Nordic Credit Rating

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Investment Holding Company Rating Methodology

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INTRODUCTION

1. This methodology describes the framework within which Nordic Credit Rating (NCR) assigns credit ratings to investment holding companies, as well as to debt issued by rated entities. NCR defines an investment holding company as a company with a strategic ambition to earn returns through capital appreciation and dividends from equity participation in listed and unlisted companies. An investment holding company has limited operations outside its investments, lacks operational and financial integration with its investments, and is expected to rotate investment positions, which are generally of little or no long-term strategic value.

2. This methodology also encompasses operating investment holding companies that have additional operations outside investing, as long as the value of such operations represents less than 50% of the total portfolio value over time, allowing for fluctuations in market value, and primary cash inflows are dividends from investment holdings or the sale of assets. NCR assesses corporate conglomerates, as defined below, according to NCR's *Corporate Rating Methodology*. NCR assesses corporate and non-financial holding companies, which typically own long-term strategic positions in one or a few operating subsidiaries, using NCR's *Group and Government Support Rating Methodology*.

Figure 1. Characteristics of investment holding companies and corporate conglomerates

Investment holding company	Operating investment holding company	Corporate conglomerate
• A pure investment holding company lacks financial and operational integration with its investments and earns all or nearly all its returns from capital appreciation and dividends from equity investments. • The majority of the portfolio comprises minority equity investments.	• An operating investment holding company typically has some majority-owned assets that are operationally and financially integrated into the holding company structure. • The equity value of additional investments typically represents less than 50% of total portfolio value, and primary cash inflows consist of dividends from investment holdings or the sale of assets over time. • The main scope of operations relates to equity investments, although the value of such investments may represent less than 50% of total portfolio value at times.	• A corporate conglomerate differs from an investment holding company due to its financial and operational integration with its group companies. It usually has full control over its subsidiaries and participates in the management of those companies. • A conglomerate is strategic in nature and expects to earn most of its returns from value-enhancing activities and the control of profits in subsidiaries, not from the sale of subsidiaries. Debt is serviced using the earnings of group companies, not dividends.

NOTE: Volatility in market prices does not typically lead to a change in NCR's methodology and analytical approach and instead requires an investment holding company or corporate conglomerate to redefine its strategic scope.

3. This methodology is designed to be robust, continuous and systematic, and to produce ratings that are relevant to and comparable with other ratings assigned by NCR, as outlined in NCR's Rating Principles, which can be found at www.nordiccreditrating.com. Ranges in the guideline tables throughout these criteria are meant to reflect long-term levels and are subject to analytical judgement.

4. The indicative credit assessment combines the business risk assessment and financial risk assessment using the matrix in Figure 4 in the *Corporate Rating Methodology*. The matrix maps the interaction of these two dimensions into an indicative credit assessment. In cases where the matrix indicates two indicative credit assessments, NCR will determine the outcome that best reflects the issuer's credit profile based on analytical judgement. The general framework is presented in the *Corporate Rating Methodology*.

FRAMEWORK OVERVIEW

Figure 2. NCR investment holding company rating factors and subfactors

Factors	Subfactors	Impact	Output
Business risk assessment	Investment strategy	30%	'aa' to 'b-'
	Asset diversity	40%	'aa' to 'b-'
	Portfolio liquidity	30%	'aa' to 'b-'
Financial risk assessment	Ratio analysis	60%	'aa' to 'b-'
	Risk appetite and financial flexibility	40%	'aa' to 'b-'
Indicative credit assessment			'aa' to 'b-'
Adjustment factors	• Liquidity		+1 to -3 notches. 'b-' cap
	• Additional calibration		Up to ±2 notches
	• Dividend control and diversity		Up to ±1 notch
	• High-risk investments		Up to -1 notch
	• Portfolio concentrations		Up to -2 notches*
	• Portfolio illiquidity		Up to -1 notch
Standalone credit assessment			'aa' to 'b-'
External analysis	Group and government influence		Notch adjustment
Issuer rating			'AAA' to 'D'

*Rating could be capped in case of strong linkage to one portfolio company.

DERIVING BUSINESS AND FINANCIAL RISK ASSESSMENTS

5. NCR assesses each business- and financial-risk subfactor on a scale from 'aa' to 'b'. Where relevant, NCR may apply plus ('+') or minus ('-') modifiers to differentiate relative strength within an assessment category.

6. NCR converts the subfactor assessments to the numerical scale defined in the Corporate Rating Methodology. NCR then applies the weights specified in this methodology and aggregates the resulting scores to derive the business-risk and financial-risk assessments.

7. NCR applies the mapping between weighted average scores and factor assessments defined in the Corporate Rating Methodology.

HIGHEST AND LOWEST RATINGS

8. The indicative credit assessment and standalone credit assessment do not result directly in the highest ('AAA' and 'AA+') or lowest ('CCC', 'CC' and 'C') rating categories.

9. NCR applies the criteria for assigning these rating categories set out in Appendix 1 of the Corporate Rating Methodology. For investment holding companies in financial distress, NCR places particular emphasis on liquidity, refinancing requirements, portfolio liquidity, asset-disposal capacity, structural subordination and the sustainability of the capital structure.

BUSINESS RISK ASSESSMENT

Figure 3. Business risk assessment subfactors

Factor	Subfactors	Impact	Selected metrics
Business risk assessment	Investment strategy	30%	• Investment track record. • Ownership role. • Credit quality of portfolio companies. • Predictability in investments.
	Asset diversity	40%	• Portfolio diversity. • Sector and geographic diversity.
	Portfolio liquidity	30%	• Share of listed investments. • Divestment pricing impact. • Weighted ownership stakes.

INVESTMENT STRATEGY

(30% weight in the business risk assessment)

10. An investment holding company's creditworthiness – its ability to service debt – is related to its investment strategy and the credit quality of its portfolio companies. Issuers with greater exposure to high-risk investments have a higher risk of default than issuers with primarily stable, dividend-paying investments. NCR considers broad exposure to stable, low-risk sectors and developed countries with lower country risk as supportive of investment stability and resilience to adverse events. Conversely, NCR considers exposures to structurally declining markets and unsustainable industries with associated transition risk as negative.

11. When assessing an investment holding company's investment strategy, NCR analyses risk tolerance in underlying investments and participation in those companies. NCR typically regards exposures to large companies with high credit quality and stable dividends as carrying less risk than exposures to non-dividend-paying growth companies. Higher-risk investments have a greater likelihood of financial distress and erosion of value, reducing an investment holding company's ability to service its debt.

12. NCR also considers an investment holding company's ownership role in its investments. For instance, NCR considers whether an investment holding company has a history of increasing the leverage of its investments, changing policies or venturing into higher-risk segments. NCR's analysis entails an evaluation of the predictability of investment risk appetite and adherence to communicated investment mandates.

13. NCR's assessment of the credit quality of portfolio companies involves credit assessments of all material investment positions, which typically exceed 15% of the total portfolio value. The remaining exposures are evaluated through a portfolio approach rather than by assessing the credit quality of each individual exposure.

14. NCR considers an investment holding company's track record of executing its investment strategy. In the absence of a material track record, NCR takes a conservative approach, based on management's communicated investment strategy.

15. NCR regards a company's transparency and historical adherence to investment guidelines as an indication that future changes to portfolio composition and business profile are deliberate. This is because there is less uncertainty when assets are rotated amid explicit investment guidelines.

Figure 4. Investment strategy scoring guidelines

Subfactor	aa	a	bbb	bb	b
Investment strategy	• Very conservative investment strategy. • Long and very strong track record. • Very stable ownership role. • Very high investment predictability.	• Conservative investment strategy. • Long and strong track record. • Stable ownership role. • High investment predictability.	• Relatively conservative investment strategy. • Strong track record. • Relatively stable ownership role. • Moderate investment predictability.	• Moderately aggressive investment strategy. • Mixed to weak track record. • Ownership shows elements of opportunism. • Low investment predictability.	• Aggressive investment strategy with a weak track record. • Ownership shows a large degree of speculation and opportunism. • Very low investment predictability.

16. In addition, NCR may apply the high-risk investments adjustment factor where the underlying investments or investment strategy are riskier than reflected in the business-risk assessment. NCR may also use this adjustment to capture material sector or geographic risks that are not adequately reflected elsewhere in the analysis.

ASSET DIVERSITY

(40% weight in the business risk assessment)

17. Asset diversity is based on NCR's assessment of an investment holding company's portfolio diversity, as well as the sector and geographic diversity of underlying investments. NCR's analysis weighs the size of investment positions when assessing sector and geographic diversity.

18. When analysing portfolio diversity, NCR typically considers the equity value of the three largest investments in relation to the total portfolio value, including cash expected to be reinvested. A high correlation between core assets results in concentrated returns and increases portfolio value volatility. Conversely, a well-diversified portfolio reduces idiosyncratic risks, resulting in a stronger assessment as outlined in the guidelines below. The methods for determining the equity value for different asset types are described in Appendix 2.

19. The assessment of sector and geographic diversity aims to capture the exposure of underlying investments to different sectors and geographic markets. Broad industry and geographic exposures reduce correlation risk, although countries with similar economic drivers can have a higher correlation than a single large, diverse economy. NCR considers sources of revenues, location of assets and core markets of major holdings, among other relevant factors. The assessment takes into account the relative balance of exposures rather than solely examining the variety of exposures.

Figure 5. Asset diversity guidelines

Subfactors	aa	a	bbb	bb	b
Portfolio diversity	• The three largest holdings typically represent less than 20% of the portfolio. • Major investments have a very low correlation.	• The three largest holdings typically represent between 20% and 35% of the portfolio. • Major investments have a low correlation.	• The three largest holdings typically represent between 35% and 50% of the portfolio. • Major investments have a low to moderate correlation.	• The three largest holdings typically represent between 50% and 60% of the portfolio. • Major investments have a moderate to high correlation.	• The three largest holdings typically represent over 60% of the portfolio. • Major investments are highly correlated.
Sector and geographic diversity	• Major investments are internationally balanced across multiple sectors with a very low correlation.	• Major investments are diversified across multiple sectors and countries with a low correlation.	• Major investments are diversified across several sectors and regional markets with a moderate correlation.	• Major investments are concentrated on a few sectors and regional markets.	• Major investments are concentrated on a limited number of sectors and local markets. Typically has exposures to fewer than four sectors.

20. NCR may apply the portfolio concentrations adjustment factor where concentrations exceed the above guidelines and individual investments, sectors or geographic locations significantly influence the credit profile. NCR may apply the high-risk investments adjustment factor where there is material exposure to high-risk locations or industries.

PORTFOLIO LIQUIDITY

(30% weight in the business risk assessment)

21. Investment liquidity is integral to an investment holding company's ability to service its debt obligations and rotate its investments on favourable terms. NCR's assessment involves an evaluation of the investment holding company's proportion of listed share value in relation to total equity portfolio value, ownership stakes and the price realisation of potential disposals. Furthermore, investment holdings' disclosure quality and transparency are also considered.

22. The assessment also considers the weighted average ownership stake and the impact of voting rights on its investment holdings. NCR typically regards smaller ownership stakes with fewer voting rights as more liquid than larger positions due to more comprehensive disposal processes and reluctance to reduce influence over the investment. NCR also considers situations in which an investment holding company has smaller positions in less liquid investments for which the price realisation could be significantly affected upon disposal.

Figure 6. Portfolio liquidity guidelines

Subfactors	aa	a	bbb	bb	b
Portfolio liquidity	• Transparent portfolio, above 80% of total equity portfolio value is typically listed. • Positions can be realised quickly with minimal pricing impact. • Weighted equity ownership of less than 10% in investment holdings.	• Transparent portfolio, 80–70% of total equity portfolio value is typically listed. • Positions can be realised quickly with little pricing impact. • Weighted equity ownership of between 10% and 20% in investment holdings.	• Transparent portfolio, 70–60% of total equity portfolio value is typically listed. • Positions can be realised quickly with little to moderate pricing impact. • Weighted equity ownership of between 20% and 30% in investment holdings.	• Moderate transparency, 60–50% of equity portfolio value is typically listed. • Positions cannot be realised quickly without material pricing impact. • Weighted equity ownership of between 30% and 40% in investment holdings.	• Weak portfolio transparency, less than 50% of equity portfolio value is typically listed. • Positions cannot be realised quickly without dramatic pricing impact. • Weighted equity ownership of over 40% in investment holdings.

23. If illiquidity is an important driver of an investment holding company's credit quality, NCR may apply the portfolio illiquidity adjustment factor. The adjustment captures risks associated with the time required to dispose of investments and the potential pricing impact. NCR may apply the adjustment where, for example, more than 60% of investments are unlisted or a large proportion of investments have ownership stakes near control thresholds.

FINANCIAL RISK ASSESSMENT

Figure 7. Financial risk assessment subfactors

Factors	Subfactors	Impact	Selected metrics
Financial risk assessment	Ratio analysis	60%	• Net loan-to-value ratio (LTV) • Funds from operations (FFO) coverage ratio
	Risk appetite and financial flexibility	40%	• Income stream volatility • Financial policy and funding • Interest and currency risk

24. While NCR's business risk assessment aims to capture specific risks related to the investment holdings of an issuer with respect to capital appreciation and investment strategy, the financial risk assessment measures the investment holding company's financial ratios alongside its financial policy, flexibility and risk appetite.

RATIO ANALYSIS

(60% impact on the financial risk assessment)

25. NCR assesses an investment holding company's financial risk using historical and forecast NCR-adjusted credit metrics. NCR considers these metrics strong indicators of financial risk and overall credit quality.

26. NCR typically considers two core ratios when assessing the financial risk of an investment holding company: net LTV and FFO coverage ratio. These metrics capture financial leverage and debt-servicing capabilities, respectively. Metric guidelines are shown in Figure 8. For further definitions and explanation of credit ratios and adjustments, see Appendix 1.

27. NCR typically uses the unconsolidated financial statements of the parent company as the basis for calculating the credit metrics of an investment holding company. However, NCR adjusts equity investment stakes to reflect market values rather than book values. NCR also adds income streams, costs and values from additional, directly owned assets with financial and operational linkage to the investment holding company that might not be reflected in the parent's unconsolidated financial statements but that impact the credit profile of the issuer. (See Appendix 2 for how NCR assigns values in the financial risk assessment.)

28. NCR's assessment of financial risk aims to take a long-term view of normalised credit ratios rather than responding to short-term fluctuations that may occur due to normal market volatility. The ratio guidelines below should be viewed as such and not as absolute ranges. NCR considers the context of the ratios to dynamically reflect the risk attached to an investment holding company.

29. NCR may cap the indicative credit assessment at 'b-' if financial leverage is excessive and produces credit quality vulnerabilities.

Figure 8. Investment holding company financial ratio scoring guidelines

	aa	a	bbb	bb	b
Net LTV (%)	< 15	15 – 25	25 – 35	35 – 45	> 45
FFO coverage ratio (x)	> 6.0	6.0 – 4.5	4.5 – 3.0	3.0 – 1.5	< 1.5

FINANCIAL ADJUSTMENTS

30. The aim of the ratio analysis is to capture an investment holding company's financial risks. Although the analysis is based on reported financial statements, NCR adjusts credit metrics to reflect the economics of underlying exposures and enhance comparability across investment holding companies reporting under different accounting rules.

31. NCR generally applies the same financial adjustments as for non-financial corporates according to the *Corporate Rating Methodology* where applicable for an investment holding company. NCR may make specific adjustments to investment holding companies to better reflect the underlying economics and financial risk of the entity.

RISK APPETITE AND FINANCIAL FLEXIBILITY

(40% impact on the financial risk assessment)

32. The analysis of an investment holding company's risk appetite and financial flexibility includes the issuer's financial policy, financial track record, capital structure and control over income streams.

33. NCR's assessment of risk appetite and financial flexibility is usually anchored to the financial ratio analysis, as NCR considers it reflective of an entity's financial risk, unless there are other components not captured in the analysis. NCR assesses dividend stability and dividend diversity, as well as other operating income, as key components for an investment holding company's ability to service its debt.

34. The assessment of risk appetite and financial flexibility takes account of the financial policy, the headroom under financial covenants and the complexity of an investment holding company's capital structure. Investment holding companies often face greater volatility in credit metrics than operating corporates and consequently face greater risk of being unable to service debt because of their subordinated position in the capital hierarchy of investment holdings. The rotation of investments and market timing complicate the assessment, with the potential impact on intra-period liquidity and fluctuations not captured by financial statement analyses. Refinancing risk could be elevated when there are fluctuations in investment values, and a sound financial policy should not require an investment holding company to liquidate assets to cover upcoming maturities.

35. NCR assesses the funding mix of an investment holding company and the management of potential mismatches between investments and funding sources, including valuation risk. NCR assesses the matching of currencies, along with the sensitivity to interest rates and other factors NCR may deem relevant for the credit quality of the issuer. If multiple factors of the risk appetite and financial flexibility assessment are significantly weaker than reflected in the financial ratios, resulting in an elevated financial risk profile, NCR may cap the financial risk assessment at 'b'.

36. NCR considers dividend stability, diversity and control in the risk appetite and financial flexibility assessment. NCR may also consider these characteristics under the dividend

control and dividend diversity adjustment factor where their impact on credit quality is not adequately reflected in the financial risk assessment.

INDICATIVE CREDIT ASSESSMENT

37. NCR combines the business-risk and financial-risk assessments using the indicative credit assessment matrix set out in the *Corporate Rating Methodology* to derive the indicative credit assessment. Where the matrix indicates two possible outcomes, NCR determines the assessment that best reflects the investment holding company's credit profile based on analytical judgement.

ADJUSTMENT FACTORS AND EXTERNAL ANALYSIS

Figure 9. The path from indicative credit assessment to issuer rating



ADJUSTMENT FACTORS

38. NCR applies an investment holding company-specific adjustment factor only where the relevant credit characteristic is not adequately reflected in the business-risk assessment, financial-risk assessment or another adjustment factor. NCR does not apply an adjustment where the relevant risk or strength is already fully reflected elsewhere in the analysis.

39. NCR applies four adjustment factors specific to investment holding companies in addition to those identified in NCR's *Corporate Rating Methodology:*

- dividend control and diversity;
- high-risk investments;
- portfolio concentrations; and
- portfolio illiquidity.

DIVIDEND CONTROL AND DIVERSITY

40. NCR's assessment of an investment holding company's dividend control and dividend diversity takes account of the degree to which an investment holding company exercises control over its investments and associated dividends. NCR may lower the standalone credit assessment by one notch where it considers an investment holding company's control over dividends to be low or where dividend streams are concentrated or limited. Conversely, NCR may raise the standalone credit assessment by one notch where dividend stability or diversity is stronger than reflected in the financial risk assessment.

HIGH-RISK INVESTMENTS

41. NCR may lower the standalone credit assessment by one notch if there are riskier underlying investments than are reflected in other parts of the analysis. NCR also assesses whether the credit quality of an investment holding company is significantly influenced by assumptions of higher-than-average industry and country risk, with elevated risk of trapped investments or the erosion of investment value.

PORTFOLIO CONCENTRATIONS

42. NCR may lower the standalone credit assessment by up to two notches for portfolio concentrations. NCR considers the concentration of individual investments, sectors and correlated exposures. A one-notch adjustment may apply where the investment holding company has material exposure to fewer than three sectors or where two investments represent more than 60% of portfolio value. NCR may apply a two-notch adjustment for more severe concentrations, including single-sector exposure or highly correlated sector exposures. The total adjustment for portfolio concentrations does not exceed two notches.

43. If the credit quality of the investment holding company is closely linked to the creditworthiness of one of its portfolio companies, NCR may cap the issuer rating of the investment holding company at the issuer rating or NCR credit assessment of the portfolio company to reflect this strong linkage.

PORTFOLIO ILLIQUIDITY

44. If an investment holding company has substantial exposure to unlisted assets or investment positions that are difficult to realise quickly, NCR may lower the standalone credit assessment by one notch. NCR generally considers large ownership stakes as illiquid, especially when small disposals would result in loss of control over dividends. The adjustment reflects the delay between the decision to divest an asset and receipt of the proceeds, which can increase liquidity and refinancing risk.

LIQUIDITY

45. NCR generally applies the same principles to the liquidity analysis as it does for non-financial corporates, as defined in NCR's *Corporate Rating Methodology*.

ADDITIONAL CALIBRATION

46. NCR generally applies the same principles to the additional calibration adjustment as it does for non-financial corporates, as defined in NCR's *Corporate Rating Methodology*.

EXTERNAL ANALYSIS

47. NCR's external analysis applies the principles in NCR's *Group and Government Support Rating Methodology* to adjust the standalone credit assessment for external support or constraints. Ongoing benefits from ownership and group membership are generally reflected in the business-risk, financial-risk and liquidity assessments. The external analysis focuses on the likelihood of extraordinary financial support or constraints in a stress scenario. Where a parent, group or government owner has stronger credit quality and a credible willingness and ability to provide timely support, the issuer rating may be raised above the standalone credit assessment. Conversely, where a parent, group or government owner has weaker credit quality than the issuer's standalone credit assessment, the issuer rating may be constrained by the credit quality of the supporting entity in accordance with the support analysis.

RATING INDIVIDUAL DEBT INSTRUMENTS

48. NCR applies the same principles for assigning debt instrument ratings to investment holding companies as it does for non-financial corporates, as outlined in NCR's *Corporate Rating Methodology*. Where relevant, an investment holding company's structurally subordinated

exposure in the capital hierarchy of its investments is reflected in the issue rating of the investment holding company.

SHORT-TERM DEBT RATINGS

49. The short-term rating scale and mapping between long- and short-term ratings are defined in NCR's *Rating Principles*. The short-term rating is derived from a combination of the issuer rating and the issuer's liquidity profile.

APPENDIX 1: FINANCIAL DEFINITIONS

Figure 10. Definition of key credit metrics

Key credit metrics	Definition	Explanation
Net LTV	Net debt to the value of investments.	Measure of leverage of an investment holding company.
FFO coverage ratio	Funds from operations plus interest expense to interest expense.	Used to assess an investment holding company's debt-servicing capabilities.

Figure 11. Definition of financial measures in the financial risk assessment

Key measures	Definition	Explanation
Net debt	Reported financial debt less surplus cash, plus lease liabilities, pension obligations, debt component of hybrid instruments and other debt-like adjustments.	A measure of an issuer's debt and debt-like obligations after adjusting for surplus cash.
EBITDA	Earnings before interest, taxes, depreciation and amortisation. NCR may add operating lease cost, cash dividends received from associates and joint ventures and other adjustments where relevant.	Measures underlying operating earnings before financing costs, tax and depreciation.
Interest expense	Interest expense (including non-cash interest such as payment-in-kind interest), including adjustments.	Interest expense associated with debt and debt-like obligations.
Net interest	Interest expense (including non-cash interest such as payment-in-kind interest) less interest income, including adjustments.	Measures the net financing cost associated with an issuer's debt and debt-like obligations.
Funds from operations (FFO)	EBITDA less net interest and cash tax paid, including adjustments for material non-recurring cash items. Where cash flow data is unavailable, NCR may use net interest expense and current tax expense from the income statement as a proxy.	Measures recurring operating cash flow generation before working-capital movements and capital expenditure.
Portfolio value	Full market value of the portfolio, excluding cash expected to be reinvested (see paragraph 50 of Appendix 2).	Used as the denominator in the net LTV calculation.

APPENDIX 2: VALUATION OF INVESTMENT PORTFOLIO

50. The investment value in the business risk assessment reflects the net asset value (equity proportion) of the total investment portfolio to capture the expected cash inflow that an investment holding company would receive if it were to liquidate its assets.

Figure 12. Valuation of investment portfolio in the business risk assessment

Type of asset	Assessment
Listed equities	Observable market value of the listed equity.
Unlisted equities and operating businesses	NCR typically relies on a market valuation carried out by a third party within the last 12 months. Where no market valuation exists, NCR may apply an adjusted EBITDA multiple to determine enterprise value and deduct net debt to establish the equity value. If NCR does not consider that the multiples reflect the economic reality or if comparability is impaired, NCR may use the book value of the investment. NCR may also apply other adjustments to values if necessary.
Unlisted investment properties	NCR typically relies on the market valuation of investment properties as assessed by a third party within the last 12 months and deducts the net debt attributable to properties to determine the equity value of the investment. NCR may use other adjustments to values where relevant.

51. When determining the portfolio value in the financial risk assessment, NCR applies the same method as in the business risk assessment. However, for the net LTV calculation, NCR includes the full value of assets in portfolio value, such as investment property values, without deducting net debt. In addition, NCR deducts non-committed cash from net debt rather than including it in the portfolio value.

APPENDIX 3: DATA SOURCES

52. NCR's analysis of investment holding companies includes all available public disclosures of the rated entity, as well as selected confidential information related to risk governance, forecasting, strategy and other areas of interest to the credit assessment that is provided to NCR as part of the ongoing surveillance of each entity.

53. NCR also uses various public data sources in its market and macroeconomic analyses, including national and regional statistical bureaux, the European Central Bank, analyses by national central banks and supervisory authorities and commonly used asset price indices. International sources, such as the Organisation for Economic Co-operation and Development (OECD), Eurostat or similar data providers that supply reliable and comparable cross-border macroeconomic data, are also used. In addition, NCR considers the views, projections and analytical reports of other market participants in its market oversight and surveillance.

54. NCR also keeps abreast of market data and developing trends associated with credit spreads, asset pricing, market capitalisation and similar measures using market-standard data aggregation services.

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