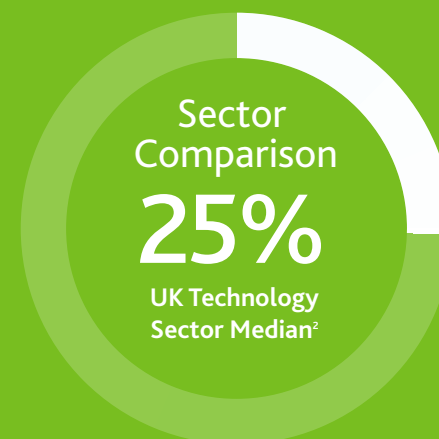
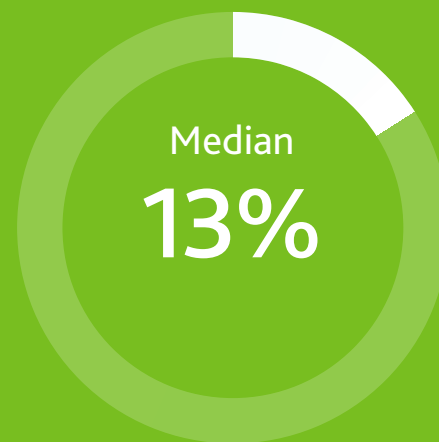
- » The UK Gender Pay Gap regulations require us to report the difference between the average of all women's pay and the average of all men's pay; it is not an assessment of equal pay, which is an analysis of the pay of women and men in comparable roles.
- » Moody's is an equal opportunity employer and believes in equal opportunity in all aspects of employment, including in pay.
- » We stand by the equality of our pay practices and annually review them to ensure women and men are paid in the same way, using the same compensation criteria.
- » We are encouraged that our Moody's Analytics UK Limited and Moody's Investors Service Limited gender pay gap results compare favorably to their respective UK sector averages.

## We are working hard to increase the relative percentage of women at the highest levels of the company

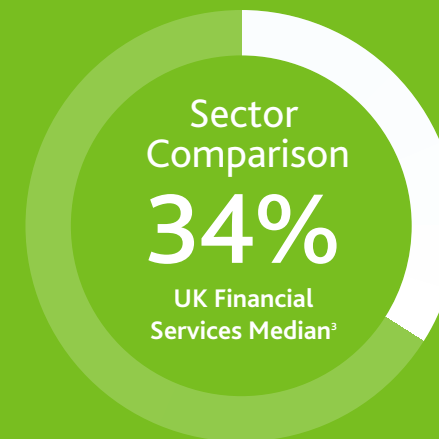
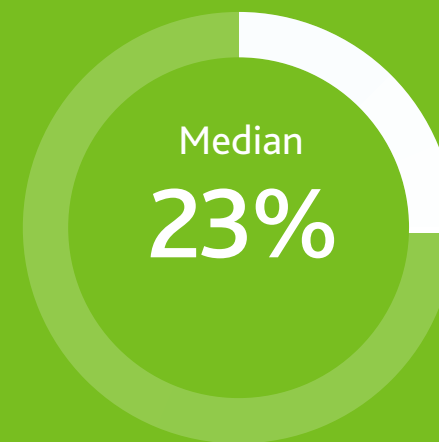
- » Our UK gender pay gap reflects that there are fewer senior positions held by women than men.
- » Our focus is to ensure that our pipeline of talent remains strong so that we can continue to advance talented men and women.
- » We believe our efforts will move us towards increasing the percentage of women in the most senior positions, closing our UK gender pay gap over time.

## COMPARATIVE SNAPSHOT OF THE GENDER PAY GAP — HOURLY RATES OF PAY<sup>1</sup>

### Moody's Analytics



### Moody's Investors Service



<sup>1</sup> The regulations define hourly rate of pay as the ordinary pay and bonus pay paid to the employee during the 5<sup>th</sup> April 2017 snapshot period. Ordinary pay includes basic pay, allowances (i.e., car allowances), and pay for leaves (i.e., sick, holiday, paternal or maternity leave), but excludes any overtime and redundancy payments.

<sup>2</sup> [www.uk.mercer.com/our-thinking/the-gender-pay-gap-in-uk-tech-sector.html](http://www.uk.mercer.com/our-thinking/the-gender-pay-gap-in-uk-tech-sector.html)

<sup>3</sup> Data is available at the ONS 2017 annual survey of hours and earnings in 'Financial Services Activities Excluding Insurance and Pension Funding', released 26/10/2017 and accessible at [www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/annualsurveyofhoursandearningsashegenderpaygaptables](http://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/annualsurveyofhoursandearningsashegenderpaygaptables)

# Moody's Analytics UK Limited

## Hourly, Bonus and Quartile Pay<sup>1</sup>

9.2%  
Mean

HOURLY  
GENDER  
PAY GAP

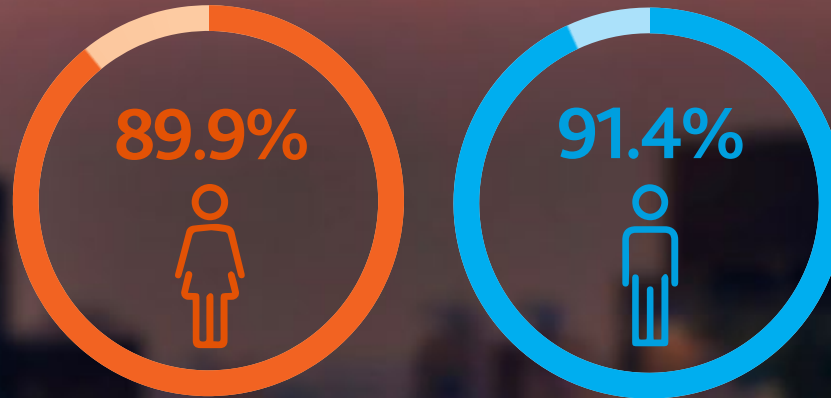
13.1%  
Median

37.8%  
Median

BONUS  
GENDER  
PAY GAP

16.0%  
Mean

PROPORTION OF FEMALES AND MALES  
RECEIVING BONUS PAY



PROPORTION OF FEMALES AND MALES  
IN EACH QUARTILE PAY BAND



As the co-chair of the UK Women's Employee Resource Group (WERG), I'm proud that Moody's supports gender balance at all levels of the organisation. Helping to develop strong talent and to promote women into more senior positions is important. As an organisation, we believe that the contributions of a diverse workforce increase the quality of our products and services, and I have seen first-hand that diverse teams bring more creativity and ideas to design great products and better serve our customers.

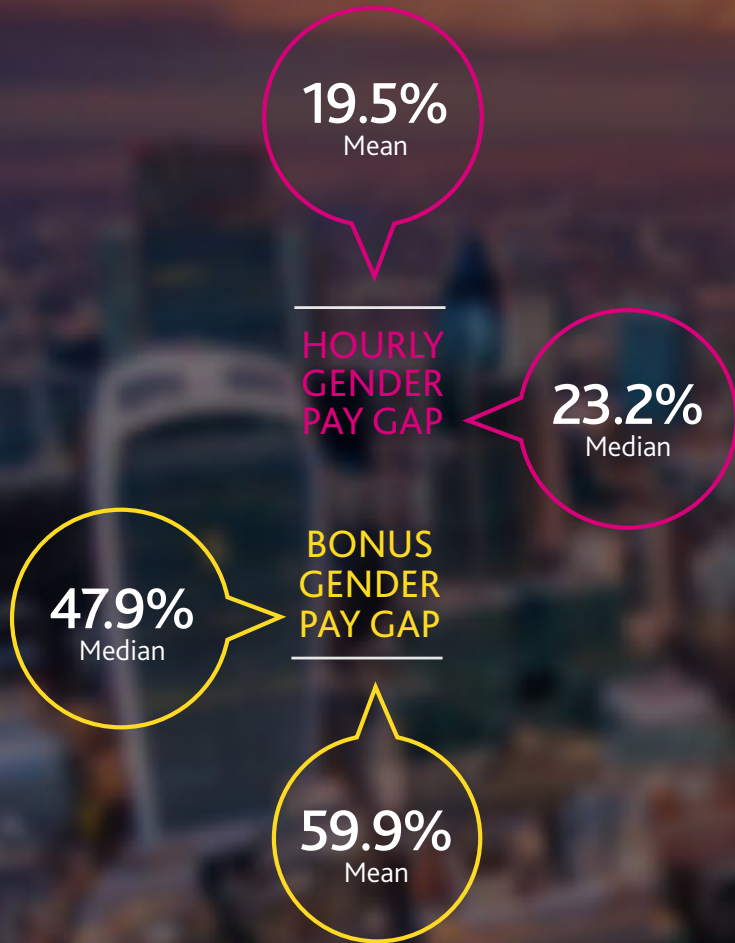


Fulya Jones  
Co-Chair, Moody's UK WERG  
Senior Director & Sales Manager, MA

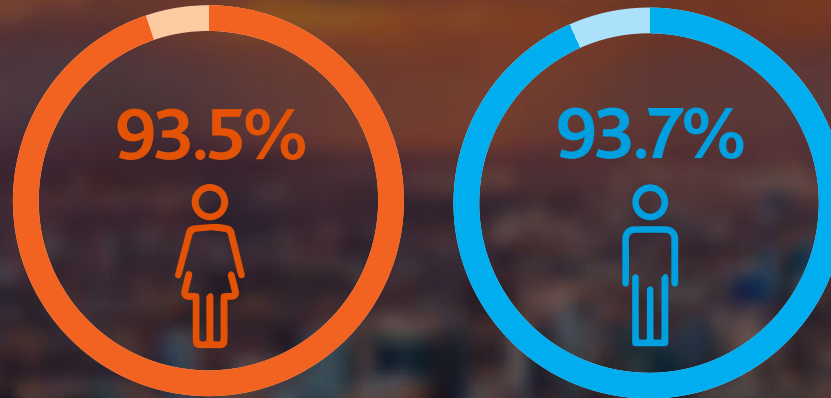
<sup>1</sup>This report shows the overall median and mean gender pay gap based on hourly rates of pay within a pay period which included 5 April 2017, and in bonuses paid in 12 months prior to 5 April 2017. Included in the bonus calculation are payments received as part of the Moody's Performance Incentive Compensation (PIC) plan, the MA Commission plan, the vesting of Restricted Stock Units (RSUs), the exercise of Stock Options, any employment retention payments, any sign-on bonus, the staff bonus, and any other forms of compensation related to performance or productivity.

# Moody's Investors Service Limited

## Hourly, Bonus and Quartile Pay<sup>1</sup>



### PROPORTION OF FEMALES AND MALES RECEIVING BONUS PAY



### PROPORTION OF FEMALES AND MALES IN EACH QUARTILE PAY BAND



In my role as co-chair of the UK Women's Employee Resource Group (WERG), I am pleased to see our organisation focus on gender balance and on attracting, developing and retaining top female talent. In the last few years, the UK WERG has hosted a series of events with external speakers, highlighting the importance of senior female role models who can serve as examples of success stories for other women and encourage them to continue progressing in their careers.



**Gwenaelle Renard-Safa**  
Co-Chair, Moody's UK WERG  
Associate Managing Director, MIS

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Data updated 22 July 2019, post-audit, to account for minor changes to data previously reported.

# Increasing Women in Leadership

Our programmes for increasing the number of female leaders focus on:



Gender-balanced recruiting



Support of flexible work arrangements for all



Targeted leadership development for women



Annual review of promotions and overall gender demographics



Fostering a culture of diversity and inclusion throughout the company, which includes educating the workforce on how to champion all talent, including diverse talent



“

We believe that having a gender balance at every level of the organization translates into stronger teams and better results for our business. Our talent management strategy is highly focused on attracting, developing and promoting diverse talent into critical senior level roles to increase the presence and impact of women in our business. ”

Melanie Hughes  
*Chief Human Resources Officer*



Moody's global workplace flexibility programme is a management tool that has proven to be an effective means for retaining women and men. Employees at all levels – early career hires through senior leaders – take advantage of the programme. To reinforce the company's commitment to flexible work, we highlight that employees with Flexible Work Arrangements receive the same consideration for career advancement as all employees. When employees have the opportunity to manage work and personal life, while ensuring business demands are met, we know that engagement, productivity and morale increase. »

Sandra Altiné  
*Managing Director,  
 Diversity & Inclusion*



## Placing Diversity & Inclusion at the Centre of Our Culture

Moody's is committed to making diversity and inclusion part of the fabric of our organisation. And our commitment starts at the top. Our CEO Ray McDaniel chairs the Diversity Council, a body that oversees Moody's diversity and inclusion strategy. Council membership includes senior leaders across the company working in partnership with the Office of Diversity & Inclusion to implement the strategy.

### Our actions:

- » We continually build diversity and inclusion awareness and provide skill-building programmes through D&I training, gender intelligence training and our "Conversations to Understand" speaker series.
- » We are committed to a broad slate of candidates for open positions with a goal of increasing diverse hiring, including women.
- » We offer flexible work arrangements—providing employees with flexibility to modify their hours and/or work location—to support work-life balance and retain talent.
- » For employees with caring responsibilities we offer emergency back-up care for children and elderly parents, and vouchers to help with the costs of child care.
- » We have 28 Employee Resource Groups (ERGs) around the world, including 14 dedicated women's ERGs, which support the recruitment, development and retention of diverse and talented employees. For example, the UK Women's ERG offers a mentoring programme for new parents.



MOODY'S  
 GENERATIONAL  
 ERG



MOODY'S  
 LGBTQ+  
 ERG



MOODY'S  
 MULTICULTURAL  
 ERG



MOODY'S  
 VETERANS  
 ERG



MOODY'S  
 WOMEN'S  
 ERG

## Women in Leadership Programmes

Moody's Women in Leadership programmes are a critical component of our strategy to develop skills and opportunities for women, identify and retain talent, foster greater mobility across the organisation and increase women's contributions to the leadership of the company.

### Programmes include:

#### Senior Women's Leadership Forum

Two-year development programme for senior-level women to expand their leadership capabilities; includes classroom training, executive coaching, cohort networking and senior leader meetings.

#### Building Leadership Presence Through Powerful Communication

Women's leadership development programme open to all mid-career women globally, focused on honing leadership skills and personal brands.

#### Executive Series and Leadership Spotlights

Guest talks and panels with senior managers as well as leaders from outside Moody's.

“

Moody's is a place where talent and expertise are the paramount considerations for advancement, regardless of factors like gender, ethnicity, etc. This is good news for anyone, including women, who first and foremost want to work in a place where they are recognized and rewarded for their contributions. It's also one of the reasons I have been successful in pursuing leadership positions throughout my 20-year tenure. I am proud of the progress we're making to further opportunities for people of all backgrounds and I support our commitment to advancing female talent through actively engaging in our leadership programmes and unconscious bias training. ”

Monica Merli  
*MIS Regional Head, EMEA*





We confirm the data reported in this report is accurate.



Raymond W. McDaniel, Jr.  
*President & Chief Executive Officer*  
*Moody's Corporation*



Melanie Hughes  
*Chief Human Resources Officer*  
*Moody's Corporation*

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