

POLICY ON BUSINESS DEVELOPMENT

1 INTRODUCTION

This Policy sets out Nordic Credit Rating AS's ("NCR") principles and internal requirements governing its business development activities (the "Policy"). It outlines NCR's approach to managing existing products and services, expansion into new markets, developing new products and services, and implementing significant changes to existing offerings (collectively referred to as "new business development"). It also describes the procedures for the approval of exceptional commercial transactions.

Defined terms used in this Policy are set out in the *Definition of terms*, available on NCR's website and intranet.

This Policy is reviewed and approved by the Board of Directors.

2 APPLICABILITY

This Policy applies to all Commercial Employees at NCR. It is binding on any Employee engaged in business development, marketing, or client relationship activities.

The latest version of this Policy, including any updates or amendments, is published and made available on NCR's website and intranet. The Policy shall be reviewed and updated as necessary, and at least annually.

3 GENERAL PRINCIPLES

As a regulated Credit Rating Agency (CRA), NCR conducts business primarily through the assignment of Credit Ratings to entities domiciled in the Nordic countries (Denmark, Finland, Iceland, Norway, and Sweden), although activities may extend beyond this geographic scope.

To support its operations, NCR enters into commercial agreements with Issuers and other clients and charges fees for its Credit Rating services. Fees shall be cost-based and must not, under any circumstances, depend on the level of the Credit Rating assigned or on any other outcome of the analytical work performed. NCR's approach to pricing is further described in the *Policy on Pricing*.

In addition to Credit Rating services, NCR may offer select Ancillary Services and Other Services. These are primarily credit-related analytical products that do not constitute Credit Ratings and are clearly distinguished from Credit Rating Activities.

A complete list of NCR's currently approved products and services is set out in section 7 of this Policy. Any new product or service must be reviewed and approved in accordance with the procedures described in section 4.

4 NEW BUSINESS DEVELOPMENT

New business development includes the introduction of new analytical areas requiring the development of new Rating methodologies, material changes to NCR's commercial or operating model, or the addition of new Ancillary Services.

The procedure for assessing and approving new business initiatives includes the following steps:

1. The Commercial Function prepares a well-documented and substantiated business case for the proposed new product or service.

2. A *New business development (NBD) form* is completed by a Commercial Employee, with input from relevant internal stakeholders. The form shall address considerations such as:
 - Regulatory compliance.
 - Pricing model and financial viability.
 - Potential impact on NCR's risk profile.
 - Staffing needs and internal competencies.
 - IT resources and infrastructure.
 - Availability of appropriate internal tools, systems, and expertise to assess and monitor associated risks.
3. The commercial steering group reviews the NBD form and associated documentation and decides whether to approve or reject the proposal. The steering group shall include the CEO and a representative from the Compliance Function.
4. If approved by the steering group, the NBD form is submitted to the Board of Directors for final approval or rejection.
5. Following Board approval, development of the new product or service may proceed. Any material deviations from the approved NBD form during the implementation phase must be submitted to the Board for renewed approval.

5 EXCEPTIONAL TRANSACTIONS

Exceptional transactions refer to commercial activities that fall outside of NCR's ordinary business operations but do not involve the development of new products or services, or significant changes to existing ones. An example could include assigning a Credit Rating to an Issuer located outside the Nordic region to support access to Nordic capital markets.

The procedure for assessing and approving exceptional transactions includes the following steps:

1. The Commercial Function assesses whether the proposed exceptional transaction is feasible and economically viable.
2. An Exceptional Transaction form (ET) form is completed by a Commercial Employee, with input from relevant internal stakeholders (see section 6 for further details). The ET form must address considerations related to:
 - Regulatory compliance.
 - Pricing model and financial viability.
 - Risk implications.
 - Staffing needs and internal competencies.
 - IT resources and infrastructure.
 - Internal capacity to understand and monitor the associated risks.
3. The commercial steering group reviews and approves or rejects the ET form. The group must include the CEO and a representative from the Compliance Function.
4. The ET form is presented to the Board of Directors for final approval or rejection. All supporting documentation and decisions shall be recorded and stored electronically.
5. If approved, the transaction may proceed in accordance with internal Policies and controls.

6 ROLES AND RESPONSIBILITIES

The origination and development of new business initiatives and exceptional transactions shall always be managed by Commercial Employees.

Analytical Employees may contribute input to the NBD or ET form during the assessment process, strictly limited to analytical capacity, staffing, or expertise considerations. However, they must not be involved in any commercial considerations, including pricing, client targeting, or financial viability assessments.

The Compliance Function shall be involved throughout the process by:

- Reviewing the NBD or ET form to assess compliance with regulatory requirements and internal policies.
- Ensuring that new initiatives do not compromise NCR's independence, objectivity, or conflict-of-interest framework.
- Participating in the commercial steering group with advisory and approval responsibilities.

The Chief Executive Officer (CEO) shall:

- Participate in the commercial steering group and be responsible for ensuring alignment of new business activities with NCR's strategic objectives.
- Endorse proposals prior to submission to the Board of Directors.

The Board of Directors (BoD) shall:

- Review and provide final approval or rejection of all new business initiatives and exceptional transactions.
- Ensure that proposals are aligned with NCR's risk appetite, long-term strategy, and regulatory obligations.
- Oversee that implementation is carried out in accordance with the approvals granted.

7 PRODUCTS AND SERVICES

NCR provides Credit Rating Services, Ancillary Services, and Other Services. For definitions of each service, refer to the *Definition of terms*, available on NCR's intranet and website.

Type of service	Service name	Description
Credit Rating	Issuer Credit Rating	NCR's assessment of an Issuer's overall capacity to meet its financial obligations. The Rating is monitored and may be public, private, confidential, or preliminary.
Credit Rating	Instrument (Issue) Credit Rating	NCR's assessment of the credit quality of a specific debt instrument. The Rating is monitored and may be public, private, confidential, or preliminary.
Ancillary service	Credit Assessment	A confidential, point-in-time indicator of the credit quality of an entity or instrument expressed using NCR's Rating scale in lower-case letters (e.g. 'bbb+'). Typically provided on a portfolio of entities or instruments.
Ancillary service	Credit View	A Credit Assessment accompanied by a brief analytical rationale. Typically delivered on a portfolio of entities or instruments.
Ancillary service	Data Licensing	A subscription-based data feed containing up-to-date NCR Rating data for internal use by the subscriber.
Ancillary service	Private Credit Analysis	A Credit Assessment with an in-depth written rationale. Generally confidential but may be shared with third parties on a limited basis.

Ancillary service	Rating evaluation service (RES)	A point-in-time, confidential, credit rating indication assessing the credit impact of one or more pre-defined scenarios. Applicable only to Issuers that already have an active NCR Credit Rating.
Other service	Credit Training	Training sessions led by NCR staff, covering credit market developments, rating fundamentals, rating methodologies, and sector-specific credit analysis.

8 DOCUMENT INFORMATION, VERSION HISTORY AND DISTRIBUTION

8.1 Document information

DOCUMENT STATUS

Version	1.7
Author	CEO
Status	Effective 2025-09-08
Classification	Business development
Adopted by:	Board of Directors
Adopted on:	2025-09-08
Next review date:	September 2026

8.2 Version history

#	AUTHOR	ROLE	APPROVED	DATE	COMMENT
1.0	CEO	Author	Board of Directors	2020-12-03	Initial document
1.1	Compliance	Review	Board of Directors	2021-06-07	Reviewed. No changes.
1.2	Compliance	Review	Board of Directors	2022-05-31	Editorial changes.
1.3	Compliance	Review	Board of Directors	2023-04-20	Editorial changes.
1.4	Compliance	Review	Board of Directors	2023-11-03	Editorial changes.
1.5	Compliance	Review	Board of Directors	2024-06-07	Editorial changes.
1.6	CEO	Amendment	Board of Directors	2024-12-04	Minor updates and editorial changes. List of services now included here.
1.7	Compliance	Review	Board of Directors	2025-09-08	Editorial updates. Included roles and responsibilities of more functions.

8.3 Distribution and access

ROLE	NAME	E-MAIL
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All Employees