Nordic
Credit
Rating

POLICY ON STAFFING AND COMPENSATION

1 INTRODUCTION

This document sets out Nordic Credit Rating AS's (NCR) Policy on Staffing and Compensation (the "Policy"). The Policy establishes NCR's principles and approach to key areas related to staffing and compensation, including:

- Compensation practices.
- Training and professional development.
- Mitigation of key-person risk.
- Arrangements relating to the termination of employment or subsequent employment with a Rated Entity.
- Procedures for whistleblowing and the reporting of concerns.

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

This Policy has been reviewed and approved by NCR's Board of Directors.

2 APPLICABILITY

Unless expressly stated otherwise, this Policy applies to all Employees of NCR.

The Policy, along with any subsequent updates, is published and made available on NCR's intranet. It is subject to review and, if necessary, revision at least annually.

As to compliance with this Policy and reporting of material breaches to ESMA, please confer the procedures regarding the Compliance Function set out in the P*olicy on Organisation of Material Functions*.

3 COMPENSATION AND PERFORMANCE EVALUATION

3.1 Avoidance of conflicts of interest

To avoid Conflicts of Interest, the compensation of individuals involved in Credit Rating Activities or Internal Control Functions must not be linked to the business performance of NCR, including revenues derived from Rated Entities or Related Third Parties.

3.2 General principles for fixed compensation

Fixed compensation at NCR is determined based on the role and position of the individual, taking into account the following factors:

- Relevant professional experience.
- Seniority.
- Educational background.
- Level of responsibility.
- Job complexity.
- Local market conditions.

The specific terms of fixed compensation are set out in each individual’s employment agreement.

3.3 Compensation and performance evaluation for Analysts and Chief Rating Officer, including Credit Rating Committee members

Analytical Employees receive fixed compensation in accordance with the general principles set out in Sections 3.1 and 3.2.

These individuals may be eligible to participate in NCR's Employee Shareholding Program. For more details, refer to the *Instruction for Employee Shareholding Program*.

3.4 Compensation and performance evaluation for the CEO

The CEO receives fixed compensation in accordance with 3.2 and may also be eligible for variable compensation.

Variable compensation is determined by the Board of Directors and is contingent upon factors such as the CEO's individual performance. Variable remuneration shall be designed in a manner that does not create Conflicts of Interest and complies with applicable regulatory requirements.

3.5 Compensation and performance evaluation for Internal Control Functions

Employees performing Internal Control Functions receive fixed compensation in accordance with Section 3.2. As stated in Section 3.1, they are not eligible for variable compensation and may not participate in NCR’s Employee Shareholding Program.

To safeguard their independence, their fixed compensation must not be linked to NCR's business performance.

3.6 Compensation for other Employees and natural persons working under NCR's control

Employees and other natural persons whose services are placed at NCR's disposal or under its control, and who are not covered by the sections above, receive fixed compensation in accordance with Section 3.2. They may be eligible for variable compensation.

Variable compensation is proposed jointly by the CEO and the Chief Rating Officer and is subject to final approval by the Board of Directors. It is contingent, inter alia, on the individual’s personal performance and must not undermine NCR’s independence or create conflicts of interest.

3.7 Review

The Compliance Function and/or the INEDs shall conduct formal and periodic reviews, at least annually, of NCR's compensation and performance evaluation practices for all Employees. These reviews shall assess whether compensation arrangements remain appropriate, consistent with regulatory requirements, and free from Conflicts of Interest.

Findings from the review shall be documented and, where material, escalated to the Board of Directors for further consideration and, if necessary, corrective action.

4 TRAINING AND DEVELOPMENT OF STAFF

4.1 Training and development statement

NCR is committed to fostering a strong learning culture that enables Employees to reach their full potential, enhances job satisfaction, and supports long-term career development.

To this end, NCR provides training and development opportunities aligned with both the organisation's operational and strategic objectives and the individual learning needs and aspirations of its Employees.

The CEO is responsible for ensuring that Employees possess the appropriate knowledge, skills, and experience necessary to perform their assigned duties effectively and in compliance with applicable regulatory requirements.

4.2 General requirements

The following training modules are mandatory for all Employees:

- NCR's mission, vision, and values.
- Internal control training, including Conflicts of Interest and Information Security.

In addition to these core modules, Employees are required to complete role-specific training appropriate to their responsibilities. Detailed training requirements are set out in the *Instruction for Training and Development*.

The Board of Directors shall receive training relevant to their role as part of the onboarding process. The INEDs shall also undergo annual training covering their roles, responsibilities, applicable processes, governing documents, and their control and reporting obligations. The objective of the INED training program is to ensure that their duties are performed in accordance with the requirements and recommendations set out by ESMA.

Further detail on training for the Board of Directors and INEDs is provided in the *Policy on Boards of Directors* and *Instruction for Onboarding of INEDs*.

4.3 Formal assessment for Credit Rating Activities

The Compliance Officer shall monitor whether an examination or other type of formal assessment is required for the performance of Credit Rating Activities, and, where applicable, determine the appropriate content and format of such assessment.

In addition, the Compliance Officer and the CEO shall conduct ongoing reviews to assess:

- The need for further training and development of existing Employees.
- The need to recruit additional staff to ensure NCR maintains the necessary expertise and resources to perform its Credit Rating Activities effectively.

5 KEY PERSON RISK

NCR recognises the importance of mitigating the risk of over-reliance on individual Employees, particularly in functions critical to the integrity and continuity of Credit Rating Activities and Internal Control Functions. The objective is to ensure that NCR can maintain business continuity, independence, and compliance even in the event of the loss or absence of key personnel.

The measures described in the section below should be read in conjunction with the *Policy on Organisation of Material Functions*, which outlines how key responsibilities are structured, delegated, and monitored to ensure operational resilience.

5.1 Measures to mitigate key person risk

The CEO shall regularly assess the risk associated with NCR's reliance on individual Employees, including the potential impact if such Employees were to terminate their employment or become unable to perform their duties due to illness or other unforeseen circumstances.

The risk assessment shall consider, inter alia:

- The significance of the relevant Employee(s) to the ongoing performance of NCR's services.
- The degree of specialization and unique knowledge held by the Employee(s).
- The feasibility of replacing the required competence within a short timeframe to ensure continuity of operations.

To mitigate these risks, NCR has implemented a number of measures, including but not limited to:

- Cross-training and knowledge-sharing among team members to reduce key-person dependency.
- Documentation of key processes, methodologies, and decisions to support operational continuity.
- Clear role descriptions and succession planning for critical functions.
- Maintenance of a business continuity plan that includes procedures for staff unavailability or unexpected departures.

NCR recognises the potential negative consequences of being unable to perform a Rating Action due to insufficient capacity. Accordingly, additional measures to ensure operational resilience and continuity are described in the *Policy on Organisation of Material Functions* and in the *Instruction for Business Continuity Management*.

6 TERMINATION OF EMPLOYMENT

NCR recognizes the importance of having clear procedures in place when an Employee terminates their employment, particularly when the Employee intends to join a Rated Entity or Related Third Party. NCR is committed to ensuring that all Employees understand the restrictions on post-employment transitions. Analytical Employees and Persons Closely Associated with them are prohibited from accepting key management positions (C-suite) with a Rated Entity or Related Third Party within a cooling-off period of six months from the termination date (see Annex I, Section C, point 7 of CRAR).

Certain obligations described in this section also apply to Persons Closely Associated with an Employee, in accordance with NCR’s policies and regulatory requirements.

6.1 Notification requirements upon termination

If an Analytical Employee resigns from their position at NCR, the Employee must submit a formal notice of resignation to the Chief Rating Officer with a copy to the CEO. This notice must include a description of the new employer and, where applicable, the nature of the role the Employee intends to assume.

6.2 Arrangements when an Employee joins a Rated Entity or related third party

If an Employee terminates their employment with NCR to join a Rated Entity that they have been involved in rating, or a financial firm (e.g. underwriter or investment firm), with which they have had professional dealings in the course of their duties at NCR, the Compliance Function shall conduct a review of the Employee's relevant work over the two-year period preceding their departure.

The review shall be initiated by the Compliance Function as soon as possible after the Employee submits their notice of resignation, as described in section 6.2.

Following submission of the resignation notice, the Employee shall immediately be recused from any involvement in Credit Rating Activities of NCR relating to the Rated Entity or financial firm they intend to join.

6.3 Prohibition on accepting key management positions with a Rated Entity or Related Third Party

Analytical Employees and Persons Closely Associated with an Analytical Employee are prohibited from accepting a key management position with a Rated Entity or a Related Third Party within six months of the issuance of a Credit Rating or Rating Outlook (a Credit Rating Action) in which the Analytical Employee was involved.

To ensure awareness of this prohibition:

- Analytical Employees shall acknowledge this restriction in writing upon commencement of employment at NCR.
- Analytical Employees are responsible for informing their Closely Associated Persons of the restriction.
- All Analytical Employees shall reaffirm their awareness in writing at least annually, through a formal compliance declaration process.

7 WHISTLEBLOWING

This procedure is established in cooperation with NCR's Employees, in accordance with applicable law, including the Norwegian Working Environment Act:

Employees who:

i. Have concerns regarding censurable conditions at NCR, regardless of the nature of those concerns; or

ii. Believe that another Employee has engaged in conduct that may be illegal, unethical, or otherwise improper,

are encouraged to report such concerns directly to the Compliance Function.

If the concern involves the Compliance Function and/or a Compliance Officer, the Employee is encouraged to report the matter directly to the Independent Non-Executive Directors (INEDs).

Reports will be received and reviewed solely by the Compliance Officer or the INEDs (as applicable). They will determine the appropriate next steps based on the nature and seriousness of the concern raised. Whistleblowers shall receive acknowledgement of receipt of their report and, where appropriate, general information on the progress or outcome of the review, subject to confidentiality and legal constraints.

NCR ensures that there will be no adverse consequences for any person who, in good faith, reports a concern or suspected wrongdoing. Protection is provided to all whistleblowers who reasonably believe the information disclosed, and any allegation contained within it, is substantially true.

The identity of whistleblowers and any information from which their identity may be deduced shall be treated as strictly confidential and disclosed only where necessary to investigate the concern or where required by law.

All whistleblowing reports and follow-up actions shall be documented and retained in accordance with NCR's Record Keeping Policy.

8 DOCUMENT INFORMATION, VERSION HISTORY AND DISTRIBUTION

8.1 Document information

DOCUMENT STATUS	
Version	2026.1
Supersedes version	2.6
Prepared by	Compliance Function
Document owner	Compliance Function
Approved by	Board of Directors
Implements document	Not applicable for a policy.
Date approved	2026-07-01
Date effective	2026-07-01
Date review due	2027-10-31

8.2 Version history

#	AUTHOR	ROLE	APPROVED	DATE	COMMENT
1.0	Thommessen	Author	Board of Directors	2018-02-06	Initial application document
2.0	CCO	Author	CEO	2019-08-26	Non-material change made to section 4.5 – added the Review Function, and 5.2 – compliance seminar and Code of Conduct certification
2.1	Compliance, CEO	Review	Board of Directors	2020-06-16	Policy review with editorial changes
2.2	Compliance	Review	Board of Directors	2021-06-05	Added references to Risk Officer and editorial changes.
2.3	Compliance	Review	Board of Directors	2022-06-02	Editorial changes
2.4	Compliance	Review	Board of Directors	2023-04-20	Added reference to Employee Shareholding Program
2.5	Compliance	Review	Board of Directors	2024-08-29	Policy review, moved parts regarding the Board, INEDs, Nomination Committee and Training to other policies.
2.6	Compliance	Review	Board of Directors	2025-09-08	Editorial update.
2026.1	Compliance	Review	Board of Directors	2026-07-01	Annual review, no changes.

8.3 Distribution and access

ROLE	NAME	E-MAIL
	All employees	