Kredinor

Kredinor.no

We help you make it

Annual Report and Sustainability Statement 2024

Contents

Cover image: We help you make it
There are times when you may find yourself facing a difficult financial situation. At Kredinor, we're dedicated to treating everyone with respect while finding the best solutions for all parties. We provide businesses and customers with expert financial advice and payment assistance.

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Kredinor has its roots tracing back to 1905. In Kredinor's more than 100 years of history, 2024 was a year of consolidation.

Our vision "We help you make it" reflects both our commitment to our clients and having the best interest of our customers in mind in everything we do. We recognise that falling into debt can happen to everyone and can have serious consequences. Finding sustainable solutions tailored to the customers' needs, financial position, and individual circumstances, improves the likelihood for repaying our clients.

Introduction to Kredinor

About this Annual Report

In this integrated annual report for 2024, we showcase how we work to create value for employees, owners, and society as a whole.

We report in accordance with the CSRD (EU's Corporate Sustainability Reporting Directive), which has now become part of the Norwegian Accounting Act.

This report provides a comprehensive overview of Kredinor's extensive operations in 2024, and we invite everyone to read it and gain insight into our contributions.

Kredinor's market share in Norway in 2024 continued to remain high, with a volume of 30 percent of the total outstanding debt collection mass and 18 percent of new cases for debt collection (Finanstilsynet, 2024).

Kredinor maintains a very active customer dialogue, with around 1.2 million active cases at any given time. In 2024, we concluded and resolved 1.4 million cases, including pre-collection. A major share of these cases was handled through digital channels. Kredinor aims to have the best-informed and most skilled employees. In 2024, we have carried out systematic training for all employees.

Key Figures 2024

(NOK)

Kredinor reports financial results to the stock exchange in Oslo each quarter. In addition, we have a number of other key indicators we follow closely. Here are some of the key figures for 2024.

5 650 million

Carrying value of Portfolio Investments

157 million

Portfolio Investments

1 million

Visits to My Page at Kredinor.no

1 467 million

Total revenue

-202 million

Net profit before tax

4 300

Active client relationships

Letter from the Chairman and the CEO

Stability and progress

As we leave 2024 behind, we reflect on a year of consolidation. Kredinor now has a stable ownership structure, solid financial backing, and an organization and strategy designed for a sustainable future.

← Our focus is now on core business, with clearer accountability across business lines and departments.

Looking back at 2024, it is safe to say it was a year of action. Tough decisions had to be made, and clear priorities were set. However, thanks to the hard work of the past year, we are now entering 2025 on a solid foundation.

When we reflect on this period at Kredinor in the years to come, we strongly believe it will stand as an exception in the company's proud history. The effects of the 2022 merger, macroeconomic conditions, and, to some extent, our own strategic priorities created challenges for us in both 2023 and 2024. However, throughout 2024, we gradually improved our financial results. These gains were partially offset by necessary write-downs and costs associated with closing underperforming activities.

At the Group level, the 2024 results ended with a deficit of MNOK -202—a significant improvement from 2023, yet still below expectations. However, when we analyze the underlying results, we see substantial improvement, which strengthens our confidence in the recovery of our operations.

The efforts and choices we made over the past year have left us in a far stronger position than at the previous year's turn. We are now steering towards a profitability level that aligns with expectations for a company in our industry.

Debt collection is a critical and integral part of a well-functioning financial system. In turbulent times like these, it is more important than ever to have a robust and effective industry that can support businesses and individuals in managing financial challenges sustainably. As Chairman and CEO of Kredinor, we firmly believe in the significance of our mission for a broad range of stakeholders.

Over the past years, the debt collection industry has faced significant economic pressure. Collection fees have been "frozen" by the government since 2017, despite inflation, increased interest rates, 15-20% higher personnel costs and rising operational costs. Additionally, pandemic-related measures led to further reductions on collection fees of about 35-38%. These governmental decisions have had a heavy impact on the collection companies, where almost half of the debt collection companies have operated at a deficit in recent years. If this trend continues, we risk a decline in service levels, potentially leading to more collection cases being forwarded to the legal system for collection —which would increase costs not just for debtors and creditors but for society as a whole through higher public expenditures.

In response to this, Kredinor has in close cooperation with Finans Norge actively engaged in dialogue with government bodies and policymakers to advocate for fair regulatory and operating conditions. As a vital part of society, it is crucial that we raise our voices in decisive times. Nevertheless, we remain confident in the long-term profitability of a well-run operating model at Kredinor.

The Norwegian market is the largest component of our operating model. This is why we undertook a reorganization in 2024—a strategic move aimed at securing Kredinor's long-term goals. Our focus is now on core business, with clearer accountability across business lines and departments. To support this, we established a new role: Country Manager for Norway, alongside a redesigned department. Simultaneously, a new Management Team was appointed and is now fully operational, aligning with both market needs and our strategic priorities.

One of our key priorities is ensuring a sustainable future for the company, our clients, and our customers—the debtors. This is not only the core business of our industry but also the most meaningful contribution we can make towards the sustainability agenda.

A functioning society depends on the fundamental trust that financial obligations will be met. This trust is a cornerstone of a well-functioning economy and essential for businesses and individuals to deliver products and services efficiently.

At Kredinor, we operate with a strong sense of responsibility towards our customers, employees, clients, environment, and society. Balancing these interests is challenging, but when we successfully integrate sustainability into all aspects of our business, we generate long-term value.

In a constantly evolving world, one thing remains unchanged: Kredinor's commitment since 1905 to ensuring financial stability and support. With our 662 highly skilled employees across Norway, Sweden, Finland, and Denmark, we stand by our shared vision:

We help you make it.

Oslo, 17 March 2025

Torbjørn Martinsen, Chairman of the Board

Rolf Eek-Johansen, CEO

Highlights of the year

Kredinor has its roots tracing back to 1905. In Kredinor's more than 100 years of history, 2024 was a year we pursued stability and consolidation.

2024: A YEAR OF MILESTONES

2024 was a turningpoint. However, progress was not a straight upward journey. Following an uncertain situation for the company towards the end of 2023, 2024 began with a clarification of ownership and financing for continued operations. This also marked the beginning of a strategic shift back to core business activities and the discontinuation of non-revenue-generating initiatives.

As a debt collection company, Kredinor plays a crucial role in the economic cycle and must demonstrate sound financial operations while proving to be a solid investment for its owners. Our employees have shown outstanding dedication throughout the year in successfully turning deficits into profits, ensuring we are there to assist those facing financial challenges.

Overall, we can confidently say that Kredinor has strenghtend its position during 2024, entering 2025 as a munch stonger company.

Q1

FIRST QUARTER

→ A clarified ownership by converting loan to equity created space for us to work on our plan for returning to profitability

→ Started to regain investment capacity and the first capital light front book investment was signed

→ Most of the indicators are finally pointing in the right direction

Q2

SECOND QUARTER

→ The first quarter with a positive result since the merger in 2022

→ The process of finalizing a new income/cost plan continues

→ Further improvement of the investment capacity and the trend of increasing CMS revenue continues

Q3

THIRD QUARTER

→ Continued positive operations in the core business

→ The income/cost plan for the coming years introduced to the organization

→ Reorganization of the company and changes in management; New Country Manager for Norway hired

Q4

FOURTH QUARTER

→ The positive trend observed in Q2 and Q3 2024 continues through the fourth quarter

→ New organizational design implemented in the fourth quarter and new management team appointed and active from January 2025

→ Kredinor is well positioned for growth from 2025 based on the foundation laid out in the core business through 2024

DIGITALIZATION:

- Our very own distribution platform Kredinor365 was launched
- The new and redesigned client portal Kredinor Online went live
- The work towards one joint core system made significant progress

STRATEGY AND ORGANIZATION:

- The strategy project 2025 – 2029 kicked off
- A new management team appointed during 2024, starting with Rolf Eek-Johansen confirmed as permanent CEO in May
- The organization was redesigned during the year to meet future demands, with the creation of a country domain for Norway as most important change
- It was decided to re-open the office in Hamar to sharpen the deliveries towards the banking sector

STAKEHOLDER DIALOGUE:

- The Kredinor Arena conference in Oslo in October gathered clients from all sectors to discussions, meetings and political debate
- Participation and discussions at the political festival Arendalsuka in August
- The Kredinor Barometer was launched as an indicator and projection of the Norwegian household’s economic situation
- Client satisfaction: We conduct an annual survey among our clients to gather insights for making adjustments
- Employees give continuous feedback to managers and leaders biweekly digital surveys

Kredinor at a glance

Kredinor is Norway's leading debt collection agency. We have industry-leading and effective solutions that ensure our clients get their claims settled.

Kredinor is a full-service collection agency offering services in two main categories: Credit Management Services (CMS) and Portfolio Investments (PI). We operate in Norway, Sweden, Denmark, and Finland. Our ambition is to become a leading debt collection agency in the Nordic countries.

Kredinor has an important societal role as part of the economic cycle. When you incur debt or purchase a product, it must be settled. This is a fundamental part of our societal model, and the economy would suffer if we could not rely on this. At the same time, many people find themselves in challenging financial situations or simply forget to pay. Kredinor aims to contribute to healthy economic conditions in the business community, to ensure that our clients get paid, and always keep the customer's best interest in mind.

At Kredinor, we operate according to ESG criteria (Environmental, Social, and Governance), like many other large enterprises. Our clear growth ambition is based on a sustainable strategy.

"We help you make it" is our vision. We are committed to our social responsibility through our contact with one million customers each year.

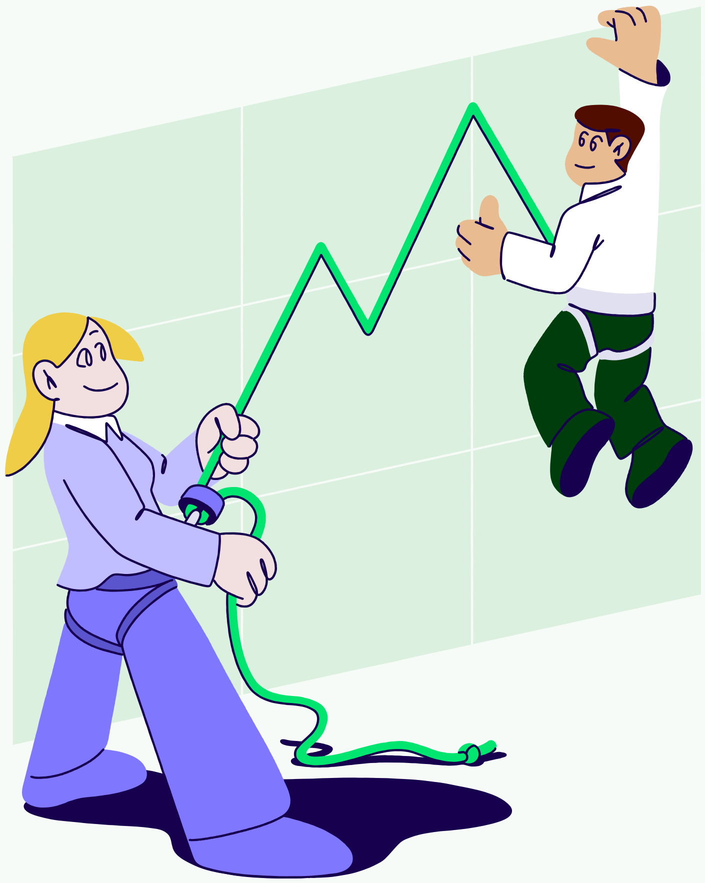
Our employees have access to continous training making them well-equipped to help customers towards a sustainable, economic everyday life.

It may seem like an insignificant change, but at Kredinor we have customers, not debtors. It is our responsibility to see each customer as a whole person whom we must help.

Kredinor is owned by SpareBank 1 Gruppen and the Kredinorstiftelsen, and we have roots dating back to 1905. Kredinor will continue to be the market leader in the industry in the years ahead, and we shall have the most satisfied clients. Being at the forefront of developing new digital solutions, we make it easier for customers to pay and faster for clients to receive payment. We ensure that debts are collected in a cost-effective and considerate manner for all involved.

In 2024, Kredinor's strategy shifted towards strengthening the core parts of the business. Following an uncertain situation for the company towards the end of 2023, 2024 began with a clarification of ownership and financing for continued operations. Throughout 2024 we have made important decisions for further growth, profitability, and not least for satisfied customers and clients.

As we leave 2024 behind, we reflect on a year of consolidation. Kredinor now has a stable ownership structure, solid financial backing, and an organization and strategy designed for a sustainable future. Kredinor is entering 2025 substantially stronger compared to the start of 2024 .



→ We are committed to our social responsibility through our contact with one million customers each year. Trust is important for all our actions.

Our vision and values

Our vision “We help you make it” reflects our commitment to putting the best interests of our clients and customers first. We use our deep industry specific understanding to add value to our clients, customers, and society at large. We aim at being an integrated part of our clients’ value chain, adding value with tailor-made solutions based on our deep industry-specific understanding. We are aware that we are not only caretakers of our own reputation, but also our clients’. We are therefore committed to understand our joint customers’ financial situation, preferences and needs.

Our values; Curious, Compassionate, Courageous, and Committed are chosen in a process involving all employees in Kredinor. The values express how we define our behavior and how we want Kredinor to be perceived. Values are especially important in difficult situations and when facing dilemmas. Teaming up with other colleagues is a way to make sure that we are sufficiently curious, compassionate, courageous, and committed.

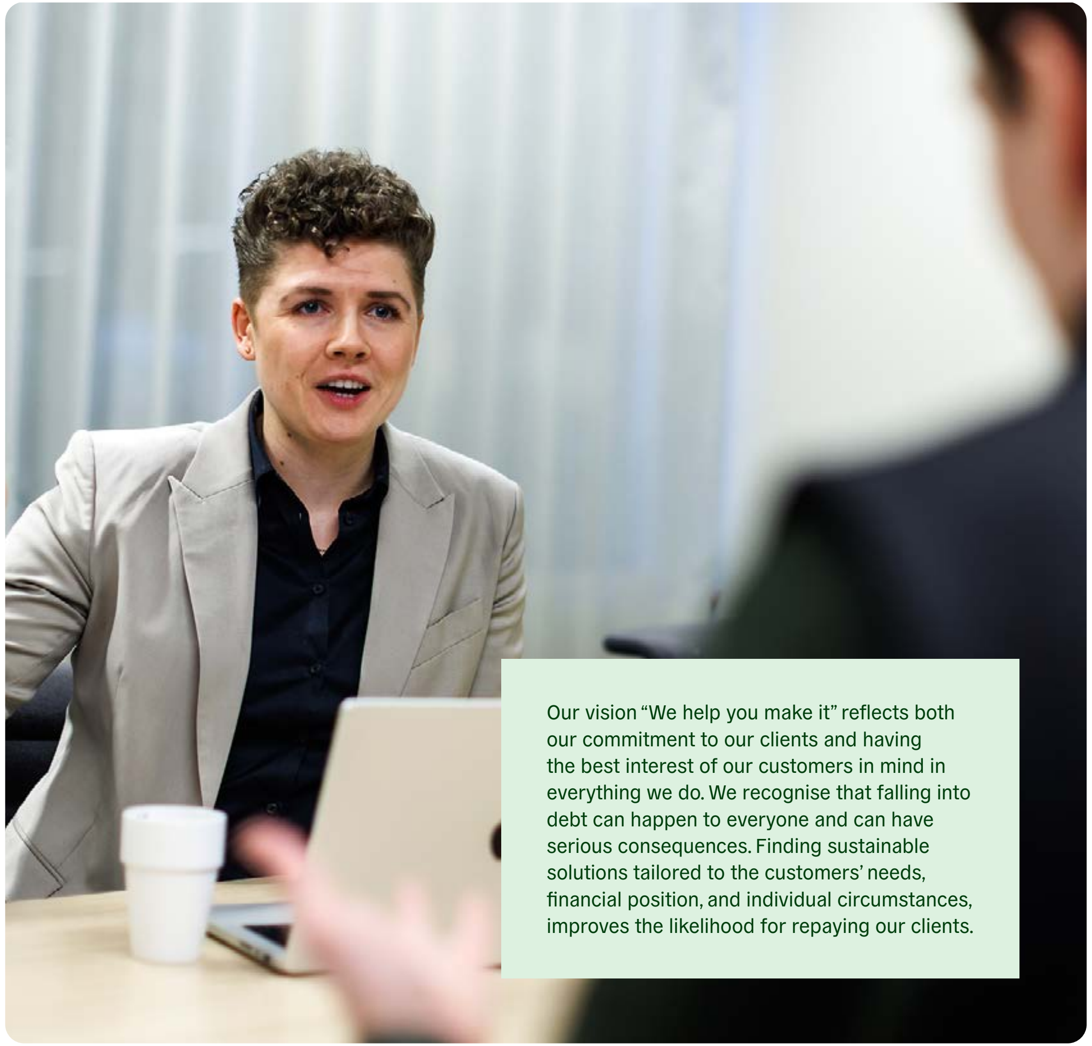
CURIOUS
Markets and expectations are changing fast, and we want to be the driving force of change and innovation in our industry.

COMPASSIONATE
We are aware of our role in society and believe that compassion and care are important virtues vis à vis customers, clients, and colleagues. We have taken a new perspective on people with financial problems, they are our customers. We have our clients’ perspective in mind and are aware that we handle their reputation on their behalf.

We are aware of our role in society and believe that compassion and care are important virtues towards customers, clients, colleagues, and society at large. We have our clients’ perspective in mind and are aware that we handle their reputation on their behalf. We have taken the perspective that our client’s customers also are our customers. We care about customers, clients, and colleagues.

COURAGEOUS
Courage is another driving force for us to deliver on our vision and strategy. We will challenge our customers, clients, and colleagues if it is necessary, but we will do so with curiosity and compassion. We are courageous, but we balance risk.

COMMITTED
We want to be in the forefront of our industry. Our customers, clients, colleagues, and society have the right to expect the very best from us.



Our vision “We help you make it” reflects both our commitment to our clients and having the best interest of our customers in mind in everything we do. We recognise that falling into debt can happen to everyone and can have serious consequences. Finding sustainable solutions tailored to the customers’ needs, financial position, and individual circumstances, improves the likelihood for repaying our clients.

The Group Management

← From left: Børre Sig. Bratsberg, (CLO), Anmol Junejal (CIO), Abbe Fransson (Director Developing Markets), Rolf Eek-Johansen (CEO), Bjørn Ove Ottosen (CFO), Malin Gustavi (CTSO) and Tore Andresen (Country Manager Norway).

Presentation of the Manangement Group

Kredinor AS is led by the company's CEO. The executive management team is composed of key individuals, each responsible for their respective areas.

The Board of Directors appoints the CEO, who in turn appoints Kredinor's management team.

Rolf Eek-Johansen
Chief Executive Officer - CEO

Born 1958

CEO of Kredinor from 2023.

Education

Eek-Johansen holds a Law degree (Cand. Jur.) from the University of Oslo (UiO) in 1987.

Background

Eek-Johansen has a background in legal practice and has held several in-house legal roles at institutions including Danske Bank, Eika Gruppen, SpareBank 1 Østlandet, and SpareBank 1 Gruppen. He has also served as CFO and legal counsel at Buypass AS and was CEO of the debt collection company Modhi until its merger with Kredinor AS in 2022.

Other current roles

Chairman of Kredinor Finans AS, Kredinor OY, Kredinor AB, and Kredinor A/S. Board member at Buypass Payment AS and Chairman of the Debt Collection Industry Board in Finance Norway.

Tore Andresen
Country Manager Norway

Born 1965

Country Manager of Kredinor in Norway from 2024.

Education

Andresen is Business Administration Economist (Bedriftsøkonom) from NHH (1992) and Enterprise Economist (Foretaksøkonom) from NHH (1996).

Background

Andresen has previously held roles as COO at Noba/Bank Norwegian, Managing Director of Aktiv Kapital, and Managing Director of Lindorff Decision.

Other current roles

Chairman of Valorem Invest and board member of Kolofon Forlag.

Malin Petré Gustavi
Chief Transformation and Strategy Officer - CTSO

Born 1986

CTSO of Kredinor from 2024.

Education

Gustavi holds a Law degree (Cand. Jur.) from Lund University (SE) in 2010, she has studied international law and contract Law at the University of London (2013-2015), and has studied climate science, climate governance, and climate economics at Lund Institute of Technology (2010).

Background

Gustavi has worked in finance for over 15 years, joining the debt collection company Modhi in 2020 as Chief Legal and Compliance Officer. She has also led Legal & Risk Regulatory at KPMG and held Vice President roles at GARD and Skuld. She previously served as Chief Transformation and Sustainability Officer at Kredinor and is currently responsible for the company's sustainability initiatives.

Other current roles

Board member of Kredinor OY, Kredinor AB, Kredinor Finans AS, and Kredinor A/S.

Abbe Fransson
Director, Developing Markets

Born 1981

Fransson has held this role at Kredinor from 2024.

Education

Fransson holds an MSc in Economics from Jönköping International Business School (2005).

Background

Fransson has previously been Chief Investment Officer, Chief Commercial Officer, and Chief Analyst at Modhi and Kredinor. He has also worked as an Investment Analyst at Lindorff and served as Chairman of Kredinor AB, Kredinor OY, and board member of Kredinor Finans AS.

Other current roles

Board member of Kredinor AB, Kredinor Holding AB, Kredinor OY, and Kredinor A/S.

Anmol Juneja
Chief Investment Officer - CIO

Born 1987

Juneja has been CIO at Kredinor from 2023.

Education

Juneja is a CFA Charterholder from CFA Institute (USA), holds a Master in Financial Economics from BI Norwegian Business School (2017), and a Bachelor in Management from Manchester Business School (2008).

Background

He joined Kredinor (Modhi) in 2017 and has held roles such as Head of Investments, Nordic Investment Director, and Head of Nordic Investments. He is currently also the CEO of Kredinor Finans AS. He has experience from the finance sectors in England and India.

Other current roles

Vice President of the board at CFA Society Norway.

Børre Sig. Bratsberg
Chief Legal Officer - CLO

Born 1963

Bratsberg has been CLO at Kredinor AS from 2023.

Education

Bratsberg holds a Law degree (Cand. Jur.) from UiO (1992) and received his law license in 1994.

Background

Between 1992 and 2022, Bratsberg was an associate, lawyer, legal director, and head of Advokatfellesskapet Bratsberg at Kredinor SA until the merger with Modhi companies in 2023.

Other current roles

Member of Finance Norway BRI expert group.

Bjørn Ove Ottosen
Chief Financial Officer - CFO

Born 1966

Ottosen has been CFO at Kredinor AS from 2024.

Education

Ottosen is a Business Economist (Master of Business & Marketing) from Oslo Business School (1991).

Background

He was previously Head of Treasury and Corporate Finance at Kredinor and CFO at Modhi Finance before the merger with Kredinor. Other past roles include CFO at Help Forsikring, Finance Manager at If Skadeforsikring, and Finance Manager at Zurich Forsikring.

Other current roles

Board member of Kredinor Finans AS, Kredinor 365 AS and Digi-Ink SIA.

Case: Sustainability

Meet our Head of Sustainability: Melita Ringvold

In this integrated annual report, our Head of Sustainability is the by far biggest contributor. Meet Melita Ringvold, one of our 662 fine employees.

Melita has an extensive background in communication, leadership, innovation, and sustainability, with experience across various sectors.

Work experience and roles

“I began my career as a news journalist, worked at NVE and the Ministry of Transport. I moved on to innovation and entrepreneurship in Nordic Innovation. Before I entered the finance sector with leadership roles at Entercard and Bank Norwegian, focusing on sustainability and communication. I have also worked as a sustainability consultant with a particular emphasis on climate issues.

Passion for people and volunteer work

“Being passionate about people, I enjoy engaging with diverse personalities, and has extensive experience in volunteer work, local politics, and board positions. And I have founded a festival and mobilized youth to contribute to their local communities.

Education and lifelong learning

Melita holds two master's degrees—one in communication from the University of Oslo and another in innovation and commercialization from BI Norwegian Business School. She has also completed a master's program in sustainable business strategy at NHH Norwegian School of Economics and has a natural curiosity and eagerness to learn.

“I am naturally curious and believe we are never done learning.

Why Kredinor?

“Because it is exciting to work for a company that has a clear commercial ambition but also a significant societal responsibility. Being part of something that impacts many and making a difference matters a lot to me, and I feel a genuine interest from many at Kredinor for the same.

→ Head of Sustainability: Melita Ringvold

Case: Social responsibility

Financial control as a life skill

Having a clear understanding of one's personal finances, as well as the knowledge to make informed financial decisions, is one of the most crucial skills to acquire when transitioning into adulthood or becoming an active participant in Norwegian society and the workforce.

Despite this, many individuals, particularly young people, face challenges with debt and struggle to manage their finances. This issue affects not only the youth but also many others who, for various reasons, have not received adequate education on the subject. While personal finance is part of the school curriculum, there is still limited instruction on this important topic. What are the consequences of not understanding personal finance, and how can we prevent debt problems? Those are questions that one of our partners, Kredinorstiftelsen, is keen to address.

To further pursue this, the Foundation has funded a study and research report conducted by the Consumer Research Institute (SIFO) at Oslo Metropolitan University. The insights from this research serve as the foundation for the Kredinorstiftelsen's update of its financial education program, *Smartbetaler* Previously, this program was delivered as a school curriculum for high school students, where our team provided lessons on personal finance. We are now in the process of updating the entire program, incorporating the new knowledge from Oslo Met, and adapting it into a digital format. This will allow more people to benefit from the program through our website.

Additionally, Kredinor is engaging with nonprofit organizations that work with minority women and young people who are disconnected from the workforce and education. Our goal is to offer specialized educational content to those facing financial exclusion, and we aim to launch these initiatives in 2025.

Report of the Board of Directors

The Board of Directors

← Back Row from left: Linn Kvitting Hagesæther, Mona Bay Sørensen, Trude Glad, Per Aage Pleym Christensen, Simen Torgersrud Danielsen. Front row from left: Inga Lise Lien Moldestad, Vegard Helland, Torbjørn Martinsen, Rolf Eek-Johansen (CEO) and Sverre Olav Helsem. Board member Geir-Egil Bolstad was not present.

The Board´s introduction to Kredinor

“In a constantly evolving world, one thing remains unchanged: Kredinor’s commitment since 1905 to ensuring financial stability and support.”

- Torbjørn Martinsen (Chairman)

OUR HISTORY
Kredinor was founded as an association in 1905 under the name Kreditorforeningen in Christiania. We can trace our roots even further back to 1876, with the founding of Bonnevie Angell Bureau AS which Kredinor subsequently acquired in 2003 under the name Heffermehl & Co. The association became a cooperative company in 2011. In 2022, the cooperative was demutualised and its assets transferred to a limited company, in order to allow a merger with Modhi Finance, a debt collection and debt purchasing company owned by SpareBank 1 Gruppen. Kredinor is owned by SpareBank 1 Gruppen (68.64%) and Kredinorstiftelsen (31.36%).

SpareBank 1 Gruppen is Norway’s largest group of savings banks, while Kredinorstiftelsen is a charitable foundation created as a result of the demutualization.

The overall structure consists of the parent company Kredinor AS, and the subsidiaries Kredinor Finans AS, Kredinor Holding AB, Kredinor Kapital AB, Kredinor A/S, and Kredinor OY. Kredinor Holding AB has a subsidiary company Kredinor AB. There are two additional subsidiaries which are intended to function as holding companies for a future employee stock ownership program, Kredinor Management Invest AS and Kredinor Employee Invest AS.

OUR BUSINESS
Kredinor operates in two closely related segments, Credit Management Services (CMS) and Portfolio Investments (PI). The CMS business helps companies collect overdue payments from their customers and assists customers in settling their debts. In addition, the CMS business includes Third Party Collection, invoicing services, customer service outsourcing, analysis services and legal services related to debt collection matters, as well as a number of technology solutions for payment and integration with client’s accounting systems. Our clients are from all sectors of the economy, including banking and finance, energy, telecoms, retail, transport and parking, as well as the public sector.

The PI business purchases overdue (non-performing) debt claims from companies and then collects this over time. The majority of purchased debt comes from the financial services sector, but we also purchase claims from companies in telecom, retail, energy, transport and other sectors.

Kredinor had 662 employees as of 31 December 2024. Of the total of employees, 573 are in Norway, 34 in Sweden, 51 in Finland, and 4 in Denmark. In 2024, a branch office was opened in Hamar, Norway, serving the banking sector. All other employees in Norway are now located at the Kredinor headquarter at Skøyen in Oslo.

OUR OPERATIONS IN 2024
During 2024, Kredinor concluded and resolved 1.4 million cases, including pre-collection. A major share of these cases was handled through digital channels. More than a million customers visited our secure self-service portal My Pages. Customers are well satisfied with our services, with a customer satisfaction rating of 4.1 out of 6.

NEW DIRECTION AND CONSOLIDATION
Throughout 2024, the board and management have worked to establish a foundation for further growth at Kredinor. While 2023 concluded with a solution for the company’s continued financing, 2024 began with laying the groundwork for a sustainable future, step by step. The focus shifted from growth in new ventures to concentrating on core business operations to best support our clients.

The integration work continued through 2024, as we migrated our IT systems, merged our operational processes, build company culture and streamlined our working practices.

Presentation of the Board of Directors

The Chairman of the Board of Directors as well as members representing the owners, are elected by the Annual General Meeting. The Nomination Committee recommend candidates based on the instruction adopted by the Annual General Meeting. The shareholders may elect between five and nine representatives.

The employees of Kredinor elects three members to the board.

Torbjørn Martinsen
Chairman of the Board

Born 1958

Chairman of Kredinor from 2024. Head of the Investment Committee and the Compensation Committee.

Education

Martinsen holds a Master of Business Administration (siviløkonom) from BI (1984), a banking economist degree (3rd division) from the Bank Academy (1985), is a certified financial analyst from NHH (1990), and has an MBA in Finance from NHH (2000).

Background

His background includes serving as Executive Vice President at SpareBank 1 Gruppen with responsibility for strategy, analysis, and compliance/risk management. Prior to that, he was a financial analyst specializing in banking, finance, and insurance at First Securities, and held positions at Handelsbanken Markets, Karl Johan Fonds, Simonsen, Pedersen & Nyhus and Deloitte, Haskins & Sells.

His board positions include Chairman of Unison Forsikring AS, board member at First Securities, BN Bank, SpareBank 1 Markets, Fremtind Livsforsikring, and Chairman of Modhi Norge, Modhi Sverige, and Modhi Finland.

Other current roles

Board member at Eiendomsmegler 1 Oslo AS and Eiendomsmegler 1 Oslo Akershus AS.

Geir-Egil Bolstad
Board Member

Born 1967

Board member from 2022. Chairman of the Audit Committee and member of the Compensation Committee.

Education

Bolstad holds a Master of Business Administration (siviløkonom) from BI (1998) and an MBA from NHH (2013).

Background

Bolstad is Chief Financial Officer at SpareBank 1 Østlandet, where he is also responsible for the sustainability area. He has previously held roles as Deputy CEO and CFO at Bank 1 Oslo Akershus AS and CFO at Sparebanken Hedmark.

Other current roles

Board member at BN Bank ASA, SpareBank 1 Boligkreditt AS and SpareBank 1 Næringskreditt AS.

Vegard Helland
Board Member

Born 1975

Board member from 2022. Head of the Risk & Compliance Committee.

Education

Helland holds a Master of Business Administration (siviløkonom) from Nord University (1999) and is a certified financial analyst from NHH (2007).

Background

Helland is the Executive Vice President at SpareBank 1 SMN, where he has also served as Head of Banking and Group Banking.

Other current roles

Chairman of SpareBank 1 Finans Midt-Norge, board member at SpareBank 1 Markets, SpareBank 1 Regnskapshuset SMN AS, and SpareBank 1 Factoring AS.

Trude Glad
Board Member

Born 1966

Board member from 2024. Member of the Technology Committee.

Education

Glad holds a Master of Business Administration (siviløkonom) from NHH (1990) and a Master of Management from BI (1996).

Background

Glad is the Executive Vice President for the Corporate Market at SpareBank 1 Nord-Norge. She has held various managerial positions in SpareBank 1 Nord-Norge from 2004.

Sverre Olav Helsem
Board Member

Born 1955

Board member from 2020. Chairman of the Technology Committee and member of the Audit Committee.

Education

Helsem was educated as a police officer in 1987 and has professional training and courses in debt collection, as well as board training and extensive experience in business management.

Background

Helsem founded the debt collection company Conecto AS in 1989 and developed it over 21 years. He has been employed at GaitLine AS from 2014.

Other current roles

Chairman of Kredinorstiftelsen from 2022, Chairman of GaitLine AS, Chairman of Conus AS, board member of SpareBank1 Markets and SNN Regnskapshuset, and Chairman of SNN Finans.

Mona Bay Sørensen
Board Member

Born 1967

Board member from 2024. Member of the Investment Committee.

Education

Bay Sørensen holds a degree in Business Economics from BI and is a certified real estate agent from BI (1993).

Background

Bay Sørensen is an advisor at SpareBank 1 Stiftelsen BV and was previously CFO at SpareBank 1 SamSpar AS. She has extensive experience in banking and finance, including as a member of the executive management team at SpareBank 1 Buskerud-Vestfold. She has served as board member of SpareBank 1 Stiftelsen BV and Chairman of the same foundation.

Inga Lise Lien Moldestad
Board Member

Born 1966

Board member from 2023 (deputy board member in 2022) and member of the Audit Committee and Risk & Compliance Committee.

Education

Lien Moldestad holds a Master of Business Administration (siviløkonom, 1991) and is a Certified Public Accountant (1994) from the Norwegian School of Economics (NHH).

Background

Lien Moldestad was a founder and partner at Holberg Fondsforvaltning, serving five years as CEO and the remaining years as Deputy CEO, responsible for strategy, operations, IT, compliance, and risk management. She has also led the Norwegian office of Unibank Asset Management and worked as a controller at Vesta Forsikring, as well as an auditor and consultant at EY/ Arthur Andersen.

Other current roles

Board member at SpareBank 1 Forsikring, as well as a member of the Audit Ccommittee and head of the Risk Committee at the same institution. Board member at Arctic Securities, Kredinorstiftelsen, Sparebanken Vest Boligkreditt, and KRB Capital.

Simen Danielsen Torgersrud
Board Member

Born 1989

Employee representative on the board from 2024 and member of the Compensation Committee.

Education

Torgersrud holds a Master's degree in Sociology from the University of Oslo (UiO) in 2018.

Background

Torgersrud is an advisor in the Quality department at Kredinor and has held roles in Kredinor as a financial services advisor with authorization and as a part-time customer service representative from 2018.

Linn Kvitting Hagesæther
Board Member

Born 1971

Employee representative on the board from 2022 and member of the Risk & Compliance Committee.

Education

Hagesæther holds a Law degree (Cand.jur) from 1999.

Background

Hagesæther has been Group Legal Officer at Kredinor from 2022 and officially appointed as the company's De facto Leader from 01.12.2024. Previous roles at Kredinor include Compliance Officer, Risk Manager, and Data Protection Officer.

Previously, she held roles at Kreditorforeningen Vest (KV), which merged with Kredinor in 2015, as Debt Collection Director, and Debt Collection Manager.

Other current roles

Industry representative in the Finance Complaints Board for Debt Collection.

Per Aage Pleym Christensen
Board Member

Born 1966

Employee representative on the board from 2024 and member of the Technology Committee.

Background

Christensen works as a case handler in the International department at Kredinor. He has extensive experience in debt collection, having started at the customer service center of Conecto in 2002 and becoming a case handler in January 2005.

He was a board member at Conecto (Modhi Norge) from 2015 – 2021 and served as a union representative for Finansforbundet from 2019 – 2022, as well as a safety representative at Conecto.

Kredinor is a limited company headquartered in Oslo, Norway, with subsidiaries in Sweden, Denmark and Finland. We are active in debt collection and debt purchasing, as well as providing some closely related business support services.

Sustainability

Sustainability contents

General

Kredinor's general disclosures (ESRS2)

Kredinor has played an important role in society since 1905. While our long-standing history has earned the trust of our clients, we recognize that maintaining trust requires tangible results within sustainability. This consolidated sustainability statement covers Kredinor AS with all our daughters in the Nordics: Kredinor Finans, Kredinor AB and Kredinor Oy as well as our Danish operation upstream and downstream.

1. Basis for preparation of the sustainability statement

BP-1 – General basis for preparation of sustainability statements

The scope of consolidation is the same as for the financial statements. We have not omitted information corresponding to intellectual property, know-how or the results of innovation. Kredinor AS has a listed bond and is obliged to report under the Corporate Sustainability Reporting Directive (CSRD), which is also integrated in the Norwegian Accounting Act as of November 2024. Kredinor employs 662 employees across Norway, Sweden, Denmark and Finland.

Kredinor AS holds a license as a debt collection agency and Kredinor Finans holds a license as a financing company.

Kredinor AB is authorized as a debt collection agency and financial institution in Sweden. Our Finnish business Kredinor Oy is registered as a debt collection agency. Kredinor A/S in Denmark however is authorized by the Danish police as a debt collection agency.

BP-2 – Disclosures in relation to specific circumstances Use of phase-in provisions in accordance with Appendix C of ESRS 1

Kredinor's average number of employees does not exceed 750 employees, and we have omitted information related to scope 3 emissions and total GHG emissions for E1-6. We have also omitted anticipated financial effects for E1-9 from material physical and transition risks and potential climate-related opportunities since it is the first year of reporting under the CSRD legislation. All datapoints for S1-7 and S1-15 are omitted. For S1 and S4 we disclose our metrics, but with reference to phase- in provisions. We have chosen to use 2025 to set the right ambition for these topics. This will be further explained under the relevant MDR-T chapters. The timeline for targets will be commented in each chapter for the relevant topic. We will also need 2025 to develop our entitWy specific topic named "Healthy Economy" and omit this topic from this first CSRD statement.

In line with paragraph 10.2 Transitional provisions, we have based our analysis and assumptions about our value chain on inhouse data and desk top studies.

All time horizons are aligned with the standard horizons for ESRS.

2. Governance

GOV-1 – The role of the administrative, management and supervisory bodies

Sustainability is integrated across many different departments in Kredinor, but our efforts are managed and led by the Head of Sustainability, who reports to the Chief Strategy and Transformation Officer in the Group Strategy and Transformation Department. The Head of Sustainability and her team ensures that the different departments across the group understand their responsibility for the sustainability matters and can document results and relevant data from each department. The administrative, management and supervisory bodies and senior executive management oversee the setting of targets related to material impacts, risks and opportunities based on quarterly reports presented by the Sustainability team. The supervisory bodies monitor progress towards the targets each quarter and if corrections or adjustments are needed, this is done as a dialogue between the supervisory bodies and the management, and changes are implemented by the administration.

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ADMINISTRATION AND EXECUTIVE MANAGEMENT
The top management group are informed on a quarterly basis and involved in decision making and prioritisations. The different leadership teams in different departments are involved in specific cases, but the majority of Kredinor's sustainability matters involve the Operations and Customer service, Quality assurance, Risk and compliance, Communications, and HR. The Finance department supports with financial data and the Data and Analytics department plays an important role in data capture and analysis of ESG data. Kredinor's impacts, risks and opportunities are clustered around financial issues followed up by Finance. Taking care of clients and customers in our operations, this IROs are followed up by the Operations. Own workforce risks and opportunities is HR's responsibility. The executive management team has responsibility for management of the IROs and has delegated this to the Head of Sustainability who has long experience with sustainability as well as a formal background in sustainable business strategy.

The Finance Department, led by the Chief Financial Officer plays an important role in overseeing the reporting process and prepare information for the Risk and Compliance Committee each quarter.

Kredinor's executive management group has 7 executives. The gender balance is 1/7, female /male. This management group was reduced in 2024 to have a smaller, more effective top management and a larger management group at country level which includes leaders from more departments. In the management group at country level the balance is 50/50. The Chief who is responsible for sustainability Chief Transformation and Strategy Officer is part of the top management. She has a law degree in environmental law.

KREDINOR'S EXECUTIVE GROUP MANAGEMENT:
Rolf Eek-Johansen
Malin Petre Gustavi
Abbe Fransson
Anmol Juneja
Børre Sig. Bratsberg
Tore Andresen
Bjørn Ove Ottosen

THE BOARD OF DIRECTORS
The Board of Directors has the overall responsibility for sustainability and the IROS. The Board consists of seven executive members elected by the shareholders and three members elected by the employees. One member of the board is a independent representative. The Board of Directors has organised parts of its work in five subcommittees where matters are prepared and advised for further discussion and approval by the Board of Directors. The Committees consider matters for Kredinor AS and for the Group in whole. Kredinor's Board of Directors has a gender balance of 40/60 female/male which complies with the requirements set by Norwegian law. This includes the employee representatives. The board represents competence that is connected to our most material sustainability matters, hence governance, customer and client relations and finance. During 2024 the board has participated in deep dives and knowledge sharing into Sustainability and recent changes in ESG compliance. Three of the seven members (Bolstad, Moldestad and Hageseter) have taken extra efforts and courses in different sustainability matters. All board members take their responsibility for the sustainability reporting seriously and monitor the progress of the IROS through quarterly reports. Several of the board members represents large banks with in-depth knowledge on sustainability and our reporting obligations. As executives form the financial sector these board members have demonstrated relevant competence for overseeing our financial risks and opportunities.

KREDINOR'S BOARD OF DIRECTORS:
Torbjørn Martinsen
Geir-Egil Bolstad
Trude Glad
Sverre Olav Helsem
Mona Bay Sørensen
Inga Lise Lien Moldestad
Vegard Helland

Employee representatives:
Per Aage Pleym Christensen
Linn Kvitting Hagesæther
Simen Danielsen Torgersrud

SUB COMMITTEES
The Audit Committee is a sub comittee of the Board of Directors. They prepare matters for the Board of Directors, and follow-up of processes for financial and sustainability reporting.The committee consists of tree executive board members: two men and one woman. They monitor the systems used for internal control, risk management and internal audit sustainability reporting. The Risk and Compliance Committee prepares and advice the Board of Directors on matters concerning risk management, internal control and compliance including sustainability risks.

Disclosure Requirement GOV-2 – Information, and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies
The Sustainability function reports regularly to the management team and Board of Directors on progress within sustainability. The findings from risk assessments and internal controls are reported regularly to the administration, management, and supervisory bodies. This occurs through:

- Quarterly reports on sustainability progress to the Audit committee

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- Quarterly updates on the status of risk management and the effectiveness of internal controls to the Risk and Compliance Committee
- Annual reports describing the status of risk management in sustainability reporting and recommendations for improvements.

During 2024 these are the key risks that were reported to the supervisory bodies regarding our sustainability related impacts, risks and opportunities were the following:

- **Compliance risk and capacity for sustainability reporting:** Due to new regulations and few internal resources and capacity to comply new regulations have been monitored throughout the year. This risk is linked to Kredinors IRO within governance (G1)
- **Funding risk (focus on covenants):** Funding and the risk of breaching the covenants have material impact on our financial stability and consequently our stakeholders and IROs. This risk impacts all our IROs upstream and downstream.
- **Risks connected to collection performance:** The ability to collect and solve payments issues has a significant social impact on our end-consumers impacts our IROs connected with end-consumers (S4)
- **Operational risk, IT:** No cyber incidents with potentially high consequence. The overall assessment is that Kredinor has put in place a systematic system regarding contract control (G1-3)
- **Operational risk, People:** The committees received regular updates on risks connected to sick leave and a high turn-over as this in closely linked to our sustainability matter of Own People (S1)
- **GDPR risks:** Monitoring of systems and routines to keep customers' and employee data safe. No breaches were reported (G1)

GOV-3 – Integration of sustainability-related performance in incentive schemes

Kredinor does not have any incentive programs and there is no linkage between sustainability performance and incentive schemes for senior management, the top management or Board of Executives. This is the case for all our sustainability matters. No intensive schemes have been assessed against climate or GHG-emissions or any social targets.

GOV-4 – Statement on due diligence

Kredinor follows a due diligence process in line with the EU's Corporate Sustainability Due Diligence Directive and the Norwegian Transparency Act. We aim to assess and address actual or potential adverse impacts related to environmental, social, and governance (ESG) factors throughout our business operations and supply chain.

Guidelines and Procedures for Due Diligence Assessment

Kredinor has established guidelines for the company's work with fundamental human rights and decent working conditions. This is anchored both in the "Policy for Sustainability" and in Kredinor's Supplier Code of Conduct as well as our Code of Conduct. Kredinor is a member of the UN Global Compact and operates in accordance with the fundamental principles defined by the UN Global Compact.

Kredinor particularly focuses on goals 8, 10, and 12. In Kredinor's Supplier Code of Conduct, we set several requirements for sustainability in the supply chain. Our suppliers are requested to sign that they accept Kredinor's Code of conduct for Suppliers which ask them to abide the same respect for human rights and working conditions as part of the contract signing.

We focus on due diligence across the following key ESG areas:

- **Human Rights and Labor Practices:** We do our best to ensure that no human rights violations occur within our supply chain, particularly concerning forced labor, child labor, and discrimination.
- **Environmental Sustainability:** We assess the environmental impact of our activities, asking for compliance with relevant environmental regulations and striving to reduce our carbon footprint.
- **Anti-Corruption and Governance:** We monitor our supply chain and operations to prevent corruption, bribery, and unethical business practices.

Kredinor will publish our inaugural statement under the Transparency Act on 30.6 2025 and the full statement not included of this sustainability statement (Link).

Core elements of due diligence	Paragraphs in the sustainability statement
a) Embedding due diligence in governance, strategy and business model	Page: 81-82
b) Engaging with affected stakeholders in all key steps of the due diligence	Page: 82-84
c) Identifying and assessing adverse impacts	Page: 81
d) Taking actions to address those adverse impacts	Page: 84-85
e) Tracking the effectiveness of these efforts and communicating	Page: 81-87

General

GOV-5 – Risk management and internal controls over sustainability reporting

Kredinor adopts a risk-based approach to governance, integrating risk management into all decision-making processes. The Board Risk and Compliance Committee provides oversight of the risks, and EY serves as the internal auditor.

Regular risk assessments are conducted to mitigate operational, compliance, and strategic risks, ensuring alignment with ESG priorities and legal requirements. The findings from risk assessments and internal controls are reported regularly to the administration, management, and supervisory bodies. This occurs through quarterly updates on the status of risk management and the effectiveness of internal controls.

Scope: The risk management covers all aspects of sustainability reporting, including environmental, social, and governance factors.

Methodology

The organization uses a systematic risk assessment methodology to identify and prioritize risks, and the same methodology and hurdles are set for sustainability matters as for the rest of Kredinor's risk management. This includes:

- A quantitative and qualitative approach to assess the probability and impact of the risks.
- The risk assessment is conducted every quarter and involves relevant stakeholders, including management, the risk management team, and those responsible for sustainability. The Risk manager and the compliance function has developed a set of controls

Prioritization:

Risks are prioritized based on their potential impact on reporting accuracy and the organization's sustainability goals. However we lack a dedicated system for data collection and validation of ESG data related controls of ESG risks. This will be our priority for 2025. High-priority risks as of 2024 include:

The organization has identified several key risks related to sustainability reporting:

- Non-compliance with sustainability standards and regulatory requirements in our reporting.
- Failure to capture sustainability matters from relevant business KPIs: quality of data in the reporting

3. Strategy

SBM–1 Strategy, business model and value chain

PRODUCTS AND SERVICES

Kredinor is a full-service debt collection company that offers services within two main categories: Credit Management Services (CMS) and Portfolio Investments (PI). We currently have offices in Norway, Sweden, Denmark, and Finland and customize specific collection products towards different segments for utility companies, parking operators, traffic authorities, financial institutions, and the public sector.

Number of employees (headcount) per 31.12.2024:

- Norway: 573
- Finland: 51
- Sweden: 34
- Denmark: 4

In 2024 revenue per country was:

- Norway: 1 286 mNOK
- Finland: 131 mNOK
- Sweden: 43 mNOK
- Denmark: 6 mNOK

For the energy sector in Norway, we offer the product Kredinor Care, which is a customized collection service for clients and companies that want to offer end-customers a longer payment period to maintain customer loyalty and reduce churn.

KAN payment services offered by Kredinor AS' Norwegian subsidiary KAN AS offered the service of debt counselling for clients and customers. Up until 2024 we also offered the product TWO, a service that offered businesses factoring of invoices. During 2024 the two Kredinor products KAN and TWO were closed down and the majority of the staff working with these products had to leave Kredinor. In the autumn 2024 we launched a new service for direct invoicing, Kredinor 365. These four products have only been available in our largest market Norway.

CORPORATE STRATEGY

Kredinor's current corporate strategy evolves around seven pillars:

- Have the deepest knowledge of the customer
- Have the most satisfied customers
- Be best at operations
- Be a digital leader
- Offer new services and products
- Have a strong capital discipline
- Be present where we make a difference

The first three pillars in our strategy are closely linked with ESRS S4: Consumers and end-users. This strategic area, is where Kredinor has the highest impact and highest risks from a sustainability point of view , and hence most IROS. To deliver upon these strategic goals we are totally dependent upon our people, which is another of our material topics reported by ESRS S1: Own Workforce. The fourth pillar: Be a digital leader is linked with our ESRS E1 ambitions to reduce our carbon footprint as well as ESRS S4 and the ability to customizes digital channels to end-customers' needs.

General

Due to major changes in our organization during the spring and summer 2024, Kredinor's management started a review and updating our corporate strategy. In this strategy process a stronger focus on our role in society and securing a stable financial and sustainable situation has been addressed. 2024 was a year with several major changes that impacted our financial situation, our people and accordingly our strategy and sustainability matters. During the autumn the Kredinor initiative KAN was closed down. KAN was initially launched as a sustainable debt solution for end-customers, but did not succeed with this as planned. The administration therefore launched a turn- around process which has included an updated corporate strategy which has impacted our sustainability priorities.

The updated strategy will emphasizes Kredinor's broad variety of stakeholders and our need to understand their different needs better. The strategy process started during November and December and will continue into the second quarter of 2025 before it is fully finalized. Sustainability and Kredinor's impact on our clients, customers, society, the climate, and a healthy economy will continue to be a key part of the new strategy. Our learnings from the double materiality process is included as important input in the new strategy development.

PLANNED CHANGES AND POLICY REVIEWS TO BE CONDUCTED IN 2025

As a result of our double materiality analysis, we have determined that a significant update to our Sustainability Policy is required. The current policy does not align with the new regulatory framework under the CSRD. Also, several matters regarding communication with stakeholders are included in the current Sustainability policy.

In relation with the new framework conditions and an updated corporate strategy, development of a new sustainability policy and communication strategy is required and will be approved by our Board of Directors by Q3 2025.

Furthermore, we will update our strategy documents and policies related to end-customers to include our impacts on a healthy economy as defined in our entity specific topic "Healthy Economy". This will include a broader scope to define how our business relationship with clients is interlinked with our impact on larger groups of customers and national economy.

Value chain

Kredinor's value chain consists of a series of activities that the company engages in to deliver its core services, primarily debt collection and financial solutions. Our value creation starts either by acquiring and investing in debt portfolios or we offer our core services directly as a debt collector to clients. This sustainability statement covers our entire value chain upstream, own operation and downstream. In line with paragraph 10.2 Transitional provisions, we have based our analysis and assumptions about our value chain on inhouse data and desk top studies.

Kredinor's value creation starts either by acquiring debt portfolios or because a client needs debt collecting. We buy debt portfolios typically from businesses or financial institutions, who require debt collection services. This part of the value chain is covered by Kredinor Finans AS, Kredinor AB and Kredinor OY. However, the core activity within Kredinor's value chain is debt collection. This involves managing and recovering outstanding debts on behalf of clients. The process includes identifying debtors, sending reminders, negotiating payment plans, and employing legal means when necessary. Kredinor places importance on providing excellent customer service to both its clients and debtors. The company offers support throughout the debt collection process, resolving disputes, addressing concerns, and maintaining open lines of communication. Building long-term relationships with clients helps in client retention and generating recurring business.

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Our value chain

Upstream →

Procurement for core business

- Cloud providers
- Consulting services
- Different service proveders for invoicing and service production
- Own buildings
- Business travel

Other significant procurement categories associated with sustainability issues

Supply chains for:

- IT-equipment
- IT-services
- Office furniture
- Promotional articles

SUPPLIERS

E1 G1

Kredinor´s own operation across the Nordics →

E1 S1

Downstream →

Debt collection and different financial services

- Portfolio purchases
- Financial Consulting
- Invoice production
- Payment monitoring
- Debt collection services

Services connected with purchase of debt and portfolios

- Analytics Services
- Legal services
- Customer support
- Course acivities and competence development for clients

CLIENTS AND CUSTOMERS

E1 S4 G1 ES

ESRS	Name
E1	**Environmental**
G1	**Business conduct and cyber security**
S1	**Own workforce**
S4	**Customers and end-users**
ES Entity specific	**Healthy economy**

General

The following figure illustrates our key stakeholders and their relation to us:

Large, medium sized or small private or public businesses or banks who require and financial services and debt collection. Businesses vary from retail, health services, public services financial services entrepreneurs or energy suppliers among others.

Norwegian, Swedish, Danish and Finnish employees.

End-consumers within a variety of public and private businesses: Debtors due to road tolls and public fees, electricity bills, consumer loans or any other debt. We have end-consumers in Norway and Finland.

SIFO, Oslo Met. Business schools.

Children in overdebted families.

Minotenk, Redd Barna, Blå Kors, Røde Kors.

The Financial Supervisory Authorities in Norway, Sweden and Finland. The Ministry of Justice through the police in Denmark.

The Consumer Ombudsman(NO) The Financial Complaints Board (NO). The Bailiff(Namsmannen) NAV – The Norwegian Labour and Welfare Administration, The Finance Committee, The Debt Collection Register, The Debt Register,) The National Board for Consumer Disputes in Sweden (ARN), EBA and EFRAG.

More than 300 different suppliers, mainly located in Norway and Europe.

National and local press in Norway. Finance media and industry media in the Nordics.

Industry organizations: Finance Norway and Virke, Finance and Leasing (DK), Swedish Debt Collection, Financial Supervisory Authority (SE and FI).

SBM-2 – Interests and views of stakeholders

Kredinor has a diverse range of stakeholders, each with specific interests and roles that influence its operations and decision-making. We have regular contact and dialogue in different channels with the different stakeholder groups. We deem that all stakeholders are potential users of the sustainability report although investors, owners, clients, and regulatory bodies are the most frequent users of our sustainability information.

Our key stakeholders include end-customers, clients, employees, shareholders, suppliers, regulators and NGOs.

Our stakeholders contribute to our continuous learning and development and feedback from stakeholders are used to update our strategic framework.

KREDINORS STAKEHOLDER INVOLVEMENT

Dialogue with employees

Our own workforce is Employee feedback plays a pivotal role in defining strategic focus areas. Employees actively participated in defining the company's values: Curious, Compassionate, Courageous, and Committed. These values guide interactions with all stakeholders and reflect the company's dedication to understanding and addressing stakeholder needs effectively.

Integration of Workforce Perspectives in Kredinor's strategy and business model

Kredinor systematically integrates workforce perspectives into its decision-making processes to ensure that employee voices are reflected in policies and operations. Feedback collected through bi-weekly surveys and union meetings is directly utilized to shape HR policies and guide operational adjustments, and as described above the unions also play an important role in decision making that impact worker's rights.

Employee feedback plays a pivotal role in defining strategic focus areas. For instance, insights from the workforce have driven initiatives such as implementing flexible work arrangements,

General

expanding training opportunities, and prioritizing mental health support. The feedback from employees is reported to our Board of Executives. Employee satisfaction and turn-over are important KPIs for Kredinor.

Accountability for this integration rests with senior leadership. The management team regularly reviews workforce feedback and incorporates it into quarterly strategy discussions, ensuring that employee perspectives remain central to organizational planning and decision-making. This approach underscores Kredinor's dedication to aligning its strategies with the priorities and well-being of its workforce.

Client- and Customer Relations
Maintaining active dialogues with clients and customers is at the heart of Kredinor's operations. With approximately one million active cases at any moment, we prioritize resolving these cases through digital channels while offering customized solutions to help our customers achieve financial wellness. Feedback from our customers is collected through digital surveys that are conducted continuously sand the results are used as a basis for strategic planning.

We have created various platforms for feedback and dialogue, allowing our clients to engage with our advisors face-to-face. These interactions are often tailored to specific industry segments, in addition to larger gatherings such as Kredinor Arena that invite all clients.

Daily, our staff maintains direct communication with end customers and encourages feedback through digital surveys.

As a result of our double materiality analysis, we have determined to enhance and deepen our direct dialogue with end customers by implementing focus groups and feedback sessions.

Global Commitments and dialogue with organisations and non-governmental organisations
Kredinor supports UN's 17 sustainability goals, and UN Global Compact's 10 principles for human rights, labour, environment, and anti-corruption. We are committed to integrating global standards into its stakeholder engagement practices and follow the OECD guidelines for multinational Enterprises and comply with the ILO convention for workers' rights. To maintain dialogue with different groups who represent businesses and customers we have established contact with organisations within education, social support and business federations.

We comply with the Norwegian Equality and Anti-discrimination Act and the Transparency Act.

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A summarised overview is presented below

Stakeholder Group	User of sus. Report	Channel	Frequency	Purpose	How is feedback followed up?
Customers	To some extent	Digital and verbal 1.1	Daily or weekly according to needs	Support them with overview of finances and payment	Surveys and focus groups and the Quality dept. updates routines and conduct learning sessions based on customer feedback
Employees and unions	Yes	Meetings, townhalls, intranet and regular survey	Daily, weekly and monthly according to channel and needs.	Work related issues, strategy and employee welfare	The management and HR analyses the results from the sustainability surveys and update actions and policies regularly
Clients	Yes	Industry meetings and larger gatherings like Kredinor Arena. 1:1 with their key account manager.	Daily, weekly and monthly according to channel and needs.	Maintain excellent service level and solve for potential issues early	Our client relations are measured by surveys, service level agreements and Key performance indicators (KPIs)
Regulatory bodies	Yes	Formal reporting and meetings	Quarterly or on a need's basis	Comply to regulations	Quality dept. updates routines and conduct learning sessions based legal changes. Our legal dept. communicates internal regulatory update to the organisation.
External legal bodies	Yes	Formal legal processes, letters and e-mails.	Weekly or on a need's basis	Fulfil our role as a debt collector	Legal actions are followed up by our customer advisors and, our quality department.
Suppliers and partners	Yes	Surveys and meetings with procurement departments	Annually or on a need's basis	Ensure quality and deliveries according to our Supplier's Code of Conduct	The largest suppliers are sent digital surveys submit data through an external provider for ESG due diligence.
Media	Yes	Quarterly financial updates, press meetings and press releases and on a 1.1 basis	Daily, weekly or quarterly according to channel and needs.	Maintain transparency and commit to our role in society- provide data on debt and a healthy economy.	We respond queries in a timely manner.
Industry federations	Yes	Industry meetings and seminars and dialogue through Finans Norge	Quarterly or on a need's basis	Ensure service, quality, and continuous learning.	Our client relations are measured by surveys, service level agreements and Key performance indicators (KPIs).
Non-governmental organisations	Yes	Desk-top research meetings and seminars	Annually or on a need's basis	Gain insight into different stakeholders needs and views	We respond to request as soon as possible
Silent stakeholders	No	N/A- to be established in 2025 through NGOs	To be established	To be established	To be established
Experts and researchers	To some extent	Desk-top research meetings and seminars	Quarterly or on a need's basis	Gain insight into different stakeholders needs and views to update routines and communication	We meet regularly with research groups and share our data with them to gain further learnings as a basis for incremental development of our services.

General

SBM-3

The material impacts, risks and opportunities identified in Kredinor's double materiality assessment are presented in the tables below. This overview includes a short description of the IROS, whether they are positive or negative, actual or potential and where in the value chain they are concentrated as well as time horizon. The more detailed descriptive information is presented in relation to the material topics.

Topic	IRO	Positive / Negative	Potential / Actual	Value chain	Time horizon
Environment	**Impact**				
E1	Kredinor has impact on the climate through emissions from own operation.	Negative	Actual	Own operation, Downstream	Medium, long
E1	Kredinor has an impact on the climate through emissions in its value chain	Negative	Actual	Upstream	Medium, long
E1	**Risk**				
E1	Risk of financial sanctions or reputational damage because Kredinor fails to meet regulatory requirements or demands from clients and owners			Own operation	Medium, long

Topic	IRO	Positive + Negative -	Potential / Actual	Value chain	Time horizon
Own workforce	**Impact**				
S1	Kredinor has impact on employees related to equal pay and gender equality	Negative	Actual	Own operation	Short
S1	Kredinor has an impact on employees' opportunities for development and mastery through good training	Negative	Actual	Own operation	Medium
S1	Kredinor has impact on employees' health and safety due to the psychosocial work environment and work life balance.	Negative	Actual	Own operation	Short and medium
S1	Kredinor has impact on employees related to diversity.	Negative	Potential	Own operation	Medium
S1	Kredinor has impact on our employees' privacy	Negative	Potential	Own operation	Short and medium
S1	**Risks**				
S1	Kredinor is dependent upon qualified staff and has a risk of loss of revenue loss due to high turn over			Own operation	Short and medium
S1	If Kredinor does not have adequate wages, there is a risk that we lose competent staff and competitiveness and struggle to attract new talents			Own operation	Short and medium
S1	**Opportunity**				
S1	There is an opportunity for Kredinor in improving employee's specialist competence and digital mastery. Through significant improvements in competence and digital system improvements, we can improve our competitiveness and turnover			Own operation	Medium and long
S1	Kredinor has the opportunity to increase the number of full-time employees and safeguard a stable competence pool.			Own operation	Medium and long

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Topic	IRO	Positive / Negative	Potential / Actual	Value chain	Time horizon
End custumer	**Impact**				
S4	Kredinor has impact on customers' overview of their own finances.	Positive	Potential	Downstream	Short
S4	Kredinor impacts customers if debt is incorrectly calculated, or legal processes are not followed correctly either due to system/process errors or human mistakes.	Negative	Potential	Downstream	Short
S4	Kredinor has an impact on the children of heavily indebted families due to the sale of pledged assets.	Negative	Potential	Downstream	Long
S4	Kredinor has an impact on its customers through the quality of information, choice of communication channels, and ability to adapt communication.	Negative	Potential	Downstream	Short, medium
S4	Kredinor impacts its customers through a lack of complaint access and opportunity for feedback in relevant channels.	Negative	Potential	Downstream	Short
S4	**Risk**				
S4	Risk of privacy violations against a customer that leads to economic and reputational consequences.			Downstream	Short
S4	Lack of access to quality information due to technological or language barriers presents a risk of reduced settlement rates and income failure.			Downstream	Short
S4	**Opportunity**				
	Through digitalization of services and improvement of communication, we can increase customer's payment discipline, our own efficiency and profitability.			Own operation	Short

S4	**Entity spesific healthy economy**				
S4	**Impact**				
S4	Kredinor has impact on clients's economy due to end-customers payment practice.	Positive	Potential	Downstream	Medium
S4	Kredinor has impact on society and national economy if aggregated information and data about debt and financial status among customers are not shared, either due to lack of transparency or bad data quality	Negative	Potential	Downstream	Medium

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Topic	IRO	Positive / Negative	Potential / Actual	Value chain	Time horizon
Governance	**Impact**				
G1	Complex business model with many different suppliers may have an impact on our suppliers and the management of these	Negative	Potential	Upstream	Short
G1	Unethical business culture leads to a poor work environment	Negative	Potential	Own operation,	Medium, long
G1	Kredinor has impact on employees when an employee reports critical issues.	Negative	Potential	Own operation	Short
G1	**Risk**				
G1	Risk that an unethical business culture leads to poorer decision-making, reduced productivity, a worse work environment, high turnover, and damage to reputation.			Own operation	Short, medium
G1	Risk of cyberattacks on Kredinor's systems, causing financial loss and sanctions for us, reputational damage for our clients, and exposing our customers to identity theft			Upstream, Downstream	Short
G1	Kredinor has the risk of corruption and financial crime through its operations			Upstream, Downstream	Short, medium
	Opportunity				
G1	Through digitalization of services and improvement of communication, we can increase customer’s payment discipline, our own efficiency and profitability.			Own operation	Short

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4. Impact, risk and opportunity management: IRO-1

Double Materiality Assessment: Description of methodologies and assumptions applied in process
The double materiality assessment was conducted by a small working group who consulted different stakeholders and organised several workshops. The assessment followed three steps: *understanding the context, identification of potential and material topics and determination of material and not material topics.*

UNDERSTANDING THE CONTEXT
To understand the context an initial activity, a one-day educational session was held in May 2023 for all department heads to ensure a basic understanding of the new CSRD/ESRS regulations coming into effect in 2024. This was the start of the company's process to map value chain, encompassing upstream, operations, and downstream stakeholders and activities.

In August 2023, Kredinor's sustainability team began mapping its value chain to identify IROs and key stakeholders. The work was verified and further developed through a series of seven workshops, conducted in September 2023, with all management teams. Later interviews with 10 different external stakeholders followed. The external stakeholders represented the different client groups along our value chain, NGOs, and organisations. A key takeaway from these workshops was the recognition that internal processes were still evolving post-merger (Kredinor had recently merged with Mohdi), and the integration of internal processes was not yet complete resulting in disparate views on the value chain. Consequently, the output from these workshops served as a first draft, to be refined as management gains a deeper understanding of the company's processes and the new sustainability regulations.

IDENTIFICATION OF THE ACTUAL AND POTENTIAL IROS RELATED TO SUSTAINABILITY MATTERS
To identify key stakeholders and material topics throughout Kredinor's value chain, we worked systematically across each step of the value chain. The project group started by identifying all possible IROs (Impacts, Risks, and Opportunities) related to environmental, social, and governance (ESG) matters across our operation. This was done throughout Kredinor's upstream and downstream value chain in workshops. The workshops established workstreams for the following areas: IT and analytics, operations, finance, strategy, legal and commercial.

Different markets, geographies and portfolios were considered, but the most material matters were found in the Norwegian part of the business since this covers the vast majority of the revenue

The workstreams collected impacts, risks and opportunities within their area. To prioritise and monitor risks and opportunities the project group asked the leaders of each function to consider risks and opportunities related to their sustainability matters. This was first discussed in the workshops and followed up afterwards by more detailed risk assessments from the different areas. The majority of risks and opportunities that were summarised were related to Kredinor's core business, but as a result of the workshops area leads were challenged by the sustainability team to also consider risks and opportunities related to climate change and resource use. Even if these risks were not deemed as material, considerations of these kinds of risks and opportunities were new for the managers and required a bit more context.

Initially, we analysed the context of Kredinor's activities, business relationships, value chain, and affected stakeholders to identify relevant sustainability matters. This analysis included a sector-specific review, allowing for the possible inclusion of entity-specific topics. The result was a comprehensive long list of these impacts, risks, and opportunities.

CONSULTATION WITH AFFECTED STAKEHOLDERS
Internal Stakeholder Engagement
All internal management teams were engaged in the development of the Kredinor value chain and materiality assessment in a row of seven different workshops.

Internal area leads, with deep knowledge of affected stakeholders (mainly clients, customers and financial markets) were designated as stakeholder representatives. They provided initial insights on sustainability matters from different stakeholder perspectives and helped identify and score the impacts, risks, and opportunities (IROs).

External Stakeholder Engagement
In the external stakeholder dialogues, sustainability impacts were assessed based on scale, scope, severity, and likelihood. Interviews were conducted on a 1:1 basis with 10 different external parties which represented Kredinor's different clients, vendors and public organisations and non-governmental organisations (NGO's). Additionally, the risk of potential financial impact of risks and opportunities were discussed. During the workshops we used a materiality matrix to simplify and illustrate the financial impact versus external sustainability impact. After the first assessment with stakeholders a more thorough process was conducted by the sustainability team and Kredinor's management.

End customers' perspectives have only been considered through dialogue with interest organizations. Kredinor wishes to improve this and has created a plan for a more comprehensive stakeholder dialogue with external affected parties. For 2025 we will prioritize end-customers point of view by more thorough interviews and dialogues with researchers in the field, NGOs and end-users themselves via focus groups and online surveys.

We also assessed impacts and risks within our value chain, primarily focusing on downstream activities. These evaluations were largely

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based on internal knowledge, particularly when identifying and assessing impacts related to Consumers and End-users (ESRS S4). Our impact assessment considered both positive and negative effects, including actual and potential sustainability-related impacts. In parallel, our financial assessment identified potential sustainability risks that could negatively affect the business financially.

While direct consultation with affected stakeholders, such as end customers, was not conducted this year, we engaged external stakeholders to review and validate the outcomes of our DMA. However, we view this as a vital discrepancy and Kredinor remains dedicated to enhancing stakeholder involvement, with direct engagement with end customers, as part of our ongoing sustainability efforts in 2025. Although end-users were not directly involved as a stakeholder in this initial assessment, Interests and point of view of Stakeholders Kredinor is committed to integrating end-customers perspectives through a structured engagement process, which is planned for 2025.

MATERIALITY SCORING APPROACH, VALUE CHAIN AND TIME HORIZONS

The process used the criteria defined in the ESRS and further explained in EFRAG's guidance as follows:

Material impact ("impact")
Impact was assessed by:
- Severe negative impact on the environment, people, or society*
- Significant positive impact

Criteria for severity:
- Effect ("scale")
- Scope/extent ("scope")
- Irreversibility ("irremediability")
- Likelihood (for potential impacts)

For potential human rights violations, severity is weighted higher than likelihood, in accordance with ESRS.

Material risk and opportunity ("risk/opportunity")
Material risk or opportunity if significant expected financial impact based on:

Reasonable assumption about effect on time horizons, as defined in ESRS
- Short term (last year/reporting period)
- Medium term (up to 5 years)
- Long term (beyond 5 years)

After the initial work to find relevant impacts, risks, and opportunities the IROs was mapped and assessed in accordance with the requirements of the ESRS and the guidance from EFRAG. After scoring and mapping of the IROS a final sum was calculated. The scale for the total score ranges from 1 to 25, where 1 is the lowest and 25 is the highest. The total result is obtained by multiplying scores, severity, with probability. Areas with a total score of 16 or higher are considered material for Kredinor. Kredinor uses a score from 1-5, where 4 and above are considered serious/significant. With a similar method for sustainability, a total score of 16 or higher (4x4=16) sets the threshold for the materiality level. Climate is considered significant regardless of whether the composite score is 16 or higher.

THE DECISION-MAKING PROCESS

The initial materiality assessment concluded that the two entity specific topics *"Cyber Security" and "Financial Health"* were material in addition to *"Own workforce", "Consumers and end-users", Climate change and Business Conduct/Governance"* were the most material topics for Kredinor. This outcome aligned with our previous strategy.

During spring 2024 the sustainability team continued the more detailed work with the IROS to ensure that changes in our context and framework conditions were taken into consideration. The project group, led by the Head of Sustainability prepared new sessions with the new management and Board of Executives. Since Kredinor's context and strategy was changed to a large degree it was necessary to have another look at the double materiality assessment. We also saw a need to have an additional meeting with Kredinor's largest public client. We also realized that the first workshops had not been able to fully integrate Kredinor's entire value chain well enough int the first round of workshops. After new discussions and feedback from stakeholders, the materiality matrix was updated. We found that the entity specific topic Cyber security rather fell under G1 and therefore was removed as a material topic in our final DMA assessment.

The materiality assessment method and result of the assessment was presented to the Executive management and the board in three steps along the process, and since there was a significant change in leadership a Board a reassessment was necessary. As a part of our decision making process we consulted with our majority owner SpareBank 1 so that our scoring methodology aligns with them since Kredinor's DMA and sustainability matters subsequently will be reported to them on a group basis.

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INTERNAL CONTROL PROCEDURES AND IMPLEMENTATION IN RISK MANAGEMENT

The board will conduct an annual review of the materiality assessment in connection with integrated annual reporting going forward. As described under the disclosure of the process with affected stakeholders, Kredinor will conduct a more thorough process with external stakeholders and end- consumers in particular. We expect that this can lead to a need to update the DMA. The Audit Committee will be involved in monitoring and evaluation of this process. The DMA process and monitoring of relevant issues will also be implemented in Kredinor's general framework for risk management and control overseen by then Risk manager and the Risk and Compliance function.

Currently, sustainability risks are not incorporated into Kredinor's overall risk profile assessment. Although sustainability risks are monitored and reported on a quarterly basis to the Risk and Audit Committee, these risks have not been considered as part of the broader risk evaluation. Starting in 2025, sustainability risks will be fully integrated into the Group's comprehensive risk assessment.

Our impact on climate change when it comes to GHG emissions is small, due to the nature of our business. Our biggest impact happens through our emissions related to employee travels and purchased goods and services. From our operations the production and issuing of invoices on paper or digitally represents the largest source of emissions.

There are no climate-related physical risks in own operation. Risks downstream in value chain can include a potential asset devaluation in sectors exposed to climate risks. Upstream risk is for our lenders, with long-term loan performance and potential impacts due to climate-related financial stress. Potential financial impact for Kredinor is a reduction in portfolio value and higher interest rates. When looking at climate-related transition risks we have considered regulatory risks as the most relevant for us. The increased regulation within climate and environment will impact us and lead to increased compliance cost due to stricter EU reporting requirements. Potential climate-linked debt recovery regulations affecting the risk assessment of defaulted loans is also relevant for Kredinor.

We will be impactesd by integration of ESG factors in financial risk evaluations, requiring adjustments in our credit scoring models and collections policies

There is also a significant market risk related to shifts in debtor behavior where high-risk industries may experience increased default rates due to climate-related financial stress. We can also expect credit risk fluctuations as financial institutions tighten lending criteria for companies with high climate transition exposure. Lastly, we must consider technological investment in sustainable financial technologes and tools for management of climate data.

IRO-1 FURTHER EXPLANATION OF MATERIALITY ASSESSMENTS

G1 Governance

The process of identifying material topics for Governance G1 in alignment with ESRS began in last year's internal workshops with management teams across all business units. A majority of our business units emphasized the importance of risks in this area for Kredinor. As a debt collection company, issues related to "good debt collection practices" were identified as essential, alongside quality assurance and strong governance, which were frequently highlighted by our clients.

We also considered any potential governance differences between our locations. Since Kredinor operates in six locations across four countries, we assessed any regional variations. While some minor differences in business culture were noted, they were not deemed significant.

In terms of internal processes for investigating conduct matters and breaches of our Code of Conduct, all locations follow the same policies and participate in consistent governance training.

Given the broad range of industries we serve and the diverse nature of our suppliers, the importance of an effective supplier control system became evident. Kredinor's clients span small, medium, and large businesses in sectors where financial crime is a concern, so maintaining high ethical standards and clear guidelines is crucial.

The risk of corruption and bribery is a significant issue, both upstream in our value chain and within our own operations, as well as downstream, impacting clients across various industries.

E1 Climate change

For E1 we identified impacts on climate change and estimated our GHG emissions. We analysed how our value chain and operation will be impacted by climate related physical risks. In the assessment we used a simplified scenario based on TCFD including both short-term and long-term projections: One scenario with low emissions pathway and one with high emissions pathway. However, the use of scenarios was only included in the early workshops with internal stakeholders and to a small extent. Kredinor's sustainability team will therefore perform a more thorough climate risk analysis and use expert advice in relation with our work with the transition plan. Our initial climate risk analysis concluded that physical climate risks have limited exposure on our operation, primarily on pledged receivables in high-risk sectors.

EXPLANATION OF NEGATIVE MATERIALITY ASSESSMENT (IRO-1 FOR TOPICS OUT OF SCOPE)

ESRS E2 Pollution

As a service provider our pollution of air, water and soil is limited. The office locations we rent in Norway, Denmark, Finland and Sweden are not close to any vulnerable nature or water resources and they

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represent as such a minor impact on our environment. We have no use of substances of concern. In our materiality assessment we therefore ruled out the use of lists of site locations where pollution is a material issue for the Kredinor operation. We have not used the LEAP approach in our considerations of impact from pollution. As of now it is not possible to create a list of business activities that have material impact, risks or opportunities.

ESRS E3 Water and marine resources

All of our office locations are situated in urban areas, and our services at Kredinor do not impact surface water, groundwater, nor do we withdraw or discharge water. Additionally, Kredinor has no impact on marine resources, as our operations do not rely on them. None of our sites are located in areas with water scarcity or high-water stress. Our materiality assessment has shown that we do not have significant financial opportunities related to resource efficiency. We do not have services or processes that depend on water or marine resources. The development of less resource-intensive products and services, diversification of business activities, or the financing of green bonds or circular economy initiatives that reduce dependency on water or marine resources, are not currently relevant to our operations.

ESRS E4 Biodiversity and ecosystems

Kredinor does not have a significant impact on biodiversity loss, species states, or ecosystems along our value chain. We have not identified any actual or potential impacts on biodiversity and ecosystems at our site locations, nor any dependencies on biodiversity, ecosystems, or their services at these locations. We have assessed the potential transition and physical risks and opportunities related to biodiversity and ecosystems but found no such issues. As a result, there has been no need to engage in consultations with affected communities regarding the sustainability assessments of shared biological resources and ecosystems.

ESRS E5 Circular economy

Kredinor does not have significant resource use or opportunities related to the circular economy within our operations. As part of our materiality assessment, we evaluated sub-topics related to resource use and circular economy by considering both our resource inflows and outflows, specifically concerning products, services, and waste. Kredinor has an IT policy that mandates the purchase of used computers and the re-use of IT equipment and phones. We also track food waste and waste recycling at our own facilities, aiming to reduce and reuse as much as possible. While these resource flows are important for Kredinor to monitor, we have determined that there are no material impacts, risks, or opportunities associated with them.

Material sustainability topics

These are the material topics for Kredinor after our double materiality assessement

CROSS-CUTTING STANDARDS	TOPICAL STANDARDS		
GENERAL INFORMATION	ENVIRONMENTAL INFORMATION	SOCIAL INFORMATION	GOVERNANCE INFORMATION
ESRS 1 General Requirements	ESRS E1 Climate change	ESRS S1 Climate change	ESRS G1 Business conduct and cyber security
ESRS 2 General Disclosures		ESRS S4 Consumers and end-users	
		Healthy economy	

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IRO-2 Disclosure Requirements in ESRS covered by the Kredinor's sustainability statement

The decision on which disclosure requirements to publish is guided by the EFRAG IG 3 List of ESRS data points. We have aligned the outcomes of our double materiality assessment with the disclosure requirements set forth in the standard. This approach allows us to determine the material information that should be disclosed concerning the identified impacts, risks, and opportunities. Below, you will find tables summarizing the disclosure requirements that have been met, along with the corresponding data points derived from other EU legislation.

ESRS	Content		Page nr
ESRS 2	**General Disclosures** The chapters include an overview of our basis for preparations, governance, structure, value chain and strategy as well as a description of our process for assessing materiality. ESRS2 constitutes the first part of the statement and gives a broad introduction to Kredinors sustainability work.	Basis for preparation of the sustainability statement (BP-1 and BP-2) Governance Strategy SBM-1 – Strategy, business model and value chain SBM-2 – Interests and views of stakeholders 4. Impact, risk and opportunity management: Disclosure Requirement IRO-1	Pages: 25-37
ESRS E1	We disclose our climate-related risks and opportunities, including our emissions reduction targets as well as how we will develop future plans for climate strategies and integrate in our new corporate strategy	**Climate (E1)** ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model E1-2 – Policies related to climate change mitigation and adaptation E1-3 – Actions and resources in relation to climate change policies E1-4 – Targets related to climate change mitigation and adaptation E1-6 – Gross scopes 1,2,3 and Total GHG emissions Methodology Gross scope 1 and 2 emissions E1-7 – GHG removals and GHG mitigation projects financed through carbon credits Plans for the future E1-9 – Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Pages: 49-55
ESRS S1: Own Workforce **Disclosure Covered:** We report upon data on workforce diversity, training and development, and health and safety measures across our operations. The statement also provides an overview of our commitment to fair wages, gender equality, and employee well-being.	We report upon data on workforce diversity, training and development, and health and safety measures across our operations. The statement also provides an overview of our commitment to fair wages, gender equality, and employee well-being.	**Own workforce (S1)** General information and impacts, risks and opportunities related to our own workforce (SBM3) S1-1 – Policies related to own workforce S1-2 – Processes for engaging with own workforce and workers' representatives about impacts S1-3 – Processes to Remediate Negative Impacts and Channels for Raising Concerns Processes to Address and Remediate Negative Workforce Impacts Disclosure Requirement S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions Disclosure Requirement S1-6 – Characteristics of the Undertaking's Employees	Pages: 62-69

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ESRS	Content		Page nr
ESRS S4: Consumers and end-users **Disclosure Covered:** We include a brief overview of our different groups of customers and how we interact with them. How we ensure that inclusion and tailored communication are integrated in our services. What channels we offer end-customers and how they can raise concerns or complaint to us.	We include a brief overview of our different groups of customers and how we interact with them. How we ensure that inclusion and tailored communication are integrated in our services. What channels we offer customers and how they can raise concerns or complaint to us	**Consumers and End-Users (S4)** General introduction about our Consumers and end users SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business mode S4-1 – Policies related to consumers and end-users S4-2 – Processes for engaging with consumers and end-users about impacts S4-3 – Processes to remediate negative impacts and channels for end customers to raise concerns S4-4 – Taking action on material impacts, and approaches to mitigating material risks and pursuing material opportunities related to end-customers and effectiveness of those actions. S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities.	Pages: 71-80
ESRS G1: Governance	We give a detailed overview of our corporate governance framework, board diversity, ethical conduct policies, and anti-corruption practices.	**Governance (G1)** G1.2 – Management of relationships with suppliers G1-3 – Prevention and detection of corruption and bribery G1-4 – Incidents of corruption or bribery	Pages: 81-86
Entity specific disclosure: Healthy Economy:	Since this is the first reporting year, we have not developed sufficient KPIs for our entity specific topic. The double materiality assessment concluded that we have a topic that overlap our business model and consumers and how this impacts society. KPIs to be detailed in 2025.		Page: 71

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List of datapoints in cross-cutting and topical standards that derive from other EU legislation

This appendix is an integral part of the ESRS 2. The table below illustrates the datapoints in ESRS 2 and topical ESRS that derive from other EU legislation.

Disclosure Requirement and related datapoint	SFDR (23) reference	Pillar 3 (24) reference	Benchmark Regulation (25) reference	EU Climate Law (26) reference	Material for Kredinor?	Page nr
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1	Kredinor Finance page	Commission Delegated Regulation (EU) 2020/1816 (27) , Annex II		YES	Page: 25
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		N/A	Page: 25
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1	N/A			YES	Page: 27
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 (28) Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II	NA	N/A	Page: 28
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1	NA	Delegated Regulation (EU) 2020/1816, Annex II	NA	N/A	Page: 28
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1	NA	Delegated Regulation (EU) 2020/1818 (29) , Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II	NA	N/A	Page: 28
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv		NA	Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II	NA	N/A	Page: 28
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14	NA	NA		Regulation (EU) 2021/1119, Article 2(1)	YES	Page: 49
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		N/A	Page: 49

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Disclosure Requirement and related datapoint	SFDR (23) reference	Pillar 3 (24) reference	Benchmark Regulation (25) reference	EU Climate Law (26) reference	Material for Kredinor?	Page nr
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		YES	Page: 52
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				YES	N/A
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				YES	N/A
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				N/A	N/A
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		YES	Page: 52
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		YES	Page: 52
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	N/A	Page: 55
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		N/A	Page: 55
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			N/A	Page: 55

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Disclosure Requirement and related datapoint	SFDR (23) reference	Pillar 3 (24) reference	Benchmark Regulation (25) reference	EU Climate Law (26) reference	Material for Kredinor?	Page nr
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34;Template 2:Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			N/A	Page: 55
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		N/A	Page: 55
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				N/A	Page:39-40
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1					Page:40
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				N/A	Page:40
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				N/A	Page:40
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				N/A	Page:40
ESRS E3-4 Total water consumption in m 3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				N/A	Page:40
ESRS 2- SBM 3 - E4 paragraph 16 (a)	Indicator number 7 Table #1 of Annex 1				N/A	N/A
ESRS 2- SBM 3 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				N/A	N/A
ESRS 2- SBM 3 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				N/A	N/A
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				N/A	Page:40
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				N/A	Page:40

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Disclosure Requirement and related datapoint	SFDR (23) reference	Pillar 3 (24) reference	Benchmark Regulation (25) reference	EU Climate Law (26) reference	Material for Kredinor?	Page nr
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				N/A	Page:40
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1					Page:40
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1					Page:40
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I					Page:59-60
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I					Page:59-60
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				YES	Page: 63
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		YES	Page: 63
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				N/A	Page: 63
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				N/A	Page: 63
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				YES	Page: 66
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		N/A	Page: 66
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				Yes, sick leave rate	Page: 67
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		YES	Page: 68
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				YES	Page: 68

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Disclosure Requirement and related datapoint	SFDR (23) reference	Pillar 3 (24) reference	Benchmark Regulation (25) reference	EU Climate Law (26) reference	Material for Kredinor?	Page nr
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				N/A	N/A
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		YES	Page: 32
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				N/A	N/A
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				YES	N/A
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				N/A	N/A
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		YES	Page: 32
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		YES	Page: 32
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				YES	Page: 32
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				N/A	N/A
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		YES	Page: 32
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				N/A	N/A
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				N/A	Page: 74

General

Disclosure Requirement and related datapoint	SFDR (23) reference	Pillar 3 (24) reference	Benchmark Regulation (25) reference	EU Climate Law (26) reference	Material for Kredinor?	Page nr
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		YES	Page: 74
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				YES	Page: 78
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				YES	Page: 82
ESRS G1-1 Protection of whistle- blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				YES	Page: 82
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		YES	Page: 86
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				YES	Page: 86

Environment

Environment (E1)

General information

Despite the fact that Kredinor has a relatively small impact on the climate with its operations, it is important for the company to contribute to the areas it can, to limit the global warming to 1.5° as agreed in the Paris agreement. We are continuously working to cut, and climate compensate our own emissions, as well as aiming for working with suppliers who meet our sustainability requirements.

E1-1 – Transition plan for climate change mitigation

Kredinor currently has no transition plan to describe the company's efforts to limit climate change. The plan will be prepared 2025 and adopted with start during 2026.

We have allocated time and resources for this work during Q1 and Q2 2025 and the development of the transition plan will include the stakeholders in our value chain we deem to have the most impacts and risks related to climate.

ESRS 2 SBM-3 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

IROs for Kredinor relating to climate is presented in the following table.

IRO	Positive / Negative	Potential / Actual	Where in value chain	Time horizon
Impact				
Kredinor has impact on the climate through emissions from own operation	Negative	Actual	Own operation, Downstream	Medium, long
Kredinor has an impact on the climate through emissions in its value chain	Negative	Actual	Upstream	Medium, long
Risk				
Risk of financial sanctions or reputational damage because Kredinor fails to meet regulatory requirements or demands from clients and owners			Own operation	Medium, long

CLIMATE EFFECT

Kredinor has negative impact on the climate through emission both from own operation and in the value chain. The corporate strategy pilar "Be best at operations" includes all parts of our work, including the environmental footprint and the following emissions from our activities. We rely on all parts of our value chain, and here suppliers are an important part. Effects from our operation relates to e.g. office heating, leasing cars and business travel. Kredinor is taking action in order for affecting these areas by e.g. converting to renewable energy contracts, revaluating our leasing car policy, and climate compensating for business trips. Effect from value chain involves e.g vendors. Dealing with unwanted suppliers can lead to both reputational damages, but even worse, that we support vendors not operating in a sustainability manner. Suppliers are followed up in our system Worldfavor, and the focus on ESG areas are to be intensified. The impact affects both people and the environment. We are involved in this impact both due to our own activities and through our business relations.

EXTERNAL REGULATION AND REQUIREMENTS

There is a risk of financial sanctions or reputational damage if Kredinor fails to meet regulatory requirements or demands from clients and owners. The fundament for all of our strategic pilars is to be compliant in all our activities in the business model. Effect of not meeting regulatory requirements is related to potential fines and reputational damage with risk of losing clients and related income.

Environment

There is no significant risk of material adjustment of our financial position within the next annual reporting period. The risk is not assumed to change over short- middle- and long run, since Kredinor is intensifying the work regarding relevant regulatory sustainability related matters.

All impacts and risks are covered by ESRS Disclosure requirements.

RESILIENCE ANALYSIS

Kredinor conducted a simplified resilience analysis. The scope of the analyses was to gain a picture of how climate transition risks impact its business model, revenue streams, and risk management frameworks.

Parts of our value chain included in the analysis was:

- Own operation: Investment, Finance, Operations, Commercial, Legal, Marketing
- Upstream: IT solutions, financial institutions, authorities
- Downstream: Clients

Assessment of the resilience analysis was performed end of 2024 in connection with the development of a new financial plan and updated strategy for Kredinor. The analysis is built on scenarios and data from previous workshops with stakeholders and desktop research from our industry. The Transformation and Sustainability department conducted the analysis, with the final approval of the analysis by the Chief Transformation and Strategy Officer. The focus was on physical and transition risks. We have limited physical risk, primarily in pledged receivables in high-risk sectors. Transition risks consist of regulatory, market, technological, and reputational factors. No material physical or transition risks were excluded. We also looked at financial resilience and risk mitigation measures. We used a scenario-based testing with long-term climate adaptation strategies.

Kredinor's climate risk assessment demonstrates that:

- Transition risk is the primary climate-related concern, particularly regulatory and market-driven risks. This risk is still low, from a climate perspective given the role of Kredinor
- Physical risks have minimal impact, except for potential long-term effects on pledged receivables.
- Our Financial Plan 2.0 is designed to incorporate and mitigate these risks.
- Kredinor 's business model remains resilient under multiple climate risk scenarios.
- Kredinor ensures long-term financial stability and regulatory alignment.

ASSUMPTIONS

Critical assumptions about the transition to a lower-carbon and resilient economy:

- Macroeconomic trends: Financial institutions demand an interest risk-premium for entities not compliant with ESG regulations
- Energy consumption and mix: No critical assumptions
- Technology deployment: Technology IT investments need to be done, both on the customers, client and supplier side relating to communication, case handling and follow up of suppliers.
- Customers willingness and ability to pay are probably unaffected on a total level.

The resilience analysis is linked to the company's Financial plan 2.0, which has a time horizon 2024-2029.

Estimated anticipated financial effects from material physical and transition risks as well as the mitigation actions and resources were considered to be low, given the role of Kredinor and not being directly exposed to high-carbon activities.

It is natural with uncertainties relating to some of the fundamental assumptions. However, at the moment we consider the uncertainties to be insignificant in the resilience analysis, but Kredinor is monitoring our exposure to potential new areas. Consequently, there are no further assets or business activities at risk, other than the ones already considered in the resilience analysis.

The ability of Kredinor to adjust our strategy and business model to climate change in the short term is good. While Kredinor has low exposure to direct physical risks, certain pledged receivables may be linked to industries facing heightened climate risks (e.g., real estate or manufacturing). Ability in the middle and long term is very good. Market and regulatory adaptation together with increased competence of employees and upgrade of relevant IT systems, can be planned well ahead and implemented in the middle run. Kredinor's climate risk assessment demonstrates that Kredinor ensures long-term financial stability and regulatory alignment.

E1-2 – Policies related to climate change mitigation and adaptation

Kredinor has two policies related to climate change: Our Sustainability policy and Code of conduct for Suppliers.

SUSTAINABILITY POLICY

Our Sustainability Policy outlines principles for fair and equal treatment of all stakeholders, including, environmental guidelines, organizational structure, and governance of sustainability. The Board of Directors (BoD) is responsible for overseeing governance and control within the Kredinor Group, and it is the BoD that adopts the Sustainability Policy.

Environment

The CEO of Kredinor owns the sustainability policy and is responsible for ensuring its implementation, governance, and adherence to the obligations outlined in the policy. The policy applies for all entities in Kredinor Group.

Our core environmental principles include:

- **Climate Change Risk Consideration:** We incorporate climate-related risks into our pricing and purchasing decisions when acquiring debt portfolios, where applicable.
- **Waste Reduction:** We aim to minimize waste through prevention, reduction, recycling, and reuse.
- **Paper Reduction:** We are dedicated to reducing paper usage across our offices and continuously seek alternatives to paper-based communications.
- **Sustainable Sourcing:** We prioritize recycled and recyclable paper products whenever possible.
- **Digital-first Approach:** Before opting to print any materials, we assess whether digital distribution can suffice, reducing paper waste.
- **Renewable Energy:** We actively choose renewable energy providers for our offices to reduce our carbon footprint.
- **Energy Efficiency:** We make ongoing efforts to minimize energy consumption in our operations and seek out energy-saving opportunities.

The policy sets out our principles for how we must consider social conditions, the climate and the environment and ethical business management in all our activities. It covers our IROs about Kredinor having a negative impact on climate through emissions both from own operation and from our value chain. The objective is to give a guideline for all employees on how to handle in areas related to sustainability in the daily work, and in the contact with customers, clients and suppliers.

The policy is available for all employees on the entities intranet. Leaders in all departments are responsible for implementing the policy.

Code of conduct for Suppliers
Kredinor's Code of conduct for Suppliers (the "Code") applies across the entire group and all countries in which the group operates. The Code outlays the values and principles we expect from our suppliers. All suppliers chosen by Kredinor or any of its affiliates are subject to this. Suppliers are also expected to apply comparable standards downstream in their own supply chains. The Code outlines the minimal requirements anticipated of all suppliers and is based on the principles of the UN Global Compact and the International Labor Organization's Declaration of Fundamental Principles and Rights at Work.

The objective of the Code of conduct it to outline the expectations Kredinor have for all suppliers regarding the reduction of environmental impact. It covers our IRO about Kredinor having a negative impact on climate through emissions from our value chain. The Code of conduct is updated yearly or when necessary. The monitoring of the follow up is the responsibility of the Sustainability team. CEO is the most senior level in the organization that is accountable for the implementation of the policy. The policy is available for all employees on the entities intranet. Leaders in commercial departments need to help implement the Code.

E1-3 – Actions and resources in relation to climate change policies

We assume that our most significant emissions are in scope 3, hence it will be an important task to closer follow up scope 3 going forward.

One key action in 2024 and for the future regarding climate change mitigation is the purchase of carbon credits. Further information can be found under E1-7. Another key action in 2024 is the newly agreed contract for office electricity for the Turku office. From 2025 only renewable energy will be used also for this office.

There are not any significant monetary amounts of CapEx and OpEx related to implementing the actions taken or planned related to the key performance indicators required under Commission Delegated Regulation (EU) 2021/2178.

We are also striving for a sustainable way of working with our suppliers through our Code of conduct for Suppliers and this is a continued planned action for the future. That Code outlines the minimal requirements anticipated for suppliers, where fundamental human rights and decent working conditions are the corner stones. The Code is based on the principles of the UN Global Compact and the International Labor Organization's Declaration of Fundamental Principles and Rights at Work. It is used as a tool when negotiating with new suppliers, but not mandatory to be signed by vendor if it can be shown in other ways that they comply with those two basic criteria.

This is also presented under G1-2 Management of relationships with suppliers. In our tool Worldfavor for supplier due diligence, we will look more thoroughly into environmental criteria to include going forward. This is a risk-based assessment with potential improvement regarding sustainability.

Environment

In the following table an overview of our actions are represented.

Activities	Decarbonisation lever	Time horizon	2024 Achieved GHG emission reduction 2024 (tCO2)	Planned Expected GHG emission reduction (tCO2)	Place in value chain	Geographies	Action	Resources allocated / planned	Ability to implement the actions (To what extent in percentage)
Scope 3: 1. Distribution 2. Business travel	Purchase of carbon credit to compensate for CO2 emissions	2024	119.3		Upstream	Norway	1. Reforestation projects in Tanzania 2. Reforestation projects through Chooose	Monetary	100%
Office electricity	Energy transition: switching to green energy	2025		17.9 [1)]	Upstream	Norway, Sweden, Finland, Denmark	Renewable energy: Using instruments such as Guarantee of origin and Renewable Energy Certificates	Monetary	100%
TOTAL		2025	119.3	17.9					

[1)] Figure does not include district heating for Oslo office.

E1-4 – Targets related to climate change mitigation and adaptation

By end of year 2024 Kredinor does not have any set targets. Kredinor's original ambition was to achieve net zero by the end of 2025. However, this timeline is no longer realistic. We will use the upcoming strategy process, informed by updated data, to more accurately assess relevant targets, then find out how and when we can reach these targets. Our ambition remains to achieve net zero within a short time frame. Targets will be prepared and adopted during 2025. Despite not having set targets at the moment, the efficiency of our actions is partly followed up by a dialogue with different departments in Kredinor and suppliers on an ad hoc basis, about our gradual transition to more energy efficient solutions and our goal towards reducing our CO-2 emissions, in accordance with the existing Sustainability Strategy.

E1-6 – Gross scopes 1,2,3 and Total GHG emissions

Kredinor has prepared its Gross scopes 1 and 2 as set out in ESRS, and GHG protocol Corporate standard.

Since the number of employees in the Group on the balance sheet dates during the financial year did not exceed 750, Kredinor did omit the datapoints on scope 3 emissions and total GHG emissions for the first year of preparation for the sustainability statement. We are aware of that our most significant emissions are under scope 3.

METHODOLOGY
Activities that have a climate impact are included in the calculation. These are divided into scope 1 for our direct emissions and scope 2 for indirect emissions related to energy consumption. The system Cemasys has been used for setting up the climate accounts.

The decision behind this election was based on benchmark with other actors in the financial industry. The system is using various converting factors depending on type of emission and gather data from different sources. Where available, factors for the Norwegian market have been used. Analyses have been done to investigate our climate impact factors based on scope 1 and 2 categories. Emission factor for leasing cars per kilometers comes from DEFRA (2024).

Emission factors used for electricity are based on data from IEA and AIB for Sweden, Finland and Denmark, and from NVE for Norway. Factors for district heating in Norway are based on SSB (2024) and Norsk Energi (2020). The reason for choosing these sources it due to them all being well established and are reliable sources.

Environment

Emission of CO2, CH4, N2O, HFCs, PFCs, SF6 and NF3 are included.

2024 is the base year and constitutes baseline figures. 2024 is considered as a year with normal and representative conditions.

SCOPE 1

Scope 1 includes direct emissions from cars that we have control over. The source for the data is driving history, gathered from holder of leasing car. Data has been collected from the respective countries in the Group, as well as from suppliers. Scope 1 is dependent of number of cars and there has been the same number of additions as reductions in the reporting period, hence a stable number compared to earlier years. The subsidiaries are 100% owned by the Group and all the emissions from subsidiaries are 100% included. All entities in the Group have the same reporting period updated figures for 2024 are available for all entities. There are no investees that are not fully consolidated. The calculation does not include any removals, or any purchased, sold or transferred carbon credits or GHG allowances. We have secured that we avoid double counting of GHG emissions reported under Scope 2. Kredinor does not have any scope 1 GHG emission from regulated emission trading schemes.

SCOPE 2

Scope 2 includes purchased or acquired electricity, steam, heat, and cooling consumed by Kredinor. This consists of emissions from energy consumption at our offices and cabins. The source for the data is from invoices, landlords and energy suppliers. Data has been collected from the respective countries in the Group, as well as from suppliers. When looking at scope 2 Kredinor has had a stable number of offices during the year. Our main offices are situated in the business areas of each of the Nordic capitals. In addition, we have a branch office in Åbo/Turku, Finland. The subsidiaries are 100% owned by the Group and all the emissions from subsidiaries are 100% included. All entities in the Group have the same reporting period so updated figures for 2024 are available for all entities. There are no investees that are not fully consolidated. The calculation does not include removals, or any purchased, sold or transferred carbon credits or GHG allowances. The principles and requirements of the GHG Protocol has been considered. We have secured that we avoid double counting of GHG emissions reported under Scope 1. Data is calculated both with the location-based and market-based method.

Percentage of market-based Scope 2 GHG emissions linked to purchased electricity bundled with instruments such as Guarantee of origin and Renewable Energy Certificates is 33.6%. Kredinor purchases electricity bundled with instruments such as Guarantee of origin and Renewable Energy Certificates for the offices in Oslo, Stockholm and Helsinki.

Environment

GROSS SCOPE 1 AND 2 EMISSIONS

Total GHG emissions disaggregated by Scope 1 and 2 are presented in the following table. Scope 3 is to be reported from financial year 2025.

	Retrospective				Milestones and target years			
	Base year	**Comparative**	**2024**	**% N / N-1**	**2025**	**2030**	**(2050)**	**Annual % target / Base year**
Scope 1 GHG emissions								
Gross Scope 1 GHG emissions (tCO2eq)	14.4		14.4	0				
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0		0	0				
Biogenic emission	0		0	0				
Scope 2 GHG emissions								
Gross location-based Scope 2 GHG emissions (tCO2eq)	20.8		20.8	0				
Gross market-based Scope 2 GHG emissions (tCO2eq)	416.6		416.6	0				
Biogenic emission	0		0	0				
Total GHG emissions								
Total GHG emissions (location-based) (tCO2eq)	35.2		35.2	0				
Total GHG emissions (market-based) (tCO2eq)	431		431	0				

Environment

E1-7 – GHG removals and GHG mitigation projects financed through carbon credits

For 2024 Kredinor purchased GHG removals of 119.3 tCO2eq as contribution to external projects. The projects are outside of our value chain, with the administration of the purchase done by suppliers, upstream in our value chain. The removal is all dedicated to external climate change mitigation projects outside our value chain, hence there is no risk for double counting. The purchase is done to actively support the removal of GHG from the atmosphere for our scope 3 emissions and are biogenic projects. We use carbon credits separately from the GHG emissions. The extent to which carbon credits are used is limited and only based on specific compensation areas.

Information on carbon credits purchased in the reporting year is disclosed in the following table:

Carbon credits purchased in the reporting year	2024
Total (tCO2eq)	119
Share from removal projects (%)	100%
Share from reduction projects (%	0%
Recognised quality standard 1 (%): Verified Carbon Standard (VCS)	71%
Recognised quality standard 2 (%): Gold Standard	18%
Unrecognised quality standard (%): Mix	11%
Share from projects within the EU (%)	0%
Share of carbon credits that qualify as corresponding adjustments (%)	0%

COMPENSATION RELATED TO DISTRIBUTION

The carbon credits related to compensating for distribution in Norway is purchased from Kapo. Kapo has been chosen due to Kredinor having good experience from the entity from earlier year. 105 tCO2eq are verified against recognised quality standards (VCS and Gold standard), but since not reporting on scope 3 it has not been cancelled in the reporting period.

COMPENSATION RELATED TO BUSINESS TRAVEL

The carbon credits compensating for business travel in Norway are purchased through the travel agency, who use the supplier Chooose for these types of projects. This is a supplier with focus on customers within aviation and freight and their work with decarbonization activities. 14 tCO2eq are verified against recognized quality standards. These consist of a mix of projects with the quality standards VCS, the Gold Standard, American Carbon registry and Climate Action Reserve, as well as Certified Emissions Reduction (CER) units certified by the United Nations. Since not reporting on scope 3 it has not been cancelled in the reporting period.

Plans for the future

It is expected for a continued use of purchase of carbon credits. Estimates about total amount of carbon credits outside our value chain in metric tCO2eq planned to be cancelled in the future, is to be estimated when we get a better picture of our total scope 3 emissions. Potential purchase in the future is not based on existing contractual agreements, but it is expected that the cooperation with KAPO will continue. Our travel agency has signalized that from 2025 they will no longer offer the possibility for travel emission compensation, so indirect agreement with Chooose will most probably expire after 2024.

E1-9 – Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

Phase-in is used for calculation of the anticipated financial effects from material physical and transition risks and potential climate-related opportunities.

Environment

EU Taxonomy 2024

1. Introduction

Kredinor is committed to sustainability reporting in compliance with the EU Taxonomy Regulation (EU 2020/852) and its Delegated Acts. The taxonomy assessment was conducted based on the Corporate Sustainability Reporting Directive (CSRD), as implemented in Norwegian legislation. Kredinor does also report on the Complementary Climate Delegated Act (EU 2022/1214) and Amendments to Delegated Regulation (EU) 2021/2178 Article 8, paragraph 6-8 related to nuclear energy and fossil gas. Kredinor is reporting as a non-financial entity.

2. Reporting obligations

As Kredinor meets the reporting threshold about having more than 500 employees and a balance sheet over 20M EUR we adhere to the Commission Delegated Regulation (EU 2021/2178) for specifying disclosure obligations. Regarding covering new environmental objectives, we follow the Environmental Delegated Act (EU 2023/2486) and relating to nuclear energy and fossil gas activities we adhere to the Complementary Climate Delegated Act (EU 2022/1214).

3. Assessment and findings

Identification of economic activities
As part of the taxonomy assessment, a review of economic activities in the company has been conducted. The baseline was our business operations. Kredinor's main revenue streams and subsequent economic activities comes from:

- Debt collection
- Invoicing and ledger administration
- Reminder services
- Legal services
- Factoring-related services

Using the EU Taxonomy Navigator, Kredinor screened its revenue streams and related direct and indirect economic activities for eligibility. The analysis included cross-functional participation to ensure comprehensive assessment. There are no economic activities related to our revenue streams under the taxonomy, so neither of them are eligible. The conclusion of the screening of activities is that Kredinor has two indirectly related, eligible economic activities; 6.5 "Transport by motorbikes, passenger cars and light commercial vehicles" and 7.7 "Acquisition & Ownership of Buildings"..

Activity	NACE Code	Taxonomy Code	Eligible	Aligned
6.5 Transport by motorbikes, passenger cars and light commercial vehicles)	H49	6.5	Yes	No
7.7 Acquisition & Ownership of Buildings	L68	7.7	Yes	No

ACTIVITY 6.5 TRANSPORT BY MOTORBIKES, PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES
Activity 6.5 Transport relates to our leased company vehicles, classified as M1 and N1 under Regulation (EC) No 715/2007. Kredinor leases five vehicles, including one electric car at end of 2024. During 2024 we also leased one additional electrical car, which was redelivered in Q2 2024. All of them are passenger cars, hence they are eligible. Non-electric vehicles do not fulfill the Substantial contribution (SC) criteria, due to level of emission. The electric vehicles do fulfill the SC-criteria. Since only having two electric vehicles during 2024, we have a good overview over the activity. The vehicles do not live up to the Do no significant harm (DNSH) criteria, due to not fulfilling requirements regarding pollution. The conclusion is therefore that neither of the vehicles are aligned.

ACTIVITY 7.7 ACQUISITION & OWNERSHIP OF BUILDINGS
The economic activity 7.7 Acquisition and ownership of buildings relates to renting of office buildings. Kredinor leases office space in Oslo, Stockholm, Helsinki, Turku, and Copenhagen, with sub-lease in Oslo and Trondheim. This activity is classified as taxonomy-eligible. Neither of the leased office premises, nor the sub-lease contracts are considered to fulfill the Substantial contribution criteria due to the requirement for Energy Performance Certificate. Consequently, the activity is eligible, but not aligned.

Environment

4. Key performance indicator (KPI) disclosure

Methodology
The three key performance indicators Turnover, Capital Expenditure and Operating Expenditure are all established in accordance with the accounting principles used in the consolidated financial statements. The three indicators are ratios that show Kredinor´s share of total amounts that meet the requirements for taxonomy-eligible and taxonomy-aligned activities.

Figures for the different KPIs are collected from different areas of the financial statement, reassuring avoidance of double counting for Turnover, CapEx and OpEx

The three financial KPIs are:
1. Turnover – Part of Turnover from taxonomy-eligible activities.
- Kredinor does not have turnover for any of the eligible activities.

2. Capital Expenditure (CapEx) – Part of Investments from taxonomy-eligible activities.
- Kredinor does have taxonomy-eligible CapEx-activities, but being zero for 2024.

3. Operating Expenditure (OpEx) – Part of Expenses related to taxonomy-eligible activities.
- Expenditure for activity 6.5 includes expenses related to leasing cars e.g. leasing cost and services
- Activity 7.7. does not include any elements for the calculation of the OpEx-KPI.

CALCULATION APPROACH
The following calculations are done for the Kredinor taxonomy KPIs.

Numerator:
Taxonomy-eligible activities per KPI:
- Turnover: No turnover related to the activities
- CapEx: No CapEx related to the activities.
- OpEx: Expenses for leased vehicles (6.5 Transport).

Denominator:
Comparative figures are gathered from the financial statement:
- Turnover: Total revenue for Kredinor Group (Reference is made to financial statement, line "Total revenue and other income")
- CapEx: Additions to tangible and intangible assets during the financial year considered before depreciation (Reference is made to financial statement, note 3.1 Intangible assets, and note 3.3 Property, plant & equipment)
- OpEx: OpEx-expenses related to building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment. Since Kredinor Group is reporting under IFRS, long-term office lease costs are not included in addition to the costs.

Figures for 2023 have been recalculated using same methodology as for 2024. Changes for the 2023-figures from last year´s reporting consist of updated methodology of calculation of the denominator for the OpEx KPI. This is due to last year's calculation not being completely consistent with KPI description in Annex I in Commission Delegated Regulation (EU) 2021/2178. This has now been corrected.

Environment

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024. (Figures in mNOK)

The following abbreviations are used in the following tables: CCM - Climate change mitigation. **Y** - Yes (taxonomy-eligible and taxonomy-aligned activity with the relevant environmental objective), **N** - No (taxonomy-eligible but not taxonomy-aligned activity with the relevant environmental objective), **N/EL** - Not eligible (taxonomy-non-eligible activity for the relevant environmental objective), **EL** - Eligible (taxonomy-eligible activity for the relevant environmental objective)

Financial year 2024	Year			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm") (h)									
Economic Activities (1)	Code (a) (2)	Turnover (3)	Proportion of Turnover, year 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Bio-diversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy- aligned (A.1.) or -eligible (A.2.) turnover, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
Text		MNOK	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
6.5 Transport by motorbikes, passenger cars	CCM 6.5	0	0%	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	0%	N/EL	N/EL
7.7 Acquisition and ownership of buildings	CCM 7.7	0	0%	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	0%	N/EL	N/EL
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%																
Of which enabling			%																
Of which transitional			%																
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)										
6.5 Transport by motorbikes, passenger cars	CCM 6.5	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
7.7 Acquisition and ownership of buildings	CCM 7.7	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Turnover of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%														0%		
A. Turnover of Taxon omy-eligible activ ities (A.1+A.2)		0	0%														0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		**1 467**	**100%**																
TOTAL		**1 467**	**100%**																

Environment

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024 (Figures in mNOK)

Financial year 2024	**Year**			**Substantial contribution criteria**						**DNSH criteria ("Does Not Significantly Harm") (h)**									
Economic Activities (1)	**Code (a) (2)**	**CapEx (3)**	**Proportion of CapEx, year 2024 (4)**	**Climate Change Mitigation (5)**	**Climate Change Adaptation (6)**	**Water (7)**	**Pollution (8)**	**Circular Economy (9)**	**Bio-diversity(10)**	**Climate Change Mitigation (11)**	**Climate Change Adaptation (12)**	**Water (13)**	**Pollution (14)**	**Circular Economy (15)**	**Bio-diversity (16)**	**Minimum Safeguards (17)**	**Proportion of Taxonomy- aligned (A.1.) or eligible (A.2.) CapEx, year 2023 (18)**	**Category enabling activity (19)**	**Category transi-tional activity (20)**
Text		MNOK	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/ EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
6.5 Transport by motor-bikes, passenger cars	CCM 6.5	0	0%	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	0%	N/EL	N/EL
7.7 Acquisition and ownership of buildings	CCM 7.7	0	0%	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	0%	N/EL	N/EL
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%																
Of which enabling		0	0%																
Of which transitional		0	0%																
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)										
6.5 Transport by motor-bikes, passenger cars	CCM 6.5	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
7.7 Acquisition and ownership of buildings	CCM 7.7	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%														0%		
A. CapEx of Taxonomy- eligible activ ities (A.1+A.2)		0	0%														0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non- eligible activities		**74**	**100%**																
TOTAL		**74**	**100%**																

Environment

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024 (Figures in mNOK)

Financial year 2024	Year			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm") (f)									
Economic Activities (1)	Code (a) (2)	OpEx (3)	Proportion of OpEx, year 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Bio-diversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Bio-diversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy- aligned (A.1.) or -eligible (A.2.) OpEx, year 2023 (18)	Category enabling activity (19)	Category transi-tional activity (20)
Text		MNOK	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/ EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
6.5 Transport by motor-bikes, passenger cars	CCM 6.5	0	0%	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	0%	N/EL	N/EL
7.7 Acquisition and ownership of buildings	CCM 7.7	0	0%	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	0%	N/EL	N/EL
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%																
Of which enabling		0	0%																
Of which transitional		0	0%																
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (f)																			
				EL; N/EL (e)	EL; N/EL (e)	EL; N/EL (e)	EL; N/EL (e)	EL; N/EL (e)	EL; N/EL (e)										
6.5 Transport by motor-bikes, passenger cars	CCM 6.5	0.8	8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								6%		
7.7 Acquisition and ownership of buildings	CCM 7.7	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0,8	8%	8%													6%		
A. OpEx of Taxonomy eligible activ ities (A.1+A.2)		0,8	8%	8%													6%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non- eligible activities		**9.8**	**92%**																
TOTAL		**10.7**	**100%**																

Environment

5. Nuclear energy and fossil gas disclosures

Per Article 8, paragraphs 6-8 of (EU 2021/2178), companies must disclose taxonomy-related activities in nuclear energy and fossil gas. Kredinor does not engage in nuclear energy or fossil gas activities, hence an evaluation of alignment is not relevant, resulting in 0% taxonomy relevance for these sectors.

Nuclear and fossil gas related activities

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

6. Compliance with minimum safeguards

Kredinor is committed to responsible business practices and ensures compliance with the minimum safeguards under Article 3(c) of the EU Taxonomy Regulation (EU 2020/852). These safeguards require alignment with internationally recognized social and governance standards, including human rights, labor rights, and ethical business conduct.

Kredinor will continue to strengthen its human rights protection, ethical business conduct, and governance practices to ensure long-term sustainability compliance.
This section outlines Kredinor's policies, due diligence processes, and governance mechanisms to verify compliance with these safeguards.

A. COMPLIANCE WITH INTERNATIONAL SOCIAL AND HUMAN RIGHTS STANDARDS KREDINOR ADHERES TO:
OECD Guidelines for Multinational Enterprises which promotes:
- Responsible business conduct
- Fair employment practices
- Alignment with international climate and environmental goals
- Sustainable supply chain management
- Anti-bribery and corruption measures
- Responsible tax practices

The UN Guiding Principles on Business and Human Rights
- Respect for human rights across all operations
- Implementation of human rights due diligence processes
- Grievance mechanisms for addressing human rights violations

Kredinor upholds the fundamental labour rights outlined by the International Labour Organization (ILO), including:
- Prohibition of child labour and forced labour
- Protection of freedom of association and collective bargaining
- Non-discrimination in employment
- Safe and healthy working conditions

B. DUE DILIGENCE AND RISK MANAGEMENT PROCEDURES
Kredinor has established a due diligence process to assess, prevent, and mitigate social and human rights risks in its supply chain. This includes regular risk assessments to identify potential human rights and labor law risks. Focus areas include workforce conditions, ethical supply chains, and compliance monitoring.

Internal policies and Codes of Conduct
Kredinor has implemented:
- Code of Conduct governing ethical behavior across operations and ensuring respect for fundamental rights.
- Supplier Code of Conduct requiring third-party compliance with labor laws and anti-corruption measures.

Grievance and reporting mechanisms
Kredinor has established whistleblowing and grievance mechanisms to address violations related to workplace harassment, discrimination and unethical labor practices. Employees and external stakeholders can report concerns confidentially through the anonymous reporting channel.

C. GOVERNANCE AND ETHICAL BUSINESS CONDUCT
Kredinor maintains strong corporate governance policies to uphold transparency and ethical practices. Anti-corruption and business ethics - Kredinor has a zero-tolerance policy on corruption, with mandatory training for employees on anti-bribery laws, financial transparency and conflicts of interest.

Tax transparency and responsible business conduct - Kredinor complies with fair taxation policies, ensuring responsible financial practices aligned with OECD tax principles.

Oversight and monitoring - Kredinor's Board of Directors and the Sustainability Team oversee compliance with minimum safeguards. Third-party verifications ensure adherence to governance and social standards.

Social S1

Own workforce (S1)

General information and impacts, risks and opportunities related to our own workforce (SBM3)

Our workforce is in the very center of our business model and core for our disclosure, as laid out and explained in the presentation of our value chain and business model in ESRS2. This chapter discloses information regarding all impacted employees in all our locations.

As a service provider, the company's success is intrinsically tied to its employees, continuous competence development is not just a priority but a necessity. Our workforce is diverse, with employees working in customer service finance, marketing, risk and compliance, strategy, IT, sustainability, legal and commercial roles. They contribute with a diverse competence and different cultural backgrounds. Our staff speak more than 23 different languages between them. Average age is 38, with majority of employees in Operations a younger age group.

When we refer to our own people, we include full time employees, but also employees on contracts working for Kredinor. All our employees are office workers, and none in our operations are at any greater risk or harm than others. The risks and harm our employees may be impacted by are mostly caused by stress or psychosocial factors.

We have an even balance between genders and a large majority work in Norway in our offices in Oslo and Hamar in Norway. 51 in Stockholm in Sweden, 2 in Copenhagen in Denmark and 50 in Turku and Helsinki in Finland. By aiming for a diverse work force, investing in employee skills, knowledge, and well-being, Kredinor enhances its operational capabilities while simultaneously unlocking opportunities for business growth and innovation.

KREDINORS RISKS AND OPPORTUNITIES ARISING FROM IMPACTS AND DEPENDENCIES ON OUR WORKFORCE.
These IROS apply all our employees and there are no differences between Kredinor's different employee groups related to geography or roles. The IROs apply to all the different employee groups across Kredinor and can be listed as the following:

IRO	Positive + Negative-	Potential / Actual	Value chain	Time horizon
Impact				
Kredinor has impact on employees related to equal pay and gender equality	Negative	Actual	Own operation	Short
Kredinor has an impact on employees' opportunities for development and mastery through good training	Negative	Actual	Own operation	Medium
Kredinor has impact on employees' health and safety due to the psychosocial work environment and work life balance.	Negative	Actual	Own operation	Short and medium
Kredinor has impact on employees related to diversity.	Negative	Potential	Own operation	Medium
Kredinor has impact on our employees' privacy	Negative	Potential	Own operation	Short and medium

Risks				
Kredinor is dependent upon qualified staff and has a risk of loss of revenue loss due to high turn over			Own operation	Short and medium
If Kredinor does not have adequate wages there is a risk that we lose competent staff and competitiveness and struggle to attract new talents			Own operation	Short and medium

Social S1

IRO	Positive + Negative-	Potential / Actual	Value chain	Time horizon
Opportunity				
There is an opportunity for Kredinor in improving employee's specialist competence and digital mastery. Through significant improvements in competence and digital system improvements, we can improve our competitiveness and turnover			Own operation	Medium and long
Kredinor has the opportunity to increase the number of full-time employees and safeguard a stable competence pool.			Own operation	Medium and long

The negative impacts on our workforce are closely tied to employee health, equality, diversity, and privacy. The well-being of our employees directly influences Kredinor's performance and, over the long term, our business model. Since the Covid-19 pandemic, the ability to work from home 1-2 days a week has become a key element of flexibility for our workforce. Kredinor has adapted by flexible working solutions, and will continue to find the most suitable working conditions for our services. However, due to the nature of our business—particularly in customer service—many of our services still require in-office presence.

In the short term, Kredinor is investing resources and efforts to enhance the work environment in combination with digitalizing our business, improving both service delivery and employee growth through new tasks and responsibilities. Over the medium term, technological advancements and investments in AI will reshape our business model. Kredinor will focus on ensuring these innovations support employee well-being, foster more engaging roles, and improve performance for our workforce. Investing in employee expertise and digital proficiency will enable us to boost competitiveness, increase revenue, and open new roles or opportunities for employees across different functions.

By creating a dynamic and rewarding work environment that aligns our services with a meaningful purpose, we aim to reduce turnover and mitigate revenue loss. Kredinor's performance is highly susceptible to turnover since our debt collection processes require a specialized workforce. To strengthen the resilience of our business model over the long term, investments in both technology and employee well-being are needed to address these potential risks in the future.

Following our double materiality assessment, we have determined that, given the nature of our business, there are no significant risks to our workforce arising from transition plans aimed at reducing environmental impacts. Most of our social risks and impacts (S1) are related to our own operations. However, as our business model heavily relies on our workforce, any risks or impacts affecting our employees inevitably ripple throughout our value chain, even if they originate internally. The financial impact of debt recovery is a key driver of Kredinor's strategy to improve operational efficiency. By integrating automation into our debt collection processes, Kredinor aims to reduce costs, enhance recovery rates, and support businesses in maintaining liquidity while helping customers regain financial stability. While the digitalization and automation of processes may reduce the need for some full-time roles, it also creates new opportunities.

Our corporate strategy emphasizes digital transformation and the exploration of new business opportunities. We believe that the significant changes required to align with sustainability goals, will primarily impact our workforce, the way we engage with end-customers, and the financial models that drive efficiency in our collection processes.

S1-1 – Policies related to own workforce

ALIGNMENT WITH INTERNATIONAL FRAMEWORKS

Kredinor's approach to managing material sustainability impacts on its workforce is based on internationally recognized labor and human rights standards. Our policies—People Policy, Code of Conduct, Sustainability Policy, and Supplier Code of Conduct—are aligned with the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work, OECD Guidelines for Multinational Enterprises, and the UN Global Compact. These policies guide our commitments to fair working conditions, employee well-being, diversity, equal treatment, training, and ethical business conduct.

All policies are available on our intranet, and leaders are responsible for ensuring compliance and communicating these principles. These policies apply for all employees in Kredinor. Any policy changes involve consultation with employees and union representatives and the Board of Directors are the most senior entity that approves all policies related to our own workforce.

Social S1

All employees undergo annual training on the Code of Conduct, which includes a section on human rights. As of 2024, Kredinor does not have specific mitigating actions in place for human rights violations, since many of these are addressed by Norwegian law. However, Kredinor acknowledges the importance of taking proactive measures, particularly concerning harassment and ethical business conduct. To address this, we will be updating our Code of Conduct and People Policy in 2025 to incorporate appropriate mitigating actions.

PEOPLE POLICY

The People Policy establishes the foundation for fair working conditions, employee development, and workplace inclusion. The HR department lead by the People Director oversee and manage any needs for alternations and report these to the CEO and Board of Directors.

Kredinor ensures transparent and predictable working conditions, with employment agreements that clearly define rights and responsibilities. The company values social dialogue and collective bargaining, actively cooperating with employee representatives to maintain fair labor practices. Compensation structures are standardized to ensure equal pay for equal work, with annual pay equity audits to prevent wage disparities.

Health, safety, and well-being are prioritized through proactive risk management to prevent accidents and work-related health issues. Kredinor conducts regular employee surveys to monitor workplace well-being and provide support for stress management, mental health, and work-life balance. Employees are expected to contribute to a respectful work environment, free from harassment, discrimination, and unethical behavior.

Diversity, equal treatment, and non-discrimination are integral to Kredinor's culture. Employees are hired, promoted, and compensated based on skills and experience, without discrimination based on gender, age, ethnicity, or other personal characteristics. Structured bias-free recruitment ensures equal representation, and leadership is held accountable for fostering an inclusive workplace.

Training, development, and engagement are central to Kredinor's workforce strategy. Employees receive mandatory training on human rights, ethics, and sustainability, while career development is structured through the People Development Review (PDR) process. Leaders support continuous learning, ensuring employees have the skills needed for professional growth.

Conflicts are addressed at the lowest possible level, with a culture that encourages open dialogue and mediation. Employees can report workplace concerns through a protected whistleblowing system, ensuring confidentiality and protection against retaliation.

CODE OF CONDUCT

The Code of Conduct reinforces Kredinor's commitment to ethical behavior, fairness, and transparency in all workforce-related matters.

Kredinor ensures that all employees work under clear and legally compliant conditions, with access to policies outlining work conditions, compensation, and collective agreements. Fair competition and ethical business practices guide employer-employee relations.

Workplace health and safety are actively monitored, with employees responsible for reporting hazards. Work-life balance initiatives support mental well-being and stress reduction, ensuring sustainable workloads. Harassment, discrimination, and bullying are strictly prohibited, with clear policies for resolution.

Equal treatment is a core principle, with pay equity measures and recruitment processes designed to eliminate bias. Diversity and inclusion programs ensure equal opportunities for career progression, and leadership is responsible for fostering a workplace where employees feel valued.

Kredinor enforces high ethical standards, with strict policies on anti-corruption, bribery, and conflicts of interest. Employees must report concerns through structured channels, including an anonymous whistleblowing system. All concerns are independently reviewed, and retaliation is prohibited.

SUSTAINABILITY POLICY

The Sustainability Policy complements Kredinor's commitments by addressing human rights, ethical supply chain management, and grievance mechanisms.

Kredinor is committed to respecting fundamental labor rights, both internally and across its supply chain. Suppliers and business partners are required to comply with ILO labor standards, and due diligence is conducted to prevent modern slavery and human trafficking. Employees are encouraged to report unethical behavior, discrimination, or unsafe conditions through a protected whistleblowing system. Reports are investigated, and corrective actions are taken where necessary. Kredinor has a zero-tolerance policy for retaliation, ensuring employees can safely raise concerns.

GOVERNANCE AND FOLLOWING UP ON POLICIES AND ACTIVITIES FOR EMPLOYEES.

The HR department, led by the People Director, is responsible for overseeing HR routines, tools, and activities that govern workforce engagement. Operational implementation and daily follow-up with each employee are delegated to individual line managers, who hold the responsibility for ensuring performance and development. The HR department provides advice and guidance to line managers to support these efforts. Additionally, the HR department is responsible for staff training on the non-discrimination policy and ensures that educational programs are regularly updated and aligned with both business needs and relevant regulatory requirements. Training in sustainability matters and ethical conduct is offered by the Sustainability team in close collaboration with HR and Risk and Compliance.

Although risks like forced labor, trafficking and child labor are not relevant to Kredinor's operations, we conduct due diligence with our suppliers to ensure alignment with international labor standards and run internal workshops and communication at our intranet about human rights and business ethics that is important for employees. Our Code of Conduct includes a principle of zero tolerance for discrimination, harassment, trafficking or abuse of any kind related to gender, age, ethnicity, religion, disability, sexual orientation, or political conviction.

We do not have specific policy to specific groups but our People policy state that all people should be treated with respect non-regards of age, sex, religion or disability. We ensure that the workplace and offices are accessible for all employees non-regards to any disabilities and accommodate different religious or cultural practices with a silent room for prayers.

Our People Policy promote a diverse workforce and we aim to have at least one candidate of each gender represented in final interviews, given the candidates have the right qualifications. In addition, we would like to ensure that a transparent, unbiased, and reliable recruitment and selection process is followed: one that results in the best candidate for the specific position, based solely on qualifications, our values and best fit with the team.

S1-2 – Processes for engaging with own workforce and workers' representatives about impacts

COMMITMENT TO INTERNATIONAL STANDARDS

Kredinor integrates employee interests and rights into its strategic framework through structured engagement mechanisms, in alignment with the ILO Conventions and the UN Global Compact's 10 Principles. These commitments guide our approach to dialogue, ensuring that employee perspectives shape company policies and decision-making. Employee insights have directly influenced actions such as reducing overtime hours, improving the psychosocial work environment, and enhancing access to training and development opportunities. Targeted training programs, including digital competence and specialist skills development, are a key outcome of this engagement, ensuring that employees remain competitive within the debt collection industry.

STRUCTURED EMPLOYEE ENGAGEMENT MECHANISMS: DIALOGUE WITH TRADE UNIONS AND WORKFORCE REPRESENTATION

Dialogue and engagement occur at all levels within the organization. The most significant feedback takes place through the regular reporting line, with daily interactions between employees and their managers. Discussions with union representatives and the AMU are held at the executive level and involves the CEO and People Director. Quarterly Meetings are held with the union-representatives, HR-department, Executives and CEO, and 100% of our employees are covered by a collective agreement.

Kredinor maintains frequent and structured dialogue with trade unions and employees to address workplace concerns and influence company decisions. The unions play a central role in negotiating wages, working hours, and working conditions, ensuring that employee interests are represented in decision-making. Employees also have three elected representatives on the Board of Directors, further strengthening their influence on company governance. Regular dialogue sessions between management and trade unions help identify risks and opportunities related to work-life balance, health, psychosocial work environment, equality, and diversity. Through these discussions, the company can proactively address negative impacts and implement corrective actions when necessary.

DIGITAL FEEDBACK AND EMPLOYEE SURVEYS

Kredinor has implemented a bi-weekly digital survey system administered by the HR-department. The system allows employees to provide feedback on work environment, work-life balance, equality, and diversity. This continuous feedback loop ensures real-time monitoring of workplace conditions and enables management to identify and address emerging concerns. The HR department and relevant leaders review survey results collaboratively, ensuring that responses are translated into timely and effective workplace improvements. In addition, quarterly meetings are held with trade union representatives, HR executives, and the CEO to discuss broader workforce concerns and collective priorities. These structured engagements enhance transparency, accountability, and responsiveness to employee needs.

WORK ENVIRONMENT COMMITTEE (AMU) AND HEALTH & SAFETY ENGAGEMENT

As part of its commitment to health, safety, and the work environment, Kredinor operates a Work Environment Committee (Arbeidsmiljøutvalg – AMU), a legally mandated body aligned with international frameworks for workers' rights. This committee collaborates closely with trade unions to monitor and uphold workplace standards. AMU is responsible for monitoring workplace conditions to identify risks such as poor ergonomics. They are ensuring compliance with relevant health and safety laws, regulations, and collective agreements and provide training to employees on health, safety, and well-being. The committee can also investigate, and address employee concerns related to workplace hazards and implementing corrective actions. AMU is composed of both employer and employee representatives and meets regularly, with a minimum of four meetings per year to assess workplace conditions and drive continuous improvements. The representatives for employees are elected by the employees.

Social S1

INTEGRATION OF WORKFORCE PERSPECTIVES INTO DECISION-MAKING
Kredinor systematically integrates workforce perspectives into its decision-making processes to ensure that employee voices shape company policies and operations. Workforce feedback is gathered from bi-weekly surveys, union discussions, and engagement meetings. This is used to as input for HR-policy updates to enhance workplace conditions or operational adjustments such as flexible work arrangements and expanded training programs. Mental health and well-being initiatives based on employee input.

Senior leadership regularly reviews workforce feedback and integrates it into quarterly strategy discussions, ensuring that employee concerns and priorities remain central to organizational planning. This structured engagement process reinforces Kredinor's commitment to aligning company strategies with the well-being and interests of its workforce. By embedding trade union participation, digital feedback mechanisms, and structured governance through the AMU, Kredinor manages workplace risks, enhances employee well-being, and fosters an inclusive and transparent culture. This helps us mitigate the negative impact on employee's psychosocial health. Kredinor has established a structured approach to employee communication, which includes regularly sending out anonymous surveys where employees can provide their feedback. every 14 days, to create dialogue. Areas discussed are subject to actions in HR.

S1-3 – Remedies for Negative Impacts and Channels for Raising Concerns

Despite proactive efforts, Kredinor acknowledges that certain aspects of its operations may have negative impacts on employees. The company is committed to mitigating these risks through comprehensive policies and ongoing engagement. The fast-paced environment of the financial sector can contribute to stress, particularly during seasonal peaks in customer service. To address this, Kredinor conducts bi-weekly employee surveys, monitors workloads, and offers well-being programs. Additionally, the company provides flexible workplace arrangements, including remote work options, to help reduce stress during peak periods.

While Kredinor has policies in place to promote equal pay and gender balance, gaps still exist. To mitigate the risks of wage inequality or gender disparities, the company actively monitors and audits pay structures to ensure fairness and sets clear targets for improving gender diversity.

Employees in the financial services sector are often exposed to compliance-related risks. Kredinor mitigates these risks by providing mandatory ethics and compliance training, offering whistle blower protection, and enforcing rigorous governance controls. Breaches of labor laws, human rights regulations, or financial crime policies could lead to fines, legal liabilities, or reputational damage. To minimize these risks, Kredinor conducts regular internal audits, performs risk assessments, and maintains a whistleblowing mechanism to ensure full compliance.

PROCESSES TO ADDRESS AND REMEDIATE NEGATIVE WORKFORCE IMPACTS (§32(A))
Kredinor has implemented mechanisms to address and mitigate negative impacts on employees, ensuring a safe and supportive workplace. Our Code of Conduct encourages employees to report any concerns or unethical behavior via *the whistleblowing form,* which is easily accessible on the front page of our intranet and included in both annual training and the onboarding process.

Kredinor's approach is to address any negative impacts promptly, ideally through direct involvement with the line manager. To safeguard employees' rights and ensure appropriate remediation, unions are consulted on key matters, alongside AMU (the Workplace Health and Safety Committee).

Psychosocial risks and workplace well-being are regularly monitored through bi-weekly employee surveys that track stress levels, workload balance, and job satisfaction. Targeted interventions include manager training on mental health support and the implementation of structured remediation plans for employees facing challenges.

Confidential channels, including anonymous reporting via the IntegrityLog system, are available for employees to raise concerns about harassment, discrimination, or other workplace issues. A dedicated legal team and external consultants review and resolve cases to ensure impartiality. Employees can also voice their concern anonymously through Winningtemp.

MONITORING AND EFFECTIVENESS METRICS
The number of grievances raised and resolved are tracked annually. The percentage of cases resolved within the set time frame should be at 100%. And it is important that raised cases are addressed and resolved as quickly as possible, preferably within 30 days.

To monitor effect of employee participation in well-being initiatives we gather feedback in Winingtemp to evaluate initiatives. We also monitor and aim for a high number of engagements in Kredinor's initiatives for well-being.

During 2024 no fines, penalties, or compensation for damages as a result of incidents and complaints were reported or paid out.

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S1-4 –Actions to mitigate impacts on own workforce-
and how Kredinor pursue material risks and opportunities related to our workforce, and effectiveness of those actions

Each manager is responsible for acting on material impacts within their areas. At the group level, Kredinor monitors, follows up, and allocates resources to address issues through a broader management team. This group includes all leaders and serves as a forum for addressing material risks and concerns. The People Director, along with the Risk and Compliance function, also monitors and follows up on negative impacts reported by employees

ACTIONS TAKEN IN 2024

Key actions during 2024 to address negative impacts on employee well being and work life balance has been to implement of flexible work arrangements, rotational shifts for teams where this is appropriate to reduce the effect of peaks. Kredinor's material risk of loss of revenue loss due to high turnover has been important to address and mitigate in 2024. Three matters are relevant for the turnover risk: adequate wages, employee wellbeing and the possibility to develop skills and personal mastery through work.

Adequate wages and work life balance

To have a good balance between family life and working hours is important to keep our turn- over and sick leave low. Kredinor offers top-up benefits for parental leave to provide additional financial support to employees on family leave. During 2024 HR made sure that all employees were informed about this possibility through intranet articles and general information through the HR-portal.

Implementation of flexible work arrangements, rotational shifts, and well-being programs to support employees during peak periods have been key. Many employees value the benefit of home office some days during the week and during 2024 Kredinor prolonged our flexible office policy.

However, concerns have been raised by union representatives regarding the workload disparity between office staff and those working remotely. To address this, we introduced a policy aimed at increasing the appeal of working in the office, fostering greater team engagement, and boosting motivation. Additionally, certain teams in operations reported higher-than-expected sick leave, which contributed to an increased workload for remaining staff. In response, team leaders in Operations worked closely with HR to identify the root causes of absenteeism and implemented various initiatives to enhance engagement within the office environment. These efforts primarily focused on creating a more supportive, social atmosphere to strengthen psychological safety within the affected teams.

Training and development

To capitalize on the opportunity for increased revenue through the training and development of our workforce, Kredinor has implemented a Competence Policy designed to provide all employees with a comprehensive learning and development experience. This approach follows the 70/20/10 model, combining on-the-job training, courses, and targeted education. The focus is on core business skills, leadership development, and digital competence, facilitated through customized training programs. Additionally, employees have access to a wide range of digital training options. The HR department has also collaborated with a third-party provider to develop learning modules on a gaming platform. In 2024, our employees completed an average of 8.5 hours of digital training.

Diversity and equality

To deliver the best services to our diverse group of clients and customers we need competent and diverse staff.
Kredinor has equality statement in all recruitment ads and aims to have candidates of both gender in final recruitment processes in all levels. In 2024 HR established a group to address and work with issues related to diversity and equality internally. Members from different parts of the organisation were recruited for this working group. HR also runs sessions with line managers to ensure that diversity and equality are integrated in their daily leadership, as well as in recruitment processes. As a part of the Pride week the Sustainability department and HR organized communication activities and internal talks with colleagues to address issues related to diversity and equal rights for all.

Despite facing financial challenges, Kredinor has taken several steps with the primary end to ensure a positive impact on our workforce. We have maintained access to cabins in Trysil and Hafjell for recreational purposes, which are shared among all employees. Kredinor also has a dedicated social committee, Kredinor GO, managed by employees and supported by HR funding. This committee organizes social and sports events for employees. Furthermore, all employees are eligible for financial support for private health and fitness activities, with the freedom to choose how they utilize this benefit.

METRICS

Kredinor uses various metrics for evaluation performance and efficiency of our actions in relation to our material impact, risks and opportunities. Metrics for S1 are taken from previous year's activity reports from HR and are collected through our internal HR system and our pay roll system. Significant assumptions have been drawn in line with previous people risks reported for Kredinor and metrics are also collected from the annual risk and compliance report. The metrics are not validated by an external body. Baseline year is 2024.

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For impact on employees related to equal pay and gender equality we have the following metrics:
A gender-distributed pay ratio among the company's employees. In 2024 the pay gap male/female is 85.8% of average male -payment.

Annual total remuneration ratio, highest payment to median payment = 6.9

Diversity is measured by:
Executive management split by gender and employees age split in categories:

Diversity in Group management in 2024 was: 1/7 female/male
Age distribution was: <30 yrs = 30.5%, 30-50 yrs = 45.9%, > 50 yrs = 23.6%.

Kredinor defines top management as the concentrated group of executives on the Group level which represents all departments and functions in Norway, Sweden and Denmark. The following roles take part in this group: CEO, Country Manager Norway, Chief Financial Officer, Chief Transformation and Strategy Officer, Chief Investment Officer, Chief Legal Officer and Director of Developing Markets.

Employee wellbeing and health is measured by
- Sick leave rates (%) 6.9 percent in 2024
- Amount of reported incidents: 0 in 2024
- Employee satisfaction score: in 2024 7.6 on a scale from 1-10
- Social security: Total percentage of employees covered by the percentage of its own workers covered by a health and safety management system which is based on legal requirements :100 percent of all employees.
- Health insurance

Training and improvement of competence is measured by:
The average hours of training per employee and the total number of hours spent on training distributed on gender. We measure percentage of employees completing annual personal development reviews (PDRs).

In 2024 the average hours per employee was 8.5 hours, adding up to a total of 5882.43 hours in total. The split between female and male are:
Female: 3075 hours
Male: 2808 hours

The metric to measure against our risk of revenue loss due to high turn over we measure turn over on a annual basis. In 2024 the turn over was:
Norway incl. downsizing = 22.3%
Group incl. downsizing = 21.8%
Norway excl. downsizing = 21.1%
Group excl. downsizing = 20.7%

Employee privacy is measured by number of reported internal GDPR – incidents. This number was 0 in 2024.

Whistle blowing and reported incident for: is measured by total number per year reported. The number was 0 in 2024.

Adequate wages: Kredinor's policy is to ensure that our employees have fair and competitive wages. We secure an adequate pay level through close dialogue with unions and by benchmarking against competing debt collectors. Important criterias in establishing the adequate wages are competence and experience, education and comparability with similar roles. Kredinor also ensures a pay policy that is fair and equal when it comes to gender and cultural background. We measure this by collecting at least one national benchmark per year and make sure that our level stays above the median wage for comparable roles.

Metric: Number of benchmarks and percentage of pay compared with the average median in similar roles.

TARGETS RELATED TO MANAGING MATERIAL NEGATIVE IMPACTS, ADVANCING POSITIVE IMPACTS, AND MANAGING MATERIAL RISKS AND OPPORTUNITIES.
Kredinor has not set any measurable outcome-oriented targets relating to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities.. The time frame for measurable outcome oriented target will be 2025 for short term targets and 2029 in line with our strategy period for medium time horizon targets.

Effectiveness of targets (MDR-T):
Kredinor monitors progress using defined metrics, conducts regular reviews of policies and practices, and engages employees and unions to ensure continuous improvement. Planned targets will be aligned with ESRS guidelines and updated annually to reflect organizational priorities. We will involve unions and employees together with key line managers and HR to set appropriate targets and milestones on a short, medium and long perspective.

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S1-6 – Characteristics of Kredinor's Employees

Table 1

Gender	Number of employees (head count) pr. 31.12.2024
Male	300
Female	362
Other	N/A
Not reported	-
Total employees	662

Table 2
Template for presenting employee head count in countries where the undertaking has at least 50 employees representing at least 10% of its total number of employees.

Country	Number of employees (head count) pr 31.12 2024
Norway	573
Sweden	34
Denmark	4
Finland	51

Table 3 Numbers of employees by contract type broken down by gender, numbers by 31.12 2024

Reporting period:					
2024	**Female**	**Male**	**Other**	**Not disclosed**	**Total**
Number of employees (head count / full time employees, (FTE)	362/341.1	300/281.2	N/A		662/622.3
Number of permanent employees (head count / FTE)	356/336.5	295/277	N/A		651/613.5
Number of temporary employees (head count / FTE)	6/4.6	5/4.2	N/A		11/8.8
Number of non-guaranteed hours employees (head count / FTE)	27/9.6	24/7.4	N/A		51/17.0
Number of full-time employees (head count / FTE)	326/326	270/270	N/A		596/596
Number of part-time employees (head count / FTE)	36/15.1	30/11.2	N/A		66/26.3

FTE = Full-time equivalent

Table 4 Numbers on employees by contract type broken down by region, numbers by 31.12 2024

Reporting period:				
2024	**Norway**	**Sweden**	**Denmark**	**Finland**
Number of employees (head count / FTE)	573/538.4	34/33.2	4/3.3	51/47.4
Number of permanent employees (head count / FTE)	562/529.7	34/33.2	4/3.3	51/47.4
Number of temporary employees (head count / FTE)	11/8.8	0/0	0/0	0/0
Number of non-guaranteed hours employees (head count / FTE)	44/13.6	0/0	0/0	7/3.4

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S1-8 – Collective bargaining coverage and social dialogue

Reporting template for collective bargaining coverage and social dialogue (AR70)

	Collective Bargaining Coverage		Social dialogue
Coverage Rate	**Employees – EEA (for countries with >50 empl. representing >10% total empl.)**	**Employees – Non-EEA (estimate for regions with >50 empl. representing >10% total empl)**	**Workplace representation (EEA only) (for countries with >50 empl. representing >10% total empl)**
0 -19%			
20 -39%			
40 -59%			
60 -79%			
80 -100%	Norway, Sweden, Finland and Denmark		

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Consumers and End-Users (S4)

General introduction about our Consumers and end-users

This section outlines Kredinor's material impacts, risks and opportunities related to consumers and end-users, including those caused or contributed by the company, as well as those directly linked to our operation and services.

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

Our IROs are listed in the following table.

Impact	Positive / Negative	Potential / Actual	Where in value chain	Time horizon
Kredinor has impact on customers' overview of their own finances.	Positive	Potential	Downstream	Short
Kredinor impacts customers if debt is incorrectly calculated, or legal processes are not followed correctly either due to system/process errors or human mistakes.	Negative	Potential	Downstream	Short
Kredinor has an impact on the children of heavily indebted families due to the sale of pledged assets.	Negative	Potential	Downstream	Long
Kredinor has an impact on its customers through the quality of information, choice of communication channels, and ability to adapt communication.	Negative	Potential	Downstream	Short, medium
Kredinor impacts its customers through a lack of complaint access and opportunity for feedback in relevant channels.	Negative	Potential	Downstream	Short
Risk				
Risk of privacy violations against a customer that leads to economic and reputational consequences.			Downstream	Short
Lack of access to quality information due to technological or language barriers presents a risk of reduced settlement rates and income failure.			Downstream	Short
Opportunity				
Through digitalization of services and improvement of communication, we can increase customer's payment discipline, our own efficiency and profitability.			Own operation	Short
Entity spesific				
Impact				
Kredinor has impact on clients's economy due to end-customers payment practice.	Positive	Potential	Downstream	Medium
Kredinor has impact on society and national economy if aggregated information and data about debt and financial status among customers are not shared, either due to lack of transparency or bad data quality.	Negative	Potential	Downstream	Medium

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As outlined in ESRS2, Kredinor's value chain consists of a series of activities through which we deliver our core services, primarily focused on debt collection and financial solutions. Our value creation begins either by acquiring and investing in debt portfolios or by directly offering our debt collection services to clients. At the heart of this process is the relationship between the customer, our clients, and Kredinor. The key resource driving value creation across these interactions is our people. As such, the impacts, risks, and opportunities associated with our operations will affect and involve these stakeholders.

HOW KREDINOR'S MATERIAL IMPACTS INFLUENCE OUR STRATEGY AND BUSINESS MODEL:

- Kredinor has a significant social impact on our end-customers, particularly when it comes to debt recovery for vulnerable debtors. This impact aligns with our strategic objective to build trust through ethical business practices and maintain a deep understanding of our customers' needs. To support this, we are committed to investing in digital communication systems that provide both clients and customers with better insights and control of own situations and the payment process. Our ability to efficiently process cases in a way that meets the needs of both clients and customers hinges on our focus on digitalization, enhancing the competence of our people, and leveraging automation and artificial intelligence. Kredinor focus on investments in digital channels for customers and end-users, together with a clear focus on having av knowledgeable Customers Support Center, for customers to easily get a total overview of the own finances. Kredinor also focus actively on recruiting staff with different cultural background in order to help customers needing assistance in other languages than Norwegian.
- Kredinor is involved in these impacts due to our own activities.
- The financial impact of debt recovery is a driving force behind Kredinor's strategy to enhance operational efficiency in our business model. By integrating automation into debt collection processes, Kredinor will reduce costs and improve recovery rates, helping businesses maintain liquidity and customers regain financial stability. Our entity specific topic healthy economy is a good example of how we aim to prioritize this strategic impact going forward.

HOW KREDINOR'S MATERIAL RISKS INFLUENCE OUR STRATEGY AND BUSINESS MODEL

- Kredinor depends upon efficient services, accurate case handling, secure IT solutions and digitalization. Without continuous development of our employees' skills in both core business areas, various languages and digital competencies, we risk losing our competitive edge. As such, we view the economic risks associated with Kredinor's reliance on specialized expertise as critical to our strategy. A loss of this expertise would result in increased costs and a decline in revenue in the short term. There is not expected any significant CapEx investments to handle the risk. This will be handled by recruitment of the best people, continued training of employees and regularly updated IT security plans for a safe IT platform, both in the short, medium and long term.

HOW KREDINOR'S MATERIAL OPPORTUNITIES INFLUENCE OUR STRATEGY AND BUSINESS MODEL:

- The opportunity for digital transformation is a key for Kredinor's strategy. The company has dedicated resources to implementing AI-driven systems that predict debtor behavior, optimize payment plans, and improve collection outcomes.

There is a relation but no interdependences between our material risk and opportunities arising from impacts, and our consumers. All consumers and end-users who are likely to be materially impacted by Kredinor, as well as through our business relationships, are included in the scope. An overview of various types of consumers and end-users is found in table on the next page.

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Our different categories of consumers and end users:

Late payers	**All kind of consumers and income groups.** A large proportion of our end-users are consumers that miss a payment and are reminded and pay before a formal debt process is established
Financially Strained Individuals	**Low or Irregular Income:** Many end users are individuals with limited financial resources or irregular income, making it difficult to meet financial obligations.
	Living Paycheck to Paycheck: They may have minimal savings and are unable to absorb unexpected expenses or economic downturns.
Vulnerable Populations	**Unemployed or Underemployed:** Job loss or insufficient income often contributes to financial instability.
	Health Issues: Medical bills or reduced work capacity due to illness or disability can lead to debt.
	Elderly Individuals: Some elderly individuals face financial strain due to fixed incomes or lack of technological proficiency to manage payments.
Overextended Consumers	**High Credit Utilization:** They might rely heavily on credit cards or loans, accumulating more debt than they can manage.
	Multiple Debts: Juggling various financial obligations (e.g., mortgages, student loans, car loans) often leads to default on one or more.
Individuals Facing Life Transitions	**Divorce or Separation:** Changes in household income or unexpected legal costs may strain their finances.
	Young Adults: Recent graduates with student loans or young individuals with limited experience managing finances may fall behind on payments.
Financially Inexperienced or Illiterate	**Lack of Budgeting Skills:** Difficulty in managing income and expenses often contributes to debt accumulation.
	Unawareness of Terms: They might misunderstand loan agreements or fail to account for interest rates and penalties.
Digital Exclusion or Accessibility Challenges	**Limited Access to Technology:** Some individuals may not have the tools or knowledge to track and pay debts online.
	Language Barriers: Non-native speakers may struggle to understand contracts or communications, leading to missed payments.
Impacted by External Factors	**Economic Downturns:** Events like recessions, pandemics, or inflation disproportionately affect those in precarious financial situations.
	Fraud Victims: Identity theft or fraudulent charges can result in unexpected debts.

Neither of these consumer-groups are:

- inherently harmful to people and/or increase risks for chronic disease;
- users of services that potentially negatively impact their right to freedom of expression and to non-discrimination;
- dependent on accurate and accessible product- or service-related information, such as manuals and product labels, to avoid potentially damaging use of a product or service;
- particularly vulnerable to health or privacy impacts or impacts from marketing and sales strategies, such as children or financially vulnerable individuals.

All consumer-groups are:

- consumer and/or end-users of services that potentially negatively impact their rights to privacy and to have their personal data protected, when Kredinor handles sensitive customers data in the case handling.

Kredinor has a significant social impact on our end-customers, particularly when it comes to debt recovery for vulnerable debtors. There is no exact description of who is a vulnerable debtor, other than it is a person more effected by the debt collection than other customers, e.g due to problematic financial situation, due to being a single parent with children, due to sickness, or due to lack of personal security net. It can happen for any age group.

For the material negative impact of debt collection, it is systematic, due to of the business model itself, that has an potential negative impact on customers.

For the material negative impact of data privacy, it is widespread, since helping customers with the debt collection, in many cases includes handling of personal sensitive data, with a potential risk for GDPR breaches. The risk is not related to individual incidents or to specific business relationships, since a

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potential privacy breach can occur in any step of the case handling process, e.g. as a human error, in the postal distribution chain, or as an IT security issue.

There has been developed an understanding of how consumers and/or end-users with particular characteristics, or those using particular products or services, may be at greater risk of harm. The case handling process in Kredinor is divided into several steps, depending on type of business for original invoice, the payment ability of the customers, and if it's an outstanding payment related to death, bankruptcy or debt settlement.

Regarding material risks and opportunities arising from impacts and dependencies on consumers, related to specific groups of consumers, Kredinor has the risk regarding lack of access to quality information due to technological or language barriers, for customers originally from other countries, or in age-groups not understanding the technology channels.

All impacts, risks and opportunities are covered by ESRS Disclosure requirements.

RESILIENCE OF THE STRATEGY
Most pilars in our strategy relates to our consumers. The resilience of our strategy and business model regarding our capacity to address our material impacts, risks and opportunities related to our consumers and end-users, was conducted during autumn 2024. The right to privacy is the area with the highest impact in the analysis. Our materiality analysis shows that GDPR is critical both from a financial and impact perspective, but that Kredinor´s capacity of handling these issues is good. This risk is not assumed to change in the short and middle run.

The capacity to take advantage of our digitalization opportunities, expects to be good. These CapEx investments are included in the Financial plan 2.0 for the years 2024-2029 which was adopted by the BoD in 2024.

Strategy for Kredinor will be updated in 2025. An updated resilience of the strategy from a consumer perspective will be conducted when new strategy has been adopted.

S4-1 – Policies related to consumers and end-users

Kredinor is committed to building customer trust and ensuring compliance through clear and responsible policies. Our guidelines and commitments are designed to protect customer rights, ensure fair and sustainable debt collection processes, and create a transparent and accessible customer experience. Through these policies, we strive to uphold high standards in data protection, fair treatment of vulnerable customers, and effective customer communication.

All policies are reviewed and approved by the Board of Directors, ensuring alignment with our strategic priorities and regulatory obligations. The CEO of Kredinor AS is the formal owner of these policies, responsible for their implementation and continuous improvement.

They are made available on the intranet for all employees and revised annually or when needed. Policies are not publicly available, but potential external access requests will be evaluated.

Information about policies adopted to manage material sustainability matters is presented in the following policies:
- Data Privacy and Information Security Policy
- Policy for Sustainability

The policies cover all consumers.

DATA PRIVACY AND INFORMATION SECURITY POLICY
Kredinor's Data Privacy and Information Security Policy outlines our commitments to safeguarding sensitive customer data. The policy ensures full compliance with data protection laws, such as the General Data Protection Regulation (GDPR), by implementing strict data handling protocols, advanced security measures, and ongoing reviews to address evolving risks and regulatory requirements. Key stakeholders to these policies are all employees of Kredinor, ensuring they have relevant guidelines regarding IT security and Data privacy. It is the interest of everyone in the value chain, the employees, the customers and clients, that Kredinor has a continuous focus on data privacy and information security according to regulations and external demands, hence less consideration of the interest of key stakeholders in setting the policy.

These policies relate to:
- Risk: Risk of privacy violations against a customer that leads to economic and reputational consequences.
- Opportunity: Through digitalization of services and improvement of communication, we can increase customer's payment discipline, our own efficiency and profitability.

The monitoring of the Data privacy and IT security work is both done by internal monitoring related to regular follow up in the IT department, but also by regular external IT audits. Information security in the Kredinor Group is governed through an information security management system – ISMS based on NS-EN ISO 27001 and NS-EN ISO 27002. The policy is covering internal and upstream value chain for the whole Kredinor Group. The policy does not exclude any activities that is relevant for this working area, and will be updated if any additional, relevant activities arise. The policy ensures full compliance with data protection laws, such as the General Data Protection Regulation

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POLICY FOR SUSTAINABILITY
Kredinor's Policy for Sustainability places a strong focus on supporting our end-customers with clear principles designed to help them achieve financial health. We are committed to fair and equal treatment, early engagement to minimize additional costs, and sustainable collection practices that address the root causes of financial challenges. Tailored support is provided to vulnerable groups, ensuring that their specific needs are met with care and understanding. Additionally, we actively promote financial education to empower customers with the knowledge and tools needed to manage their finances responsibly and sustainably.

There have not been any significant changes to this policy during the year, but a total review is to be conducted during 2025.

This policy relates to:

- Impact: Kredinor has impact on customers' overview of their own finances.
- Impact: Kredinor has an impact on its customers through the quality of information, choice of communication channels, and ability to adapt communication.

The monitoring of these IROs is partly done by the customer follow up the digital feedback solution we use, where customers can rate how they experienced the help they received in contact with our employees. In 2025 we want to take this a step further, in order to get even more information about how we help our customers the best way. The policy is covering internal, upstream and downstream value chain for the whole Kredinor Group. The policy does not exclude any activities that is relevant for this working area, and will be updated if any additional, relevant activities arise.

OTHER GUIDELINES
Guidelines for Treatment of Vulnerable Customers
This guideline focuses on identifying and supporting vulnerable customers, such as those experiencing financial hardship, illness, or other challenging situations. It provides staff with guidelines to offer appropriate assistance, ensuring these customers are treated with empathy, respect, and care while maintaining fair and responsible practices.

Customer Communication Guidelines
The Customer Communication Guidelines ensure that all interactions with customers are conducted in a respectful, clear, and effective manner. The guidelines emphasize the importance of using appropriate language, selecting suitable communication channels, and tailoring messages to meet customer needs, thereby promoting trust and understanding. For 2025 we also plan to align all communication guidelines in a Group Communication Policy to ensure better alignment across all markets and products.

In general
There are no direct human rights policy commitments that are relevant to consumers, but Kredinor has processes and mechanisms to monitor compliance with the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises. Kredinor is working within a business strongly regulated in The Debt Collection Act relating to debt collection activities and other recovery of overdue monetary claims the Debt Collection Act. This also involves issues relating to engagement with customers and their human rights.

Our human rights policy commitments relevant for consumers are linked to the following articles:

- **Article 6:** Everyone has the right to recognition everywhere as a person before the law.
- **Article 12:** Everyone has the right to privacy and freedom from attacks on their reputation.
- **Article 18:** Everyone has the right to freedom of thought, conscience and religion.
- **Article 19** Everyone has the right to freedom of opinion and expression
- **Article 25** Everyone has the right to a decent standard of living, including food, clothing, housing, medical care and social services.

Process and mechanism to monitor compliance with the UN Guiding Principles and other relevant regulations is an indirect part of the work of the Quality department, and their monitoring of that case handling in Kredinor are in accordance with existing regulation and good debt collection practices. Part of their controls are related to the human rights. e.g. customers right to data privacy.

Measures to provide and/or enable remedy for human rights impacts are the customers' ability of convey their feedback or complaints if experiencing not being treated correctly. The complaint can either be addressed directly to Kredinor through one of our available channels, or to an external part, e.g. the Norwegian Financial services Complaints Board (Finansklagenemnda).

Our policies regarding consumers and/or end-users are aligned with internationally recognized instruments relevant to consumers and/or end-users, including United Nations (UN) Guiding Principles on Business and Human Rights. UN Guiding Principles on Business and Human Rights provide a global standard for preventing and addressing the risk of adverse impacts on human rights linked to business activity. They are built on three pillars:

- The state duty to protect human rights.
- The corporate responsibility to respect human rights.
- Access to remedy for victims of business-related abuses.

All of these areas are indirectly described in working routines in order to secure helping customers in a manner following good

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debt collection practices. Customers have always access to raise a complain and get their case investigated, in cases of disagreement, including in cases involving human rights. The customer can file a complaint with several entities:

1. The Debt Collection Agency
2. The Financial Complaints Board
3. The Norwegian Consumer Council (Forbrukerrådet): The Consumer Council can provide advice and guidance on how to proceed with a complaint.
4. The Norwegian Data Protection Authority (Datatilsynet): If you believe the debt collection agency has violated data protection regulations.

There has not been reported any cases of non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises that involve consumers and/or end-users have been reported downstream in our value chain.

S4-2 – Processes for engaging with consumers and end-users about impacts

At Kredinor, we are committed to managing customer interactions in a way that ensures their needs and concerns are understood and effectively addressed. Our approach focuses on proactive engagement, clear communication, and accessible services, enabling us to support customers through financial challenges while maintaining trust and transparency.

We actively seek customer input to enhance our processes, from ensuring data privacy and security to refining financial communication and complaint mechanisms. Our customer contact strategies prioritize accessibility, equity, and responsiveness, ensuring that all interactions are designed to empower customers and provide meaningful support.

CUSTOMER FEEDBACK AND HOW WE ACT ON IT

We place great importance on collecting and acting on customer feedback to improve our services, policies, and communication. Through surveys, interviews, and focus groups, we gather insights on key customer concerns, enabling us to refine our processes and ensure better alignment with customer expectations. Feedback channels are accessible, transparent, and designed to address issues proactively.

Data Privacy and Security Concerns

Customers are encouraged to provide feedback regarding data privacy and security through structured reporting channels. This enables us to promptly act on inaccuracies and privacy-related concerns while continuously improving our compliance with data protection regulations. We are increasing our efforts in this area to be more transparent and ensure that customers feel confident in how their data is managed.

Financial Information Needs

We recognize that clear and accessible financial communication is essential for customer empowerment. By analyzing feedback on customer preferences regarding financial information, we will develop user-friendly materials in multiple formats and languages. Our aim is to enhance financial literacy and accessibility, particularly for underserved or vulnerable populations, through partnerships with financial education organizations.

Impact of Debt on Children in Indebted Families

To understand the secondary effects of financial distress on children, we engage with heavily indebted families through surveys and interviews. In collaboration with child welfare organizations and experts, we continuously develop measures that mitigate the impact of financial stress on children.

Improving Complaint Mechanisms

Effective and responsive complaint mechanisms are a key part of our commitment to customer experience and satisfaction. We conduct research to identify customer preferences for submitting complaints and use this insight to improve accessibility and responsiveness. Customers are proactively informed about their right to file complaints and provided with clear guidance on accessing available channels. By working closely with consumer advocacy groups, we ensure fairness and continuous improvement in our complaint-handling processes.

Inclusive and Accessible Communication/Engagement

To ensure all customers can engage effectively with Kredinor, we actively identify and remove communication barriers. We collaborate with community organizations, particularly those representing cultural and linguistic minorities, to address unmet language needs and develop different solutions. The frequency of this engagement is on an irregular basis, either as an initiative from Kredinor, or upon request from external stakeholders.

The respective Head of operations are the functions and the most senior role that has operational responsibility for ensuring this engagement happens and that the results inform our approach.

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S4-3 – Processes to remediate negative impacts and channels for end customers to raise concerns

To effectively address and remediate negative impacts on customers, we have identified processes across key operational areas, ensuring transparency, efficiency, and customer-centric solutions.

DATA BREACH REMEDIATION AND RESPONSE

We have developed and implemented a robust incident response plan to address data breaches swiftly and mitigate potential harm to affected individuals. Customers are notified immediately in the event of a breach, provided with remedial support, and offered monitoring services to safeguard their information. A root cause analysis is conducted for each incident to identify underlying issues, and corrective actions are taken to prevent recurrence. This ensures continuous improvement and reinforces data security.

DEBT CALCULATION REMEDIATION

To address inaccuracies in debt calculations, we have remediation processes in place that help us identify and correct errors. Staff receive ongoing training on legal processes and debt calculation accuracy to minimize mistakes. Customers can raise concerns or inquiries about their debt and financial status through dedicated helplines or digital channels, "My Page", that is digital solution developed internally. "My Page" is available for all customers, both private persons and companies, on our website. It is clearly communicated about the selfservice-solution on the website, when we are in contact on the phone or via e-mail with customers, and when we send sms with payment link via "Pay Now" about the debt. Since this is a closed channel, logged in via secure identification (BankID), customers can rely on the safety of the channel. The Policy for Sustainability includes guidelines to protect the customers from potential retaliation when using this channel. We address complaints with respect and in a timely manner. Operating with high standards of conduct is central to our long-term success.

COMPLAINT HANDLING AND SYSTEMIC ISSUE RESOLUTION

Kredinor has an internal process that are documented for employees in our internal guideline for Handling of complaints designed to track, resolve, and monitor grievances in a timely and transparent manner. Customers receive updates on the status and resolution of their complaints, ensuring they remain informed throughout the process. Afterwards complaints are systematically analyzed to identify recurring or systemic issues, and corrective actions are taken to address root causes by the internal team for quality assurance.

SUPPORT FOR HEAVILY INDEBTED FAMILIES

To mitigate the impact of asset sales on heavily indebted families, especially those with children at risk, we have legal obligation to ensure that necessary steps have been taken before enforcement actions occur. We offer alternative payment solutions, including extended payment plans, to reduce the likelihood of asset liquidation that could negatively affect children. Staff are trained to understand the broader implications of debt recovery on families and are equipped with the tools to communicate sensitively and effectively with impacted households.

ADDRESSING COMMUNICATION BARRIERS

Recognizing the critical role of clear communication, we have developed processes for customers to report instances of unclear, inaccessible, or ineffective communication. Recurring issues are investigated to identify systemic challenges and make necessary adjustments. Communication methods—whether digital, phone-based, or print—are adapted based on customer preferences and feedback.

To address language barriers, customers can report communication challenges, and we ensure that multilingual staff are available to assist. This approach supports customers from diverse backgrounds, ensuring that language is not a barrier to accessing critical financial information or services.

Kredinor employs staff who have language skills to serve customers from diverse cultural and linguistic backgrounds. This gives our customers the possibility to receive support in their preferred language. By employing staff who speak multiple languages, Kredinor fosters inclusivity, reduces communication barriers, and improves accessibility to services

Improved feedback channels will be established to allow customers to provide input on the quality and accessibility of communication. This feedback will be used to inform ongoing improvements to our outreach and engagement strategies. By prioritizing inclusivity and accessibility, we aim to build trust and ensure all customers, regardless of background or circumstances, can effectively interact with our services.

CUSTOMER-CENTRIC IMPROVEMENTS

Our aim is for our processes to reflect a continuous commitment to addressing customer concerns proactively and empathetically. By combining automated systems, well-trained staff, and specialized support measures for those groups who need it, we aim to reduce negative impacts, improve customer experiences, and foster trust. Continuous feedback and monitoring ensure our processes remain robust, efficient, and aligned with customer needs.

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S4 - 4 – Taking action on material impacts, and approaches to mitigating material risks and pursuing material opportunities related to end-customers and effectiveness of those actions

ACTIONS TAKEN IN 2024

Continuous Improvement and Collaboration

Through these initiatives—grounded in customer feedback, partnerships, and proactive communication—we will be committed to continuously improving our processes. By engaging directly with customers, vulnerable groups, and experts, we ensure our approach remains responsive, transparent, and aligned with stakeholder expectations.

Enhancing Data Privacy and Security

To address material impacts and risks related to data privacy and security, we have made employee investments and also monetary OpEx-investment, in advanced security technologies, including encryption protocols, multi-factor authentication, and secure cloud services, often as a license based expense. These measures ensure robust protection of customer data. Frequent audits are conducted to identify vulnerabilities in data handling and storage practices, enabling timely corrective actions. To strengthen our approach further, employees receive regular training on GDPR compliance, cybersecurity best practices, and responsible data handling. These initiatives mitigate material risks and reinforce customer trust in our commitment to safeguarding their information. Approximate yearly expenses for these actions are approximately 4 mill. NOK per year. Expenses related to this can be found under Other operational expenses in the Financial statement.

Improving Debt Calculation Processes

To reduce errors and ensure fairness in debt management, we have conducted comprehensive reviews of debt calculation and legal compliance processes amongst other risk reducing activities. We have internal processes in the Quality Department with review and learning of complaints, so that mistakes are not repeated. Our quality assurance programs include regular audits to detect deviations and take corrective action promptly. These measures not only mitigate financial risks for customers but also improve efficiency and transparency in our operations. There is an insignificant financial amount invested in this action. The most important resource is employees developing the new solutions. Expenses related to this can be found under Salary in the Financial statement.

Providing Financial Solutions and Empowering Customers

To support customers facing financial difficulties, we have taken action to provide structured financial information. This empowers customers to make informed decisions. Additionally, we offer customized repayment plans tailored to individual financial situations, reducing the likelihood of asset liquidation. Kredinor has factual positive impact on customers' overview of their own finances, so this is an activity we have in place with the primary purpose of positively contributing to improved social outcomes for customers.

To pursue opportunities for financial empowerment, we are planning to launch financial literacy initiatives, including partnerships with Non-governmental organizations (NGO) and government bodies. These initiatives aim to reach at-risk customers and promote inclusion, ensuring that vulnerable groups receive the support they need to navigate financial challenges effectively.

The most important resource is employees developing the new solutions. During autumn 2024 we also started to test and analyse which actions and drivers impact groups of end-customers the most with regards financial vulnerability. An ESG-data project group was established to capture relevant data across portfolios.

Strengthening Complaint Management and Inclusivity

To improve customer experience and inclusivity, we have expanded complaint channels to include mobile apps, multilingual support, and digital tools. Customers can now choose their preferred communication channels—email, SMS, phone, or mail—ensuring accessibility. Employees are trained to handle complaints efficiently, reflecting our commitment to providing fair and supportive solutions. The most important resource is employees developing the new solutions. We monitor and follow up on complaints and have routines for responding quickly, so that cases do not get left lying around, thus minimizing the risk of reputational loss.

Communication and language barriers

We prioritize clear and tailored communication to customer groups. Staff receive training on effective communication practices, ensuring messages are adapted to customer needs. This is an important action for mitigating the potential negative impact we have on vulnerable groups of customers. To address language barriers, we have increased multilingual service options, and we focus on hiring and training staff fluent in commonly spoken languages, ensuring customers receive support in their preferred language. Kredinor impacts our customers with different cultural backgrounds by having many employees who speak various languages, so this is another activity we have in place with the primarily purpose of positively contributing to improved social outcomes for customers. The most important resource is employees. The operationalization of the action will continue also in 2025.

PLANNED ACTIONS

Addressing Social Impacts on Families and Children

Recognizing the significant social impacts of pledged asset sales on families, we want to understand better what potential risks children in over debited families meet. By working with NGOs and government agencies, we want to find the best methods and partners to provide relevant support services to affected families, mitigating the negative

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effects of financial hardship on children. We hope that these partnerships enable us to deliver targeted interventions, ensuring children's needs are prioritized and addressed with care. This is our priority for 2025. The most important resource will be employees working with theses partnerships and developing these new solutions.

Understanding the impact our business model and client relations have on the larger society

To prepare relevant datasets and KPIs for Healthy Economy, we will capture data across all our portfolios. The data will be an integrated part of Kredinor's data gathering and KPIs and serve as a starting point for dialogue with clients, regulators and other stakeholder on debt collection's impact on society and groups of end-customers.

Effectiveness of Actions

Per end of 2024 the effectiveness of our actions is not measured in a streamlined process, where we get the whole picture of actions. The Operational departments are measuring a lot of areas of the debt collection process, having a wide variety of reports, but not covering the whole picture seen from the consumer perspective. For 2025 it is planned to set up an effective dashboard in PowerBI covering the areas we closely want to follow up. These measures are to be captured by e.g. data analytics, customer support together with customer insights and user behaviour analytics on "My Page".

EXAMPLES OF AREAS TO MEASURE IN DASHBOARD ARE:

1. Enhanced data security and reduced risks of breaches through advanced technologies and employee training

Indicators:

- Number of security incidents (before and after implementing new technologies and training).
- Percentage reduction in data breaches over a defined period.
- Employee cybersecurity awareness scores (based on pre- and post-training assessments).

2. Increased financial inclusion and literacy through targeted campaigns and customized repayment solutions

Indicators:

- Percentage of customers adopting customized repayment solutions (compared to traditional plans).
- Customer experience/satisfaction scores related to support.

3. Reduced social risks to children through proactive assessments and partnerships with support organizations

Indicators:

- Number of partnerships with child welfare organizations and their impact.
- Stakeholder feedback from social organizations on collaboration effectiveness.
- Improvements in child protection policies (e.g., updates and implementation rate).
- Employee training participation rates on child safeguarding measures.

4. Better accessibility and inclusivity in communication through digitalization

Indicators:

- Number of digital accessibility improvements implemented (e.g., screen reader compatibility, multilingual support).
- Customer experience/satisfaction scores related to accessibility and inclusivity.
- Usage rates of digital self-service solutions (compared to traditional channels).
- Percentage of customer inquiries resolved through accessible digital tools.
- Feedback from diverse user groups on accessibility improvements.

The processes through which we identify actions needed and appropriate response to a particular actual or potential negative impact on consumers, can either start with a suggestion from an employee or as an input in leader discussions. Appropriate actions chosen depends on e.g. areas in need for focus, alignment with the strategy or areas in need for improvement.

We ensure that our processes to provide or enable remedy in the event of material negative impacts are available and effective in their implementation and outcomes. When it comes do development of our digital tools, they are always tested well in advance for their usability, and they are made available for all customers using them. When looking at our work reducing impact of language barriers, we have come a step on the way but still see ways from improving our action further, in allocating where the help is most needed.

No severe human rights issues and incidents connected to our customers, have been reported. The quality department reports all operational deviations and incident. Neither of the reported issues and deviations for 2024 are considered to fall under the definition of being severe human rights issues.

Resources allocated to the management of our material impacts are human and monetary resources. Examples of human resources are the employees in the IT security department securing we have a safe IT platform, all the case handlers helping our customers, and developers developing new technical tools. Examples of monetary resources are licenses, training programs for employees and investments in new digital solutions.

For most of the actions where we have a positive impact, we have indications that certain activities have had a positive outcome, however it is difficult to document the excact effect. The exception is the digitalization investments, where we see increase in visitors to "My Page" after every launch of new, simplified and improved digital solution for customers.

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S4 - 5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

TARGETS
Kredinor has not set any measurable outcome-oriented targets relating to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities. The ambition is to have a set of targets worked out and adopted during 2025. Despite no set targets, the effectiveness of our activities is partly already measured, but this will be even more improved during 2025.

METRICS
Kredinor uses various metrics for evaluation performance and efficiency of our actions in relation to our material impact, risks and opportunities. These metrics are entity-specific and developed by Kredinor. The metrics are not validated by an external body.

Number of customer complaints to The Norwegian Financial Services Complaints Board (Finansklagenemnda): 126

Metric relates to IRO about Kredinor negatively impacts customers if debt is incorrectly calculated, or legal processes are not followed correctly either due to system /process errors or human mistakes.

Figures are collected from reports covering cases with customer complaints registered with The Norwegian Financial Services Complaints Board. Limitation of methodology is the risk of numbers for reported complaints only captures complaints from the most resourceful customers, and hence missing out of dissatisfaction from potentially more vulnerable customer groups. There are no significant assumptions.

Number of customers setting up payment plan through “My Page” in 2024: 12 775. Metric relates to IRO about that Kredinor has positive impact on customers’ overview of their own finances. The number of repayment plans that are automatically entered into in a case via “My Page” is calculated when a customer sets up and confirms a repayment plan in My Page without manual approval. Once the customer has confirmed the repayment plan, the case is logged into our core system. The quantity is then retrieved from the data warehouse. The report does only show number of implemented payment plans, but not if they later on have been fully followed or misused. Even if knowing not all plans will be 100% fulfilled, the figures show the intention and the desire of the customer to make repayment, and to get better control and overview of their finances.

Share of customers actively choosing secure, digital communication channels: 61

Method for calculating the share is based on all written communication with customers during 2024, and the various channels “My Page”, Digipost, E-faktura and ordinary mail. Choosing an alternative communication channel than ordinary mail, demands logging in via BankID and is an active decision of the customer. Using digital communication channels relates to several of our IROs, when reducing the risk for privacy leakage, giving the consumer a better overview over its financial situation and reducing extra costs for the consumer when faster receiving information regarding the debt collection process. The figures are collected from our core debt collection system. Limitation of methodology is that figures only are based on our major core system. A significant assumption is that figures, splits and percentages from our main core system is relevant also for the side-core systems, that still exists after the merger between Kredinor and the Modhi-group in 2022. All cases in the Norwegian side-core system will during 2025 be converted into the same core debt collection system.

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Governance (G1)

General introduction about our Governance

This section outlines Kredinor's governance practices. Kredinor maintains a robust governance framework ensuring accountability, transparency, and sustainability integration across its operations in the Kredinor Group. Our material impacts and risks within governance are closely linked to our strategy and both monetary and human resources are invested in the different areas. There is not planned for any CapEx investments or major acquisitions, but potential expenses related to Governance impacts and risks are part of our daily business and budget planning.

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

Our IROs are listed in the following table.

Impact	Positive / Negative	Potential / Actual	Where in value chain	Time horizon
Complex business model with many different suppliers may have an impact on our suppliers and the management of these	Negative	Potential	Upstream	Short
Unethical business culture leads to a poor work environment	Negative	Potential	Own operation,	Medium, long
Kredinor has impact on employees when an employee reports critical issues.	Negative	Potential	Own operation	Short
Risk				
Risk that an unethical business culture leads to poorer decision-making, reduced productivity, a worse work environment, high turnover, and damage to reputation.			Own operation	Short, medium
Risk of cyberattacks on Kredinor's systems, causing financial loss and sanctions for us, reputational damage for our clients, and exposing our customers to identity theft			Upstream, Downstream	Short
Kredinor has the risk of corruption and financial crime through its operations			Upstream, Downstream	Short, medium

The various areas will be further described in the following part.

BUSINESS CULTURE
Kredinor has an actual negative impact and financial risks on business, in our own operations, through our business culture. An unethical business culture risks leading to poorer decision-making and reduced productivity. Due to the nature of Kredinor´s business model, an ethical business culture is the very foundation for being able to live up to the strategic pilar about being the best at operation when helping our customers. Effect of employees not living up to an ethical debt collection process risks leading to a reputation loss and high costs for customers. A mandatory annual self-training of the Code of Conduct in the Kredinor Group is one of the actions, in order to incorporate our business culture to all employees. The possibility for all employees to report issues in various channels, is also a crucial part. The impact and risk affect people. We are involved in this impact due to our own activities. Financial effect is related to fines linked to regulations, and reputational damage with risk of losing clients. There is no significant risk of material adjustment of our financial position within the next annual reporting period. The risk is not assumed to change over short middle- and long run, since working with ethical business conduct is a continuous vital focus area for Kredinor.

REPORTING CRITICAL ISSUES
Kredinor has potential negative impact on employees when an employee reports critical issues. Despite not having a clear pilar in the strategy regarding our own employees and how we take care of them, it all starts with the employees. It is only when taking care of our employees that we can fulfill the strategy about "Have the

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most satisfied customers" and "Be best at operation". Current and anticipated effects and our response: The effect of not being able to report critical issues can result in a workplace lacking trust between employees and leaders. Kredinor has several channels for employees to report incidents, both in person and anonymously, in accordance to regulation regarding protection of whistle blowers. The impact affects people, but not the environment. We are involved in this impact due to our own activities, if not handling critical issues in the correct manner.

CYBERSECURITY

Kredinor has both an impact and a financial risk related to cyberattacks on Kredinor's systems. "Be a digital leader" both implies having safe products and processes in addition to having new products, service lines and work tools. The effects from a cyberattack can destroy what we have worked so hard for, in just a second. Actions taken are several and led from our IT security department, including monetary investments in IT security, but also training of our employees. The impact and risk affect people, but not the environment. We are involved in this impact due to our own activities, being responsible for having secure IT solutions. A safe IT environment for customers is crucial in order to "Have the most satisfied customers" and this is done as part of the strategy pilar "Be a digital leader". Financial effect is related to fines due to regulations, claims for compensation of lost information, and reputational damage with risk of losing clients. There is no significant risk of material adjustment of our financial position within the next annual reporting period. The risk is not assumed to change over short-middle- and long run, but the expenses for upholding the IT security is expected to increase, due to increased regulation. Estimated financial expense is around 4 mill. NOK per year, with an expected slight increase in the short run.

CORRUPTION AND BRIBERY

Kredinor has a potential risk of corruption and financial crime through its operations. The strategic pilar "Be best at operation" implies all the areas regarding the debt collection process. We work within a strongly regulated business, so when wanting to be best at operation, working in accordance with good debt collection practices, is the very spine of the operation in Kredinor. Working within an industry involving enormous amounts of monetary transactions, the risk for contributing to financial crime is significant. The AML work within Kredinor is an important part of the mandatory training sessions for employees, together with having our own AML team. Financial effect is linked to fines related to regulations, claims for compensation of lost information, and reputational damage with risk of losing clients. There is no significant risk of material adjustment of our financial position within the next annual reporting period. The risk is assumed to slightly increase over short-middle- and long run, since methods of financial criminal steadily develop.

MANAGEMENT WITH SUPPLIERS

Kredinor has a potential negative impact due to many suppliers in its value chain. The management of suppliers is closely linked to the strategic approach of being best at operation, since relying on ethical business conduct in all parts of the value chain. Reputational damage and monetary expenses are some of the effects potentially arising from suppliers not living up to our expectations or regulations. Suppliers are followed up in the system Worldfavor, where an ESG-related due diligence is done when entering contracts. The impact and risk affect both people and potentially also the environment if using suppliers not using sustainable production methods. Kredinor is involved with this material impact through our business relations.

RESILIENCE ANALYSIS

The resilience of our strategy and business model regarding our capacity to address our material governance impacts and risks, was conducted during autumn 2024. Cyber security is the area with the highest impact in the analysis, together with increased risk of money laundering within our industry. Our materially analyses shows that cybersecurity is critical both from a financial and impact perspective. This risk will potentially increase in the short and middle run. The same for AML, with high impact and risk, which is a part that our business model need a continuous focus on, to be resilient. Governance and routines will continue to be further developed during 2025, and we will on a regular basis conduct updated resilience of the strategy from a governance perspective. Changes to the material impacts, risks and opportunities compared to the previous reporting period will be described from next reporting year. All impacts and risks are covered by ESRS Disclosure requirements, except the ones related to cyber security, who is covered by using additional entity-specific disclosures.

G1-1 – Business conduct policies and corporate culture

CORPORATE CULTURE

Kredinor fosters its corporate culture by using the four values Curious, Compassionate, Courageous and Committed actively. These values are a result of various workshops during autumn 2022 where all departments came up with their suggestions to what Kredinor and we, as employees, should represent in our daily work and in communication with customers and clients. Ever since these four "C"s has been used frequently in our internal communication, as a reminder of our corporate culture. Evaluation of the corporate culture is an informal, continuous work alongside the regular day-to-day work. The management emphasizes that our corporate culture is an integrated part of all our processes – and this is followed up and measured through Winningtemp and will be re-evaluated when the new strategy is developed during 2025.

POLICIES

The agreed values outline the base for the fundamental policies for the business conduct in the Kredinor Group:

- Policy for Governance
- Code of conduct
- Sustainability policy

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- Policy for Financial crime and sanctions
- Data policy
- Information Security Policy
- Supplier Code of conduct

The Board of Directors is the most senior level in the organization that is accountable for the implementation of the Policy for Governance, Code of conduct, Sustainability policy, Policy for Financial Crime and Sanctions, Policy for Data Privacy and Information Security Policy.

CEO is the most senior level in the organization that is accountable for the implementation of the Supplier Code of Conduct.

POLICY FOR GOVERNANCE

Policy for Governance explains on an overall level, how responsibilities are distributed in the Group, to secure that the Governance structure adopted by the Board of Directors are followed. The Policy for Governance together with Code of Conduct and other policies make the highest level of governing documentation in the Kredinor Group At the moment Kredinor has a mandatory self-study of the Code of Conduct for the employees, but the plan is for a digital training course on our business conduct, including whistleblowing, for the employees to be prepared during 2025. The course is to be based on ethical business conduct, with referrals to applicable laws and according to good debt collection practices. Input from best practice within Operation department, together with expertise and experience from the Quality Department and Risk & Compliance department, are expected to be important parts. Training is to be done by all employees in the Group once a year when up and running.

Kredinor meets the relevant whistle blower regulation in each country, but policies do not go beyond the EU Directive 2019/1937 "The whistle blower protection directive". We have procedures to investigate business conduct incidents, including incidents of corruption and bribery, promptly, independent, and objectively. Incidents of corruption and bribery are detected and reported in various ways:

1. The Quality department monitors internal control over the debt collection activities. Their reporst are incorporated in the Risk and Compliance's reports to the Board of Directors.
2. Through our official deviation system KIS where employees report deviations. Here the incident is reported and explained and addressed to the relevant person/department who needs to address the issue further.
3. Through the whistle blower system

CODE OF CONDUCT AND SUSTAINABILITY POLICY

Kredinor is committed to conducting all debt collection activities in an ethical and responsible manner. These policies describe the importance of treating customers with respect and dignity, even in difficult financial situations. It also points out that the crucial part of avoiding aggressive or coercive tactics in debt recovery and that we need to offer flexible payment plans to accommodate financial difficulties. Another important part is about providing transparent communication regarding debt terms and repayment options.

These policies support our social responsibility and contributes to building trust with our customers, clients, and regulators.

Whistleblowing

In Code of conduct the prohibition of retaliation of whistle blowers is described. We prohibit retaliation for reporting deviations, for reporting on issues of concern in good faith, for refusing to act against our Codes, other governing documents, or the law, for cooperating with an investigation or for letting our voice sound in professional ways. Incidents of corruption and bribery can be reported through the whistle blower system, that is available through our Startpage on intranet. Cases inserted in the system are redirected to and handled by the Head of Risk and Compliance, except for anonymous whistle blowers and for cases relating to specific positions in the company, where the incident is redirected to and handled by an external law firm. Information for employees about the whistleblowing channel can be found on the Intranet and in Code of Conduct. Only internal stakeholder can report through this system.

Code of conduct is prepared by Compliance, with assistance from relevant departments. The policy is revised and evaluated annually, or more often when needed. We promote the various Policies through our Intranet and internal communication page Workplace. All updated policies are always accessible through the Governance-page on the Intranet.

POLICY FOR FINANCIAL CRIME AND SANCTIONS

The Policy for Financial Crime and Sanctions provides guidance on how to prevent and detect financial crime, including money laundering, terrorist financing, bribery, and corruption, and sanctions. The Policy describes principles and framework to ensure compliance with relevant laws and regulations within these areas. It describes the principles, e.g. suspicious transactions, training, and internal control, but also roles and responsibilities within Kredinor. The Policy applies to all entities within the Kredinor Group.

DATA PRIVACY AND INFORMATION SECURITY POLICY

In recognition of the sensitive nature of the information we handle, Kredinor has implemented a robust Data Privacy and Security Policy to safeguard customer data and ensure compliance with applicable data protection regulations, including the GDPR. This policy outlines procedures for the secure storage and transfer of customer information. It also describes the importance of strict access controls to prevent unauthorized data usage and the work with regular audits to assess the effectiveness of our data security measures.

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Kredinor has an inherent negative impact on customers through cyberattacks against Kredinor's systems that inflict damage on our clients and expose our customers to theft of privacy data. This is managed through Kredinor Information security policy. This policy is available for all employees on the Intranet, and mandatory self-training of policy is part of the employee education.

Actions in 2024

One key action for 2024 was to intensify the training of employees, so focus on internal training was enhanced. During the security-month October a lot of training sessions were conducted. External speakers held presentation about how employees are to be aware of IT security risks, and also about how an IT hacker is working. This together with the newly launched digital mandatory IT security-game gave a lift to the IT security training program. The training was offered to the whole Group.

SUPPLIER CODE OF CONDUCT

Our commitment to sustainability extends to our suppliers, who are expected to uphold the principles set out particularly in areas related to human rights and labor standards. This includes ensuring compliance with international labor standards across their own supply chains.

As part of our supplier selection process, we include sustainability and human rights criteria, requiring evidence that potential suppliers adhere to international standards and regulations, such as the International Labour Organization (ILO) conventions. This ensures that our supply chain operates in alignment with our ethical values and sustainability goals. The Code of Conduct emphasizes many of the material areas for the ESRS G1. The policy describes both ethical demands to suppliers, the importance of our anti money laundering work (AML), and the essential part of ourselves as a company to contribute to the community correctly financially, hence taking a clear standpoint against corruption and bribery, and any other economic crimes.

G1.2 – Management of relationships with suppliers

Code of conduct for Suppliers describes the requirements for and the management of the relationships with suppliers, and criteria to consider when selecting a supplier. Suppliers are followed up in the system WorldFavor. In the reporting system both new and existing suppliers are requested to answer, and document requested information regarding the fulfilment of demands from Kredinor. The Procurement department are assisting respective responsible internal supplier contact, with expertise regarding supplier follow up, negotiations and agreement updates. Before engaging new suppliers or extending existing contracts, they are to be consulted.

THE USE OF SUPPLIER CODE OF CONDUCT

It is our ambition to use the Code of conduct as a guideline before entering new, major contracts, and as a tool when negotiating with vendors. A project going forward is to get the follow up of the social and environmental criteria as a bigger part in the supplier system WorldFavor, and to get the procurement department even closer to the process when working with these types of criteria. An expected outcome of this is to get an even better insight into our suppliers and their sustainability work, and to be able to use this as a criterion for entering a contract. Estimated time horizon for fully implemented update is by 2026. In standard for Procurements a description of requirements to ensure that Kredinor is a professional purchaser who achieves economies of scale with the right balance between quality, sustainability, and cost is included.

PAYMENT PRACTICES IN KREDINOR

Kredinor does not have a specific policy related to prevention of late payments to suppliers. However, due to the character of our business we know the importance of proper payment routines, and this is described in internal guidelines. According to routines all suppliers, shall be paid as promptly as possible, close to due date, after regular internal approval processes of invoices have been fulfilled. The routine does not diverse between size of vendor, invoice amount, contractual arrangements, business type or any other parameters.

ACTIONS IN 2024

Key action in 2024 has been the implementation of the Supplier Code of Conduct. The policy was adopted in 2024, but we will continue the work in 2025 to widen the internal awareness and use of the Code. The policy is to be used as a tool for relevant internal departments (depending on type of procurement) in evaluation between and in negotiations with suppliers, hence upstream in the value chain, so there is no action plan or resources allocated. Despite this, it is still a big step forward in our follow up of suppliers and putting their business conduct on the agenda. The Code of conduct is to be used for all the companies in the Kredinor Group.

G1-3 – Prevention and detection of corruption and bribery

Corruption and bribery are officially recognized as a predicate offense to money laundering under the 6th Anti-Money Laundering Directive (6AMLD), meaning it's examples of the core crimes that generate funds which then need to be laundered.

PROCEDURES

Our Policy for Financial crime and sanctions describes how to handle cases of corruption and bribery. Kredinor communicates its Policy for Financial crime and sanctions to employees through the intranet, and on ad hoc basis to stakeholders when carrying out due diligence related to acquisitions of portfolios of non-performing loans. There is no follow up of whether the reader of the policy has understood its implications. However, a lot of the content is further explained in the mandatory AML-training, making the understanding for the reader easier. For the employees to know how to handle challenges concerning AML, Kredinor conducts an annual self-training program for its employees. The Board of Directors and the Executive Management Team, according to the requirements set in relevant

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national legislation. It does not specifically focus on corruption and bribery, but on AML in total. A work will be done in 2025 to evaluate if the AML-course needs an update to deepen the focus on these areas.

In Kredinor we work continuously to ensure that the entities in the Group are not misused for money laundering, including corruption and bribery, and work with AML with a risk-based approach in accordance with the rules. We report suspicious transactions to the relevant financial crime authority, the Financial Intelligence Unit (FIU). There is zero tolerance for corruption and/or bribery in the Kredinor Group. We have developed a checklist to be followed for portfolio purchases of non-performing debts, where it is also stated that the company does not purchase portfolios from companies with high risks for corruption.

Our Supplier Code of Conduct includes a risk assessment of potential exposure to bribery and corruption, particularly in markets or regions with a history of such practices. This assessment is conducted regularly and includes digital interviews and internal controls.

FUNCTIONS-AT-RISK

The risk for bribery and corruption is potentially highest for operations within the Investment department ("Functions-at-risk"). This risk is reduced through yearly mandatory self- studying of our Code of conduct-policies for the staff, the digital AML course, internal audit procedures and routines and procedures for Investment for their specific operation. All functions-at-risk have access to the self-relevant courses and self-studies. 100% of the functions-at-risk are offered these training programs. Training is given to members of the administrative, management and supervisory body upon request.
In addition Kredinor's power of attorney system which authorizes another person (the agent or attorney) to act on their behalf in legal or financial matters reduces our risks.

PREVENT, DETECT AND ADDRESS

The tree steps prevent, detect and address allegations or incidents of corruption and bribery are handled as described:

Prevent: All employees receive mandatory AML-training as a part of our annual training. 100% of the functions-at-risk are covered by the training programs. Corruption and bribery are part of the training but is not the main focus covered in the session.

Detect: Detection can either be done by an employee in daily operation, by or quality internal control, or at external audit.

Address: Investigation of suspicious incidents are handled different depending on which type of incident, if it involves employees or external clients and customers. Still suspicious incidents after investigation, are reported to relevant authorities. For internal corruption and bribery incidents, there is an evaluation of correct instance to investigate the case, to avoid conflict of interest or hierarchy issues. E.g. an employee can never investigate an incident related to its leader. The investigators are separate from the chain of management involved in the matter. The outcome of incidents relating to corruption and bribery are not reported in total to administrative, management or supervisory bodies, since incidents are handled different depending on type of notification channel, who the suspect is and whether it is reported anonymously. It is only the number of incidents that regularly are reported in total to the Risk & Compliance and Board of Directors, but never the outcome.

CYBERSECURITY

The following part explains our entity specific sub-topic cybersecurity.

Policies

Policies related to the company specific risk Cybersecurity are Data policy and Information Security Policy. Reference is made to G1-1 and the description of Data Privacy and Information Security Policy.

Actions

Key action in 2024 taken to prevent the potential risk of a successful cyberattack, was an enhanced training of employees during the IT security month October. All employees in the Group were involved. This is planned to be a continued yearly action, since the competence of employees and how to avoid cybersecurity is one of the main parts in working towards our target. The action has a short time horizon, since Kredinor focus extra on training activities one month per year, including relevant updates from last year.

The action plan of working for zero successful cyberattacks is the responsibility of the IT security department. Kredinor does a large range of activities in addition to training of employees, to ensure secure operations. We measure and keep metrics for incidents and breaches.

We are using both a SOC-service, and a vulnerabilities-hunter-service. Other findings are being reported monthly. We also do regularly phishing tests on employees and keep results and metrics from the testing.

If assuming this action plan is the main task for the IT security department the OpEx expenses for the department can be allocated to this action plan. The yearly expenses of the department end up at approximately 4 mNOK. Type of current and futures financial and other resources are e.g. monetary IT licenses, agreements with vendors and human resources. Current financial resources can be

Governance

found included under Salary and Other operating expenses in the financial statement. It is expected for the same type of amount of future financial resources, or a slight increase due to additional regular requirement regarding the implementation of the DORA requirement, that affects our clients.

Metrics

Metric used for Cybersecurity to evaluate performance and effectiveness, is number of successful cyberattacks. This is reported from the SOC-service and the vulnerable-hunter-service described under Actions. There are no significant assumptions behind the metric or limitations of the methodologies used. The measurement of the metric is not validated by an external body.

Targets

Entity specific target for 2025 regarding Cybersecurity is to keep successful cyberattacks at zero. This demands both internal expertise and relevant technical IT security measures, and it expected to affect people but not the environment. The target is valid both as a short-, mid-and long-term target. Individuals involved with financial crime are continuously using new and more advanced methods, hence changing the internal demands on our cybersecurity set up and IT security processes. Activities are described under Actions. An associated target is that 100% of incidents should be detected and responded to within a predefined time frames. Reference is made to G1-1 and the description of Data Privacy and Information Security Policy. The target of zero successful cyberattacks is clearly linked to the policies, since their objectives are safeguarding customer data and ensuring compliance with applicable data protection regulations, including the GDPR.

2024 is set as base year and baseline value is zero. There is no certain methodology or significant assumptions used for setting the target. The overall performance toward our target is good, since 2024 was a year without any successful cyberattacks. Effectiveness of our actions are tracked via reports, in case of incidents, described under Metrics. Stakeholders have not been included in the target setting, but nevertheless the target is something gaining all steps in the value chain in Kredinor, hence not having any negative impacts on neither internal stakeholders, nor external ones, e.g. customers or clients. The measurable, outcome-oriented and time-bound targets on material sustainability matters we have set to assess progress is to have an absolute zero successful cyberattacks every year. The target is valid for the whole of Kredinor Group.

G1-4 – Incidents of corruption or bribery

METRICS

Most of the requirements related to metrics on Governance is regulated by law and authorities. The way of working and how to consider the areas are regularly discussed in the organization, lead by the top management, as an indirect part of the strategy process. Consequently, these topics are integrated in the top managements responsibility to follow up during the year.

There has not been any incidents of corruption or bribery during the reporting period and hence no convictions or fines for violation of anti-corruption and anti-bribery laws. Since no breaches, no actions have been taken to address breaches in procedures and standards of anti-corruption and anti-bribery.

Governance

G1-6 – Payment Practices

METRICS

Kredinor maintains an average payment time of 14-30 days to suppliers, except for invoices in dispute. This is depending on payment terms, but independent of size of enterprise. Small and medium enterprises are handled according to the same payment routine as large suppliers. Invoices are handled directly for approval when received, to get prepared for payment at due date. The payment period Kredinor has gotten is quite normal for bigger contracts. Court fees are always paid directly at receipt, independent of payment term, to not delay the operational debt collection.

The table is based on the following assumptions:

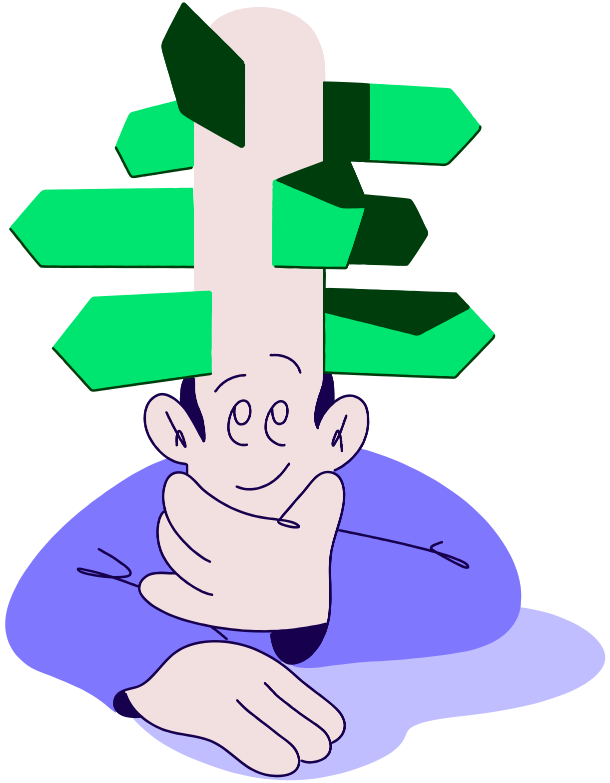
- Percentages are estimates based on the largest monetary vendor contracts in the Accounts payable module in the accounting system. Reports covering paid amounts in 2024 are summarized, and the suppliers are split depending on type of expense area. Approximately the top 25 suppliers are then summarized and included in the calculation of the percentage of payments aligned with respective payment term.
- Payment terms vary within the same supplier group, but the payment term reported are from largest vendor accounts.
- Share is estimated from the largest 25 vendors, with the assumption that this share is relevant for the remaining suppliers.

Kredinor`s standard contract payment terms are presented in the following table:

Area	Standard payment term (days)	Percentage of vendor type aligned with respective payment term	Number of legal proceedings currently outstanding for late payments
Court fees	28	41%	0
IT consultants	21	26%	0
Consultants	15-30	9%	0
Office	30	6%	0
Insurance	30	4%	0
Distribution	25	1%	0
IT Hardware	30	4%	0
It systems/Licenses	15	9%	0

Risk management

Our business model relies on the ability to successfully recover outstanding debts from individuals and businesses. Further, the risk associated with portfolio purchases relates to the ratio of actual collections to the forecasted cash flow (recoveries), There are several key risks which must be monitored and managed in order to maintain business operations and ensure long-term success.



Kredinor aims to take calculated risks and managing these to reach the strategic and financial goals set by the Board of Directors on behalf of our stakeholders. A proper balance of risk and return on equity aims to increase value for our shareholders and contribute to efficient use of capital.

The Board of Directors has adopted risk appetite statements, and, where appropriate, risk limits for significant risks that Kredinor is, or can be, exposed to. The risk profile is set based on the values that we wish to protect, the goals to be achieved and our ability and willingness to manage the risks.

Risk management is organised in such a way that regulatory requirements and guidelines are met. Kredinor has established a risk management system, which is organised in three lines of defence, with varying frequencies of reporting and proximity to the company's business operations and risk management.

Kredinor continuously assesses the risks associated with its operations. A risk report is prepared and presented for the board quarterly. The report gives an overview of the company's risk profile, including follow-up of risk limits. At least annually, Kredinor conducts a review of significant risks for all business areas. Managers of each business area also carry out an annual assessment of internal control.

Risks

The significant risks that the company is exposed to, are the following:

STRATEGIC RISK
External changes in legal, political, economic and social conditions affect Kredinor's competitive environment, client and customer behaviour and technological development, both nationally and internationally. Kredinor's ability to respond to and manage such changes thus affects the quality of strategic decisions as well as the opportunity and ability to operate profitably. The debt collection industry, and the finance industry in general, may be affected by cyclical fluctuations and other macroeconomic conditions. To reduce the impact of external factors, Kredinor closely tracks the environment in the countries where Kredinor operates. Kredinor participates actively in industry associations to have the opportunity to influence political developments and regulatory changes in a timely manner, focusing on a proactive approach to make a difference where it matters.

CREDIT RISK
Kredinor offers services throughout the credit value chain from invoicing and ledger management to reminder services, debt collection and purchase of non-performing portfolios. Kredinor aims for a quality and composition of purchased portfolios that ensures profitability in the short and long term. The risk associated with portfolio purchases relates to the ratio of actual collections to the forecasted cash flow (recoveries), which serve as the basis for the price determined at the time of purchase. This risk is influenced by factors such as the quality of the debtors in a portfolio, size of the receivable, age of the debt, ability of a debtor to pay, probability, and type and size of payment. Kredinor limits exposure to individual industries and individual clients, and to avoid mispricing, Kredinor regularly performs qualified analysis and review of their performance. The analysis shall provide a sufficient basis for estimating profits and future recoveries on the portfolios. Furthermore, for the portfolio business, updated valuations are based on expected future collection of the non-performing receivables. Actual collection is measured against forecast, and in the event of discrepancies between actual collection and forecast, a quarterly assessment is conducted of whether the forecast needs to be adjusted.

FINANCING AND LIQUIDITY RISK
To secure financing for ongoing operations and our growth targets, we aim to find the best balance between short-term and long-term financing, and to secure part of the financing with a fixed interest rate so that financing costs do not increase significantly and affect the company's ability to achieve its goals and growth plans. We have a structured approach to managing financing risk which includes reporting, contingency plans for financing and liquidity, clear communication and stress testing. See further information under Financial performance.

The company's liquidity management ensures that there is sufficient liquidity to fulfil our financial obligations when they become due. Financial obligations are related to ongoing operating costs and interest payments.

It is important for Kredinor to have effective liquidity management. The liquidity position is monitored continuously to ensure adequate cash flow for operational needs. Any liquidity challenges are quickly addressed through short-term financing solutions or other measures. The company's Board of Directors has also set liquidity limits that the company must adhere to.

INTEREST RATE RISK

Kredinor is exposed to interest rate risk through increased funding costs. We aim to balance our positions in interest bearing financial instruments (including interest rate derivatives) and bank loans in such a way that changes in market prices weaken our cash flow and/or values as little as possible.

CURRENCY RISK

Kredinor is exposed to currency risk as the company has assets in foreign currency through ownership in portfolios with requirements in countries outside Norway where the receivables in the portfolio are in foreign currency. Currency risk may arise when receivables in other currencies and liabilities in other currencies do not balance. Kredinor aims to minimise currency risk by financing in the same currency as the currency in which the portfolios are nominated.

COMPLIANCE RISK

The financial services industry, and the debt collection sector in which Kredinor operates, are heavily regulated, and any failure to comply with these regulations could result in significant penalties, reputational damage, and legal liability. To mitigate this risk, Kredinor has established a third line of defence model. In the second line control function, the Compliance function, in the second line of defence, is responsible for monitoring compliance risks and conducting risk-based controls, as well as conducting relevant training of employees to ensure that Kredinor is adhering to applicable regulations and laws. The Compliance function has a reporting line to the CEO and the Board of Directors.

OPERATIONAL RISK

Kredinor is exposed to operational risk which is the risk of financial loss or loss of reputation as a result of inadequate or failing internal processes, systems, people or from external events. Operational risk includes both accidental and intentional incidents and is present throughout the organisation.

At Kredinor, no single incident shall significantly damage the reputation or financial strength. This is managed through established routines for internal control and incident reporting. A clear structure of authority, a clear division of responsibilities, training materials, a legal framework and a structured management and control environment have been established. Two operational risks that are considered material for Kredinor are ICT risk and Working environment risk.

INFORMATION, COMMUNICATION AND TECHNOLOGY (ICT) RISK

We depend on stable and well-functioning IT systems, with a high level of security against external attacks (cyberattacks) that can inflict major losses on the business. In order to minimise this risk, Kredinor maintains close operational cooperation with our key suppliers in this area. ICT risk is managed in a combination of documented policies and process descriptions, system-based and administrative controls, routines, risk assessments, competency development, crisis and continuity frameworks.

WORKING ENVIRONMENT RISK

Kredinor depends on its employees. Access to expertise and resources requires us to be an attractive workplace with competitive terms. Ensuring that we retain, motivate and can recruit competent employees, managers and key personnel is therefore key to delivering upon our strategy. Active efforts are being made to provide employees with development opportunities.

REPUTATION RISK

Damage to our reputation, whether among clients, suppliers, shareholders or authorities, can have an effect on company's revenues and reduce access to capital. Our focus on employee quality, competence and integrity helps to reduce the company's reputational risk. In addition, our Code of Conduct and conscious approach to social responsibility also contribute.

Reputational risk is otherwise managed through policies and business activities, including the Code of Conduct stating that agreements shall not be entered into if they constitute an unacceptable risk of contributing to illegal and unethical acts, corruption, money laundering or other financial irregularities. Kredinor also works to maintain close relationships with clients and to be transparent about our collection practice.

Kredinor's Strategy – Together, we create a healthy economy

Kredinor plays a central role in the financial ecosystem and is a key player for a well-functioning credit market. A responsible and efficient debt collection process ensures liquidity for businesses, creates economic predictability, and contributes to financial security for consumers.

Following significant organizational changes in 2024, we initiated a strategic process aimed at strengthening our role in society and ensuring a stable and sustainable business. Our strategy is built around four key stakeholder groups—our customers, clients, employees, and society—and is based on seven strategic pillars that guide our future development.

SOCIETY – A RESPONSIBLE PLAYER IN THE ECONOMY

Kredinor plays a crucial role in society. We contribute to a well-functioning credit market and work to ensure that both businesses and individuals have the best possible conditions for financial stability. A healthy economy provides the foundation for growth and development—for both individuals and businesses.

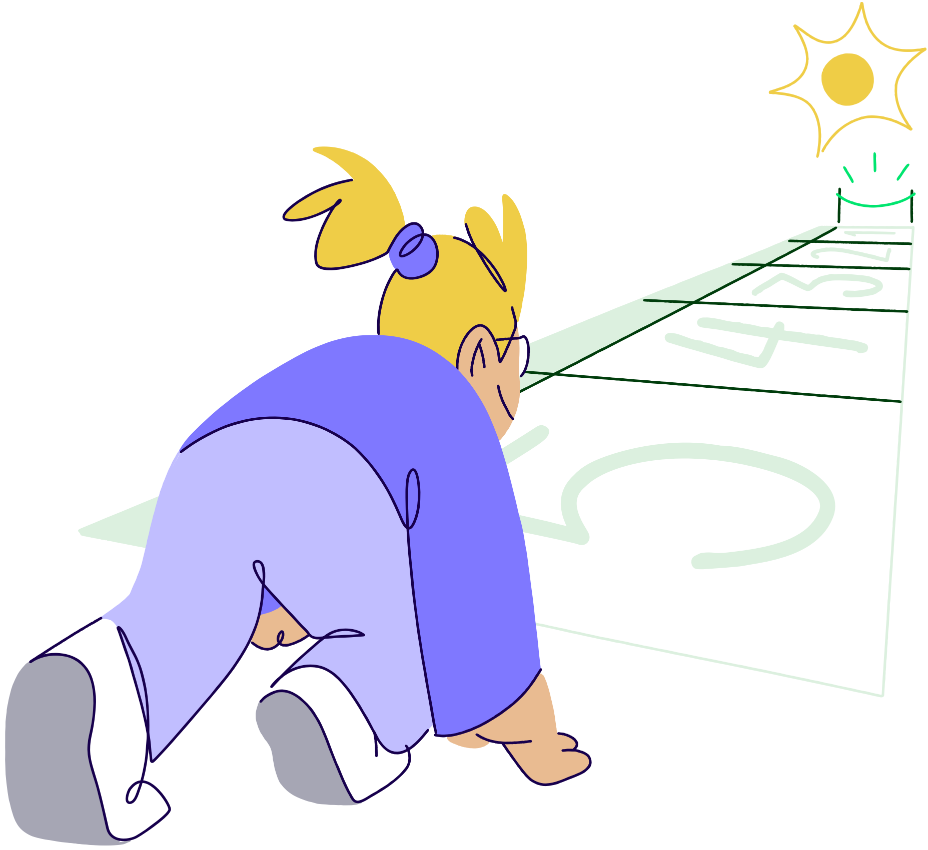
Sustainability is an integral part of our strategy. We take responsibility for operating in a socially responsible and environmentally conscious manner while ensuring compliance with financial regulations and applicable laws. We collaborate with authorities, industry players, and organizations to develop best practices and create a more sustainable economic system.

STRATEGIC PILLARS RELATED TO SOCIETY:

- Presence where we make a difference – We prioritize markets and partnerships where we can have the greatest impact.
- Digital leadership – We leverage technology to improve risk management and debt collection methods, enabling us to operate more sustainably and efficiently.
- Strong capital discipline – We ensure a stable and long-term financial foundation that benefits both businesses and society.

The strategic process, which began in the fall of 2024, will continue into 2025 before being fully implemented. We are continuously working to strengthen our role in society, meet the needs of our clients and customers, and further develop our services to address future demands.

With our experience, expertise, and technology, we continue to build a more efficient and sustainable economy—for the benefit of our customers, clients, employees, and society.



CUSTOMERS – A SIMPLE AND SOLUTION-ORIENTED PROCESS

Most people want to meet their financial obligations, but sometimes economic challenges arise. We understand that a positive customer experience is crucial, which is why we focus on smooth, flexible, and fair solutions. Through digitalization and data-driven insights, we continuously develop new ways to understand and assist our customers.

STRATEGIC PILLARS RELATED TO CUSTOMERS:

- Deep customer insights – We use advanced data analytics to understand customer needs.
- Satisfied customers – We prioritize a positive customer experience through respect, clear communication, and flexible payment options.
- Digital leadership – We develop user-friendly self-service solutions that give customers better control over their finances.

CLIENTS – ENSURING LIQUIDITY AND PROFITABILITY

Our clients, ranging from small businesses to large enterprises in both the private and public sectors, rely on a stable cash flow and low credit risk. Kredinor is a strategic partner that delivers efficient debt collection through credit management services (CMS) and portfolio investments (PI). We recognize that debt collection is about more than just recovery—it is about maintaining customer relationships and ensuring business predicatbility, and retuning our customers to financial health.

STRATEGIC PILLARS RELATED TO CLIENTS:

- Excellence in operational execution – We provide efficient, scalable, and automated collection processes.
- Development of new services and products – We offer innovative solutions tailored to a dynamic market.
- Strong capital discipline – We ensure sustainable and profitable growth for our clients and, through strong capital discipline, act as a long-term and strategic partner.

EMPLOYEES – EXPERTISE, CULTURE, AND DEVELOPMENT

Our employees are the key to our success, and we take pride in having a skilled and diverse workforce. Kredinor employs specialists in customer service, debt collection, NPL investments, finance, risk and compliance, strategy, IT, analytics, sustainability, law, and commercial roles. We invest in skill development and foster a work environment built on our four core values:

→ Curious
→ Courageous
→ Compassionate
→ Committed

We know that a strong and engaged team is essential to delivering high-quality services. That is why we continuously prioritize professional development, career opportunities, and technology that supports our employees in their work.

Case: The Nordic region

Nordic focus and developing markets

While Norway is Kredinor's primary market, we are clear that the Nordic countries are our strategic focus area. We view these countries as a natural unit since many of our clients operate across the Nordic region.

Developing markets refer to countries within the group that are either newly established or in a growth phase to achieve the desired market position. Sweden, Finland, and Denmark are defined as developing markets within Kredinor. These markets are led locally by a Country Manager and collectively overseen by Director of Developing markets, Abbe Fransson.

↑ Abbe Fransson is Director for Developing Markets at Kredinor.

In 2024, Sweden and Finland had good development in the PI segment, where Kredinor has established itself as a key player and trusted partner for financial institutions. However, the price expectations amongst the sellers lead to few transactions. Growth within CMS remains modest but is increasing, as this segment has a relatively short history for us in these markets. Denmark is still in the establishment phase and is now entering a period where we aim to achieve a market position.

The 2024 results for Developing markets can be explained by two key factors: interest rates remain high, and regulatory changes in Sweden have negatively impacted the result due to impairments.

We enter 2025 with optimism, as market signals indicate stronger growth ahead in both the CMS and PI segments.

Financial performance in 2024

REVENUES

Total customer revenues amounted to NOK 752.5 million in 2024, up from NOK 686.7 million in 2023, representing a 9.6% increase. Revenues from our Purchased Portfolios (PI) business totaled NOK 742.6 million in 2024, compared to NOK 763.0 million in 2023, reflecting a 2.7% decline.

Overall revenue was impacted by a negative revaluation of purchased portfolios amounting to NOK 31.9 million, significantly lower than the NOK 266.3 million write-down recorded in 2023.

The decline in PI interest revenue was due to limited new portfolio acquisitions during the year.

EXPENSES

Total operating expenses amounted to NOK 1,081.6 million, compared to NOK 1,140.8 million in 2023. Personnel expenses decreased by NOK 13.6 million, while other expenses saw a reduction of NOK 45.6 million.

PORTFOLIO PURCHASES

Kredinor acquired portfolios totaling NOK 157 million in 2024, significantly lower than NOK 1,493 million in 2023, reflecting a more conservative acquisition strategy.

FINANCING

In December 2023, a PIK loan of NOK 675 million was agreed upon with one of the owners and subsequently converted to equity in April 2024. Additionally, the secured revolving credit facility (RCF) was reduced from NOK 4,200 billion to NOK 3,500 billion and extended until November 2026.

The company remains fully compliant with all loan covenants, and Kredinor's funding position is considered satisfactory.

CASH FLOW

Net cash flows from operating activities amounted to NOK 471.2 million, including NOK 1,496.8 million in collections from purchased portfolios and negative NOK 157.4 million from portfolio acquisitions.

Net cash flows from financing activities totaled negative NOK 787.2 million, while cash flows from investment activities stood at negative NOK 125.0 million.

LIQUIDITY

Kredinor's liquidity position remains strong, with NOK 268.9 million in cash and cash equivalents at year-end, supplemented by NOK 935 million in undrawn committed loan facilities.

GOING CONCERN

The 2024 financial statements have been prepared on a going concern basis in accordance with Section 3-3a of the Norwegian Accounting Act. The Board of Directors has reviewed the financial statements and confirms that they provide a fair and accurate representation of the company's financial position and business performance.

EVENTS AFTER THE BALANCE SHEET DATE

No material events have occurred after the balance sheet date.

Outlook for 2025 and beyond

“Debt collection is a critical and integral part of a well-functioning financial system”

- Rolf Eek-Johansen, CEO

MACROECONOMIC SITUATION AND RISKS

The macroeconomic situation globally and in the Nordic countries where Kredinor operates continued to be challenging through 2024. Inflation, high interest rates, and a turbulent global situation including the Russian warfare in Ukraine and military conflicts in the Middle East, contribute to creating a challenging environment for businesses and individuals. Despite this, the economy in the Nordic countries has remained relatively strong, and unemployment is still at a low level – although there are variations between the countries. The interest rate levels in the Nordic countries vary. Some countries were cutting interest rates in 2024, while in our main market, Norway, the rate remained unchanged. Going into 2025, there are prospects for a more positive and stable economic development for the year and beyond, but the uncertainty is still high.

The number of businesses and individuals with collection cases has risen somewhat through 2024, but there has not been a significant increase. For 2025, we expect the number of collection cases for private individuals to increase by 3-5% and for businesses with 7-10% (source: Kredinor Innsikt #1 2025). Over time, we expect the economy to improve, and with it, the ability to pay. The uncertainty factor is related to how the employment rate will develop.

To Kredinor, the recent period has been demanding, with high interest rates and inflation, which particularly affects the company on the cost side. Prospect of lower interest rates are positive for the industry as a whole, but at the same time, competition is intensifying. Kredinor aims to excell in operational efficiency focusing on core business, and perform among the best in the industry.

REGULATORY SITUATION AND RISKS

Directive on credit servicers and credit purchasers (Non-Performing Loans/NPL) directive has been implemented in Sweden and Denmark, and Kredinor AB has obtained authorization as a credit servicer by the Swedish FSA during 2024. In Finland, the NPL directive will be implemented as soon as possible (implied April-May 2025).

Kredinor Oy will most likely apply for authorization as credit servicer and be supervised by the Finnish FSA as such. In the preliminary work of implementing the NPL directive it was also stated that debt collection agencies who offer sales ledger services in a way where their client funds accounts are used to receiving customer payments which will then be imbursed to the client, are offering payment services in accordance with the PSD 2 and therefore are obliged to have payment servicer license.

The Norwegian government has also presented changes in the debt collection act due to the NPL directive. The consultation does not include credit purchasers, and does not introduce any new licenses, but there are some changes with regards to the license for debt collection agencies.

The Norwegian government has proposed changes in the Enforcement Act. Amongst other the changes include a proposal of a joint wage deduction, to be distributed pro rata among the debtor’s creditors. The changes will come into effect on January 1, 2026, with a phase-in period until January 1, 2027. There are some uncertainties with regards to the effect.

In Sweden, the new legislation on limited tax deductibility of interest means that only certain types of interest are deductible. For interest expenses on loans without collateral, paid after 31 December 2024, the new rules apply. The rules are retroactive. The phase-out occurs in two steps, meaning that interest expenses on unsecured loans paid in 2025 will be deductible at 50%, dropping to 0% in 2026. 1 January 2026 the Swedish Consumer Credit Act also implements a cap for interests and cost for new credit agreements. This does not affect existing claims but will require some adjustments in the core system for new claims granted after 1st of March.

The EEA Joint Committee amended the EEA Agreement and included the EU Securitisation Regulation on the 12th of June 2024. It was believed that it might be implemented in parallel with Capital Requirements Regulation (CRR) 3 in Norway – but this has not happened. CRR 3 also includes a suggestion to let specialised debt restructurer set the applicable amount of insufficient coverage for non-performing exposures after article 47c (backstop) to zero after having notified the competent authority. CRR 3 came into effect 1 January 2025 in the EU. The Swedish FSA has requested clarifications by the EBA regarding the requirements to be approved as a specialised debt restructurer, but the questions have been rejected by EBA.

Whilst the collection fees in most Nordic countries have not been adjusted for some time, the debt collection fees in Denmark were increased in 2024.

FOCUS ON CORE BUSINESS

Throughout 2023, Kredinor launched several initiatives and services aimed at the customer. These initiatives will continue, but we made a tempo shift towards the end of 2023 to ensure that our clients receive good follow-up and to bring Kredinor back to profitable operations. The best way to do this is to focus on core business and be the industry leader in debt collection.

Kredinor has always adapted to the times we have operated in. This has secured our position as the largest player within debt servicing in the Norwegian market. We will continue to develop this role in combination with our commitments in Norway, Sweden, Finland, and Denmark. All our future measures will support the company's core businesses. This also ensures that we can stand by our long-term commitments to clients, customers, partners, society, and owners.

CAPITAL LIGHT

The prevailing business model among most debt purchasing companies entails acquiring funds through the high-yield bond market and/or utilizing bank credit facilities with equivalent credit spreads. These funds are subsequently allocated towards the acquisition of portfolios comprising non-performing loans from various banks and other financial/non-financial institutions.

However, this model exhibits inefficiencies primarily due to the significantly higher funding costs within our sector compared to the originating banks. Additionally, the inherent uncertainty surrounding the performance of these impaired assets necessitates a high rate of return on equity. In response to these challenges, we are actively exploring securitization as a mechanism for retaining exposure to non-performing loan portfolios. This strategic approach not only seeks to enhance the revenue generated by our credit management services operation but also facilitates the removal of a portion of these portfolios from our balance sheet.

Board of Directors
Oslo, 17 March 2025

Torbjørn Martinsen
Chairman of the Board

Sverre Olav Helsem
Board member

Linn Kvitting Hagesæther
Board member

Vegard Helland
Board member

Per-Aage Pleym Christensen
Board member

Inga Lise Lien Moldestad
Board member

Trude Glad
Board member

Geir-Egil Bolstad
Board member

Simen Danielsen Torgersrud
Board member

Mona Bay Sørensen
Board member

Rolf Eek-Johansen
CEO

Case: «Kredinor Innsikt» and the Kredinor Barometer

Sharing key knowledge on debt collection and macroeconomics

A vital part of our work is to share the knowledge we accumulate about the financial situation of businesses and individuals. This information is essential for our clients, decision-makers, and other stakeholders.

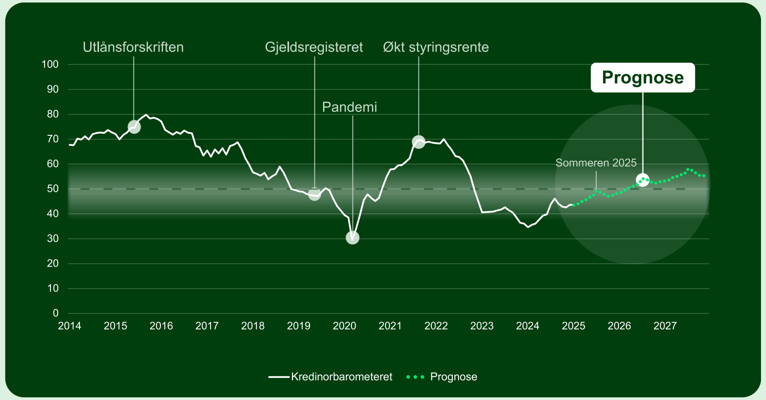
Additionally, there is often significant media interest in our insights, based on our expertise in debt collection trends. With approximately 30% of Norway's debt collection volume, we have a solid foundation for analyzing and understanding market developments. This substantial share gives us unique insight into trends and changes in the payment behavior of both individuals and businesses.

Four times a year, we publish the "Kredinor Innsikt" report, which combines key figures from the debt collection sector with relevant macro trends and financial challenges. This comprehensive report is made available on our website and presented in a free and open webinar.

Each quarterly report also includes the Kredinor Barometer, which provides fresh forecasts for Norway's economic development in the coming years. The Kredinor Barometer is a unique combination of macroeconomic variables and our internal debt collection data.

The barometer illustrates household financial trends—historically, currently, and in the years ahead. It offers a broader view of the economic landscape, where debt collection trends are just one part of the picture.

We emphasize key variables affecting household liquidity, such as unemployment, inflation, and debt burden, and combine these with our own data on principal amounts and case resolution rates. The barometer scale ranges from 0 to 100, where 100 represents maximum liquidity, while 0 represents no liquidity at all.



← Kredinor Barometer

→ Manager Analytics & Reporting, Alexander Tinholt

Kredinor exercises governance and control to ensure that strategies and goals set for the business are realised without compromising vision and values, or obligations set forth in corporate licenses, laws, and regulations. Kredinor has listed bonds with ISIN Code NO 0012839572 on the Oslo Stock Exchange.

Corporate governance report

Governing bodies in Kredinor

Kredinor is a Nordic group headquartered in Oslo with presence in Norway, Sweden, Finland, and Denmark.

Kredinor delivers relevant products and services ranging from invoicing, credit management services, and portfolio investments. Kredinor has licenses and permits in Norway, Sweden, Finland, and Denmark and is obliged to comply with regulations in these countries.

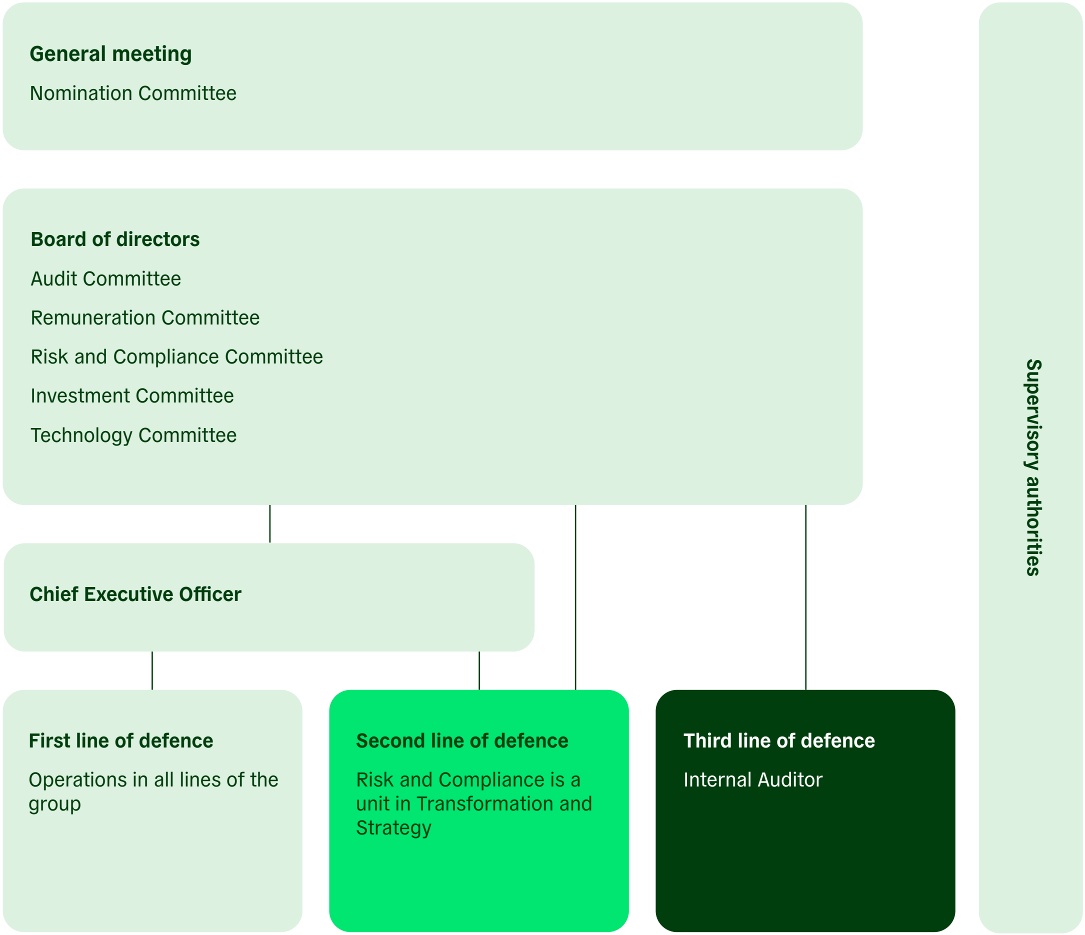
The company has one class of shares, and every share carries one vote in the General Meeting. The company has two shareholder, SpareBank 1 Gruppen AS (68.64%) and Kredinorstiftelsen (31.36%). The Articles of Associations do not permit the Board of Directors to issue new shares or repurchase shares in the company. Nor is the board given such power of attorney. The Articles of associations regulate transfer and purchase of shares. Purchase must be approved by the Board of Directors, and transfer initiates a right of first refusal for other shareholders.

GENERAL MEETING AND THE NOMINATION COMMITTEE

The General Meeting is the highest governing body in Kredinor AS. The annual General Meeting is held no later than 30 June. The General Meeting appoints the person who shall chair the meeting. The Chair of the Board and the CEO may speak at the General Meeting, while other board members may meet. The company's external auditor shall meet. The Chair of the Nomination Committee shall present the committee's recommendation on the election of board members.

The Articles of associations lay down the existence and purpose of a nomination committee. The committee forwards its recommendation to the General Meeting regarding election of members, deputies, and chair of the board to be elected by the shareholders. The committee recommend remuneration for the Board, and the Nomination committee, as well as Chair and members of the committee.

The Nomination Committee consists of a Chair and three members. Both owners have appointed two members each. The members are elected for a period of up to two years. The Instruction for the Committee is revised annually and adopted by the General Meeting.



Board of Directors

The Board of Directors is responsible for adopting the strategy, ensuring a relevant and efficient organisation, establishing a financial framework, overseeing governance, risk and compliance, and measures and controls in line with the risks identified.

According to the Articles of associations the Board of Directors consists of between five and nine representatives, the Chair included, elected by the shareholders in the General Meeting. In addition the employees elect members (3) to the Board in accordance with applicable law. The Chair is elected for one year at a time, while members elected by the shareholders are elected for two years at a time. The Board of Directors of Kredinor consists of seven members elected by the shareholders and three members elected by the employees.

The Board of Directors appoints the CEO to ensure that daily operations are organised, developed and followed up in accordance with the expectations of the Board of Directors. The Board of Directors has established instructions for its own work and for the CEO. The Board of Directors has organised parts of its work in five subcommittees where matters are prepared and advised for further discussion and approval by the Board of Directors. Each committee works based on instructions given and approved by the Board of Directors.

The Audit Committee shall prepare matters for the Board of Directors in connection with the Board's responsibilities for financial accounting, financial reporting and ESG reporting for Kredinor AS and the Kredinor Group (the Group). The Committee shall: Inform the Board on the outcome of the statutory audit and the certification of the sustainability reporting; Prepare the Board's follow-up of the reporting processes; Monitor systems for internal control, risk management and the company's internal audit; Maintain ongoing contact with the elected auditor regarding the audits of annual accounts and sustainability reporting, and monitor the audit performance in light of matters identified by The Norwegian Financial Supervisory Authority in accordance with Article 26 (6) of the Audit Regulations, cf. Section 12-1 of the Auditors Act. It shall assess and monitor the auditor's independence pursuant to Chapter 5 of the Auditors Act and the Audit Regulations and consider the auditor's confirmation of independence; Be responsible for preparing the election of auditor and making its recommendation in accordance with Article 16 of the Audit Regulation. It shall also prepare the Board's consideration of guidelines of estimates and valuation items, and follow-up of quarterly and annual assessments; Ensure that financial and non-financial reporting is compliant with relevant laws, regulations and recommendations.

The Risk and Compliance Committee shall prepare and advice the Board of Directors on matters concerning risk management, internal control and compliance, thereby strengthening the Board's monitoring in these areas. The committee shall review policies governing risk and compliance, quarterly risk and compliance reports as well as reports from the internal auditor.

The Remuneration Committee shall prepare and advice the Board of Directors to ensure that the remuneration practices are aligned with the company's strategic objectives, promote long-term shareholder value and adhere to best practices of corporate governance. The committee shall among others review and recommend the remuneration policy for the CEO and Group Management, oversee implementation and administration of executive incentive schemes, review and recommend any significant changes to employee benefit plans, and prepare handling of the policy governing people related matters.

The Investment Committee shall prepare and advice the Board of Director on matters concerning investment and thereby strengthening the Board's monitoring. The committee shall ensure that investments are in line with investment capacity and funding, and in line with risk appetite. Policies regulating investments shall be overseen, and investment strategy and results evaluated.

The Technology Committee shall prepare and advice the Board of Directors in fulfilling its responsibility to oversee strategic direction, implementation, and management of technology in Kredinor AS and the Kredinor Group. The committee shall review how technology risk is managed and new technologies implemented. Policies on technology shall be reviewed.

See the Board of Directors presentation.

Case: Competence

The Competence Year 2024:

Enhancing Knowledge through Game-Based Learning

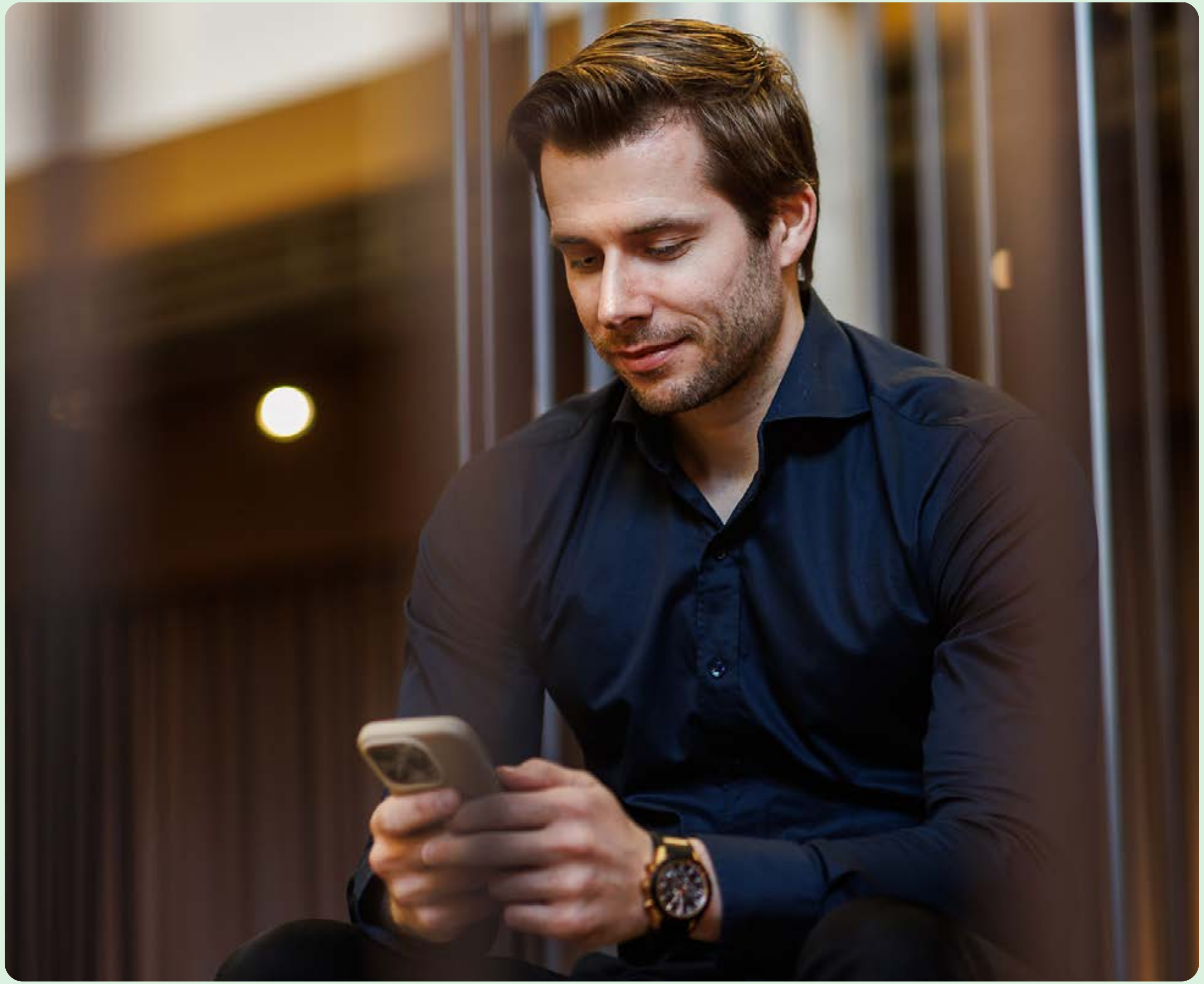
Throughout the year, the Competence Department has further developed its learning offerings with a strong focus on core business areas. In 2024, we launched several new training programs aimed at streamlining operational processes, strengthening understanding of our important societal mission, and implementing concrete actions employees can take to improve various work processes—both individually and in cross-team and cross-departmental collaboration.

On average, we have closed a knowledge gap of 77% in the mandatory game-based training modules introduced in 2024. These modules have been played 50.134 times, equating to 1.505 hours of active gameplay on the platform. In addition, our training portal, which includes more traditional e-learning courses, has recorded 5,195 course completions.

The Competence Department is now developing game-based learning programs tailored to our industry, with the goal of creating a more engaging learning experience that enhances learning outcomes. This initiative aims to support employee development, strengthen performance in client interactions, and ensure high-quality customer experiences.

Moving forward, we will continue to follow the training schedule for 2025, while also adapting to changing needs and making necessary adjustments in competence development as required. Learning and development are key aspects of the employee journey, and at Kredinor, we want to ensure that you have great opportunities to grow and develop with us.

→ Are from Kredinor's Competence in the People department has developed a successful training module for Kredinor staff based on gaming principles.



Operating Model

GROUP MANAGEMENT
The CEO reports to the Board of Directors and is responsible for daily operations in Kredinor AS and the Kredinor Group. The CEO appoints the Group Management which members are responsible for different business lines and group functions. The Group Management was reorganised and streamlined during 2024 and counts six members in addition to the CEO when entering 2025.

Credit Management Services delivers collection services in the Norwegian market both for external clients and for Kredinor Finans AS, the subsidiary investing in non-performing loans in Norway. Country Manager Norway heads this business area which also includes different support functions critical for good collection performance and business growth.

Investments comprise investments in non-performing loans in all markets where Kredinor operates. The Chief Investment Officer in the Group/Managing Director of Kredinor Finans AS heads this area since the Finish and Swedish companies have outsourced the investment processes to Kredinor Finans.

Developing Markets follows up on Kredinor's companies outside Norway. Development and coordination of activities outside Norway as well as coordination with the Norwegian companies are organised and monitored.

Common governance and control are ensured **through three different group functions** Finance, Transformation and Strategy, and Legal.

The Board of Directors of Kredinor AS' subsidiaries are chaired by a member of the Group Management. See the presentation of the Group Management.

FIRST LINE OF DEFENCE
The First Line is responsible for effective governance in accordance with the established governance structures. It is a leader's responsibility to understand and implement the requirements set by governing documentation. The First Line shall identify risks and implement mitigating measures, adhere to compliance requirements, facilitate training of own personnel, and conduct internal control activities in own operations.

SECOND LINE OF DEFENCE
The Second Line functions for risk and compliance are responsible for monitoring risk- and compliance management practices across the company. The functions provide guidance and support to the First Line. Activities in the Second Line, such as support to the First Line, training and independent controls are conducted according to the Compliance Annual Plan, approved by the Board of Directors. Both risk and compliance reports are reported to the Board of Directors.

The Risk and Compliance Function in Kredinor AS has a responsibility for providing requirements and framework for common use in all Group. It has a coordinating role to risk and compliance functions in the subsidiaries, with a doted reporting line from the subsidiaries to the Head of Risk and Compliance.

The second line function is led på Hed of Risk and Compliance who reports directly to the Board. Instructions for both the risk- and the compliance functions are approved by the Board of Directors. The Head of Risk and Compliance also has the role as Data Protection Officer in Norway.

THIRD LINE OF DEFENCE
The Third Line function provides independent assurance to the Board of Directors and management regarding the effectiveness of governance, risk management and internal control within the Group. The Internal Audit is an independent assurance function that also provides objective evaluation and recommendation. The Board of Directors has approved its instructions, and the function conducts its audits in accordance with an annual plan approved by the Board of Directors. The Internal Auditor reports to the Board of Directors. As of 20.08.2024 EY was appointed as internal auditor, replacing Deloitte.

Case: Studio

The Kredinor Studio

During the pandemic, Kredinor purchased streaming equipment to stay connected with employees and clients while society was in lockdown.

When we moved into our new office in Skøyen, we allocated space to build our own studio, utilizing the equipment we had already acquired and supplementing it to meet new needs.

By 2024, the studio was fully completed, featuring a design in our brand colors and flexible technical solutions. Here, we can produce TV broadcasts and webinars, create podcasts, and hold digital town hall meetings - to name a few.

Several times a year, the studio is used to host webinars for clients and other stakeholders. Often, several hundred participants attend these webinars, making it a simple and cost-effective way to reach key partners.

Supervisory Authorities

The Norwegian Financial Supervisory Authority (Finanstilsynet) is the supervisory authority for Kredinor AS (debt collection license) and Kredinor Finans AS (financial institution license). Both companies are subject to ICT regulations and Kredinor Finans is also subject to the Anti-Money Laundering act. GDPR regulations impacts all Norwegian companies and are supervised by the Norwegian Data Protection Authority (Datatilsynet). Kredinor AS has listed bonds on the Oslo Stock Exchange and is subject to regulations following this listing.

In Sweden, Kredinor AB has a credit service permit covering both the debt collection and investments in non-performing loans. The Swedish Financial Supervisory Authority (Finansinspektionen) is supervisory authority for these regulations as well as for Anti-Money Laundering regulations. The Swedish Authority for Privacy Protection's (IMY) is supervising authority for GDPR.

In Finland, Kredinor OY has a debt collection permit and is subject to the Anti-Money Laundering Act. The Regional State Administrative Authority supervise these regulations. The Data Protection Ombudsman is the supervisory authority for GDPR. The Finish Competition and Consumer Authority issues "Good practice in consumer debt collection" and supervises this.

In Denmark, Kredinor A/S has a debt collection license from the National Police (Rigspolitiets Administrative Center). The company is also subject to supervision of the Danish Data Protection Agency (Datatilsynet).

Case: Team building

Kredinor Go: Our social meeting place

Kredinor Go is the corporate sports program at Kredinor, offering various activities throughout the year to create a social and active environment for colleagues across the organization. Kredinor Go organizes running groups, bowling championships, golf tournaments, football training sessions, and forms teams for annual events such as the Holmenkollen Relay, Oslo Marathon, Toughest, and the corporate football league.

The activities organized by Kredinor GO aim to contribute to:

1. Increased well-being and job satisfaction
2. Health benefits and reduced sick leave
3. Team building and collaboration across departments
4. Creating an attractive workplace, focusing on inclusion

The initiative has received positive feedback, and we see that it generates positive ripple effects across departments at Kredinor.

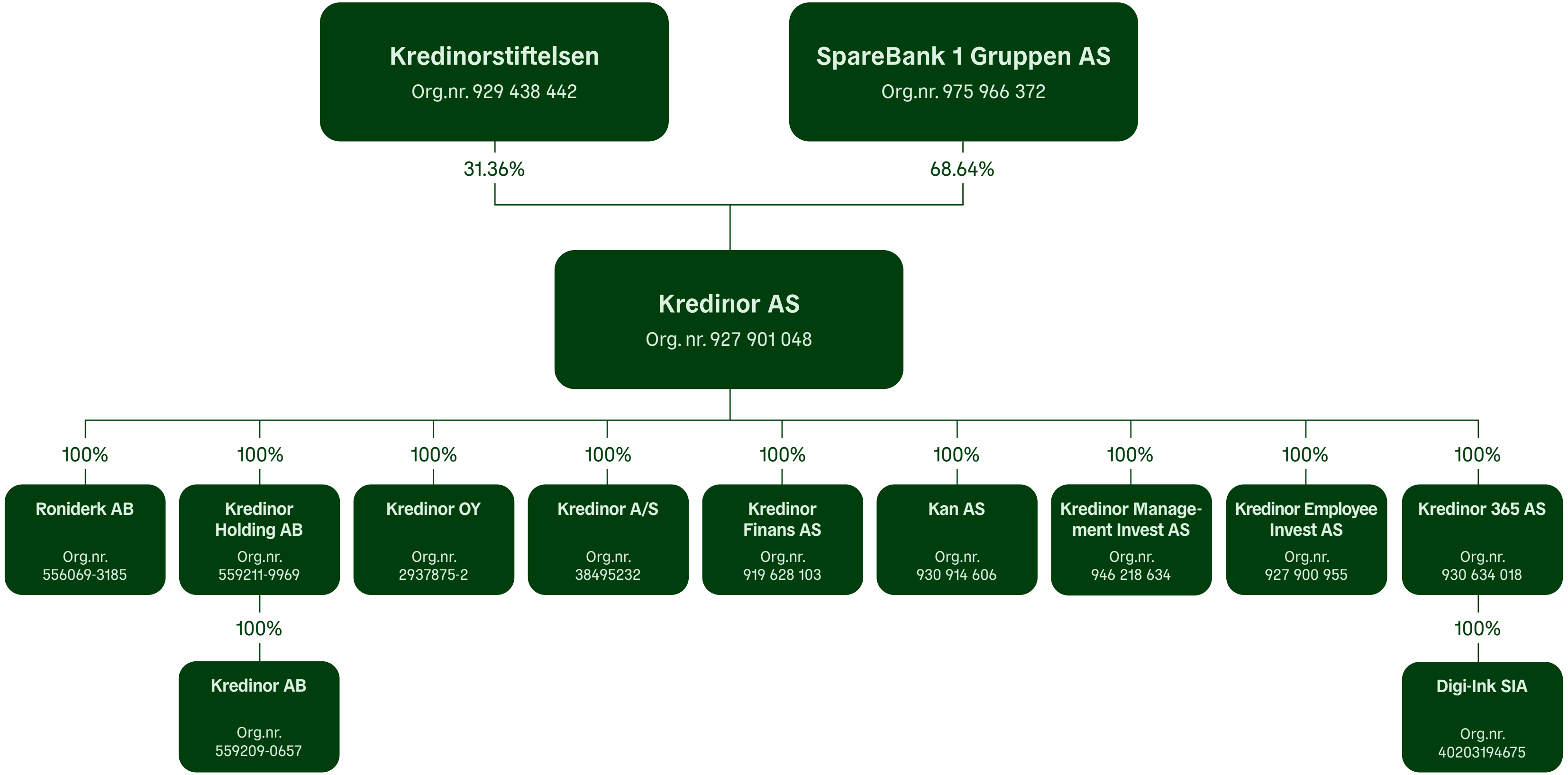
Legal Structure

SpareBank 1 Gruppen AS and Kredinorstiftelsen agreed in 2022 to form the Kredinor Group with Kredinor AS being mother company. 1 October 2022 the two partners became 50-50 owners of Kredinor AS. The initial legal structure was settled 3 January 2023. During 2023, Kan AS was established and the shares in Kredinor A/S in Denmark were acquired.

In October 2024, Kredinor AS acquired the company Nu Diil Group AS from a group of sellers led by Cerebus AS. The company owns advanced distribution technology that will be used in Kredinor's operational activities. The acquisition also included the Latvian subsidiary Digi-Ink SIA. The company's employees support the acquired distribution technology with support services and development tasks. Nu Diil Group AS has since then changed its company name to Kredinor 365 AS. It has been decided to merge the company with Kredinor AS.

At the end of 2024 it was decided to discontinue the business activities in Kan AS.

As of 31 December 2024, the legal structure was as follows:



Governance in Kredinor

Kredinor has a risk-based approach to governance, management, and daily work. Regular risk assessment of running operations, and risk assessment of new initiatives are required. Risk shall be an integral part of the decision- making process.

The illustration gives an overview of how Kredinor has structured governing documentation for the company and the Group. The documentation reflects requirements set by external regulations, but also requirements set by Kredinor's vision, values, goals, and strategies. A digital platform at the intranet is established where all managers and employees in the Kredinor Group have access to governing documentation from policies to routines.

Training programs are in place with a combination of mandatory and voluntary training activities. E-learning is often used, making updates easier and training more available. Managers are responsible for following up the training in own line of the organisation.

Incidents and deviation reporting is system supported, and employees are urged to report. A separate system for whistleblowing managed by the Compliance function in each country is in place, including the possibility for anonymous reporting.

Code of Conduct and policies are reviewed at least annually and approved by the Board of

Framework for Governance and Internal Control in Kredinor

Internally developed

Level	**Type of documentation**	**Responsible**	**Main content**
Overarching governing	Codes, Policies, Instructions	Board of Directors through the CEO and Managing Directors of Subsidiaries	What we want to achieve. Principles. Responsibilities
	Standards	CEO through the group management and managing directors of subsidiaries	
Operational governing	Processes, Routines, Templates, Methods, Tools, Documentation of other measures	Leaders on different levels within areas of responsibility	How and when shall something be done by whom
Controlling	Logs, Minutes, Reports, Notes on Executed tasks, Risk assessments, Other evaluations, Revisions, Desicions etc.	Executors (All personnel dependent on responsibiliy)	What has been done or decided according to Governing structure

Directors in Kredinor AS before being passed on for review and approval in the board of directors of the subsidiaries. The same method is used for instructions if those are relevant for other companies than Kredinor AS. Power of attorney are in place through an authorization system approved by the Board of Directors in each company. It is reviewed minimum annually by the Board of Directors, while redelegations of given limits from the CEO and onward may be adjusted more often.

Policies may be backed by standards with requirements to topics deriving from a policy. There may be several standards for each policy, and standards may be specific for a country or a company. Group-wide standards are generally approved by the CEO. The general rule is annual review.

Operational governing documentation is developed and approved by leaders at different levels. Such documents are reviewed when necessary.

REPORT ON GOVERNANCE FROM THE BOARD OF DIRECTORS

The Board of Directors had seven ordinary - and five extraordinary board meetings in 2024. The Audit Committee had five meetings, the Risk and Compliance Committee had six meetings, the Investment Committee had four meetings, the Compensation Committee had two meetings, and the Technology Committee had one meeting in 2024.

Goals, strategy, and risk appetite

After the recapitalisation of the Group resulting in SpareBank 1 AS becoming majority shareholder, the Board has been working on a revised strategy and a new financial plan for the Group.

The strategy is developed and performance and development of Kredinor is discussed and evaluated against financial situation, sustainability, and risk. The Board of Directors have discussed and approved the risk appetite, and the framework to follow up on risk development.

Governance and control

The governance structure for the Kredinor Group was established in 2023 and first versions of overarching governing documents were developed and approved by the Board. During 2024 the Board has revised and approved updated versions of the Code of Conduct and concluded a complete set of policies. Instructions for all governing bodies in Kredinor AS are in place. The Group's authorisation matrix was revised and approved with limits for financial obligations that the administration may incur. Obligations above these limits, or matters which are of extra-ordinary kind, shall be considered by the Board of Directors.

The following policies are revised during the year: Policy for Governance, Policy for Risk Management and Internal Control, Policy for People, Policy for Information Security, Policy for Outsourcing, Policy for Data Privacy, Policy for Compliance Management, Policy for Financial Crime and Sanctions, and Policy for Investment and Credit Risk. Revision of the Policy for Sustainability is postponed due to ongoing work with the strategy.

Specific committees have been involved in this governance work according to their instructions before the Board has considered and approved the different documents.

While Rolf Eek-Johansen was appointed interim CEO in December 2023, he was permanently employed as CEO in May 2024. A new external auditor and a new internal auditor were appointed aligning these functions with the similar functions in SpareBank 1 Gruppen.

At the end of 2024 a new organisation of the Group was concluded and implemented resulting in a tighter Group Management. The intention is to improve performance and control over the collection services in Norway, have closer follow up and development of the international activities, and streamline Group functions.

The annual wheel of the work of the Board of Directors shall ensure governance and control over the business. Financial performance is followed up monthly, while financial prognosis is updated quarterly. Risk and compliance are reported each quarter, and the Board receives an internal control report annually from the CEO. The report for 2024 was considered by the Board 18 December 2024.

The company's systems and procedures related to risk management and internal control contributes to efficient operations, timely and correct financial reporting, and compliance with applicable laws and regulations.

Kredinor's separate entities prepares its financial statements within a standard financial accounting system which is consolidated into the Group's results. These processes are reviewed by the external auditor and the audit committee monitors the financial reporting and internal controls regularly.

Outsourcing agreements which are considered critical or important and changes to such agreements shall be processed by the board. The CEO is authorized to process outsourcing agreements falling outside these definitions. Such agreements shall be reported to the board through the quarterly compliance report.

Kredinors' companies are covered by board liability insurance. The insurance applies to any person who has been, is, or becomes a general manager, board member, member of the management or equivalent governing body of companies covered by the insurance, as well as any past or present or future employee who may incur an independent management responsibility. Kredinor AS has a liability insurance covering 1/40 of its claims balance 31.12.2024 following requirements for Norwegian debt collection companies.

The Board has initiated four internal audits during the year covering:

- Compliance with the Norwegian regulations on risk management and internal control.
- Overall structure and organisation of the internal control of the debt collection process.
- GDPR compliance with emphasis on framework, basic requirements and management controls and reporting.
- Compliance of the ICT regulation and outsourcing

The Board of Directors are informed through the compliance reports on the status of identified remediations.

The internal control report for 2024 implemented improvements recommended in the internal audit on risk management and internal control.

Debt collection
Kredinor AS and the three companies outside Norway are subject to national regulations on debt collection. Some improvements of debt collection processes and routines in Norway were identified by the second line functions and confirmed by the third line controls of internal control environments. Remediations have been identified and implemented. The Board of Directors have had regular follow-up of the control environment, processes and system support for the debt collection business in Norway. The migration from two system platforms to one has been ongoing and is expected to be finalised during 2025.

Information Communications and Technology (ICT)
Kredinor AS was subject to an inspection by the Norwegian Supervisory Authority in 2024 resulting in a public report. The purpose of the inspection was to assess how the company manages, develops, operates, maintains, and secures its ICT systems and services. The inspection identified some areas for improvement for Kredinor, which have been followed up accordingly. In 2024, both second line and third line controls were conducted. Several second-line controls—covering risk management and compliance—had already been initiated before the notification of the on-site inspection. Additionally, an internal audit on ICT and outsourcing had also been planned prior to the inspection to ensure regulatory compliance. Some improvements were recommended, and remediations were considered and implemented accordingly.

Privacy
Kredinor follows the General Data Protection Regulations (GDPR) in line with implementation in each country of operations. Kredinor has the role and responsibility of data controller and data processor respectively, depending on products and services rendered. Kredinor processes personal data on customers, clients, and employees in all countries of operation. Subcontractors' processing of personal data is covered in separate data processor agreements. Both second- and third line controls have been performed. Some improvements were recommended. Remediations were considered and implemented accordingly.

Financial crime and anti-money laundering
All companies in the Kredinor Group that are subject to the anti-money laundering regulations use the same system platform for AML transactions monitoring and checks. The rules in the system are adapted to the regulation in each country and company. Kredinor AS is not subject to AML but supports this as an outsourced service to Kredinor Finans AS and offers AML services to third parties. Both second- and third line controls have been performed related to Kredinor Finans AS compliance with the regulations. Some improvements were recommended. Remediations were considered and implemented accordingly.

Case: Events

Kredinor Arena: Our new meeting place

In October 2024, Kredinor launched a new meeting arena for professionals working with credit-related issues in Norway.

While Kredinor continues to organize dedicated seminars and meetings for various industries we collaborate with, such as finance and banking, we identified a need for a broader approach to stakeholder dialogue. This led to the creation of the two-day Kredinor Arena conference in Oslo.

Looking back, we can confidently say the conference was a great success, attracting around 200 attendees and featuring a diverse program that included inspirational talks, professional updates, and political debates—not to mention an engaging evening program with dinner and live music.

Immediately after closing the conference, we began preparations for Kredinor Arena 2025. Planning is already underway for the next event, set to take place in October 2025.

Kredinor is a limited company headquartered in Oslo, Norway, with subsidiaries in Sweden, Denmark and Finland. We are active in debt collection and debt purchasing, as well as providing some closely related business support services.

Financials

Consolidated financial statements

Notes

Consolidated income statement

For the year ended 31 December 2024

NOK thousand	Note	2024	2023
Revenue from contracts with customers	2.1, 2.2	752 528	686 710
Interest revenue from purchased loan portfolios	2.1, 2.3, 4.2	742 610	762 995
Net gain/(loss) from purchased loan portfolios	2.3, 4.2	-31 857	-266 318
Other income	2.3	3 670	3 152
Total revenue and other income		**1 466 951**	**1 186 539**
Employee benefit expenses	2.4	634 710	648 286
Depreciation and amortisation	3.1, 3.3, 3.4	92 507	88 862
Impairment losses	3.1, 3.2, 3.3, 3.4	89 238	63 283
Other operating expenses	2.5, 2.6	446 923	492 458
Operating profit		**203 573**	**-106 350**
Finance income	4.8	77 009	120 858
Finance expense	4.3, 4.8	482 633	517 538
Change in financial instruments measured at fair value	4.6	-	2 404
Net financial items		**-405 623**	**-394 276**
Profit before tax		**-202 050**	**-500 626**
Income tax expense	5.1	10 435	18 815
Net profit or loss for the year		**-212 485**	**-519 441**

NOK thousand	Note	2024	2023
Attributable to:			
Non-controlling interests			
Shareholders of the parent company		-212 485	-519 441
Other comprehensive income			
Net profit or loss for the year		-212 485	-519 441
Items that will not be classified subsequently to profit or loss:			
Items that may be classified subsequently to profit or loss:			
Foreign currency translation differences		4 588	8 217
Other changes		-3 220	-
Derivatives		17 913	6 972
Other comprehensive income/(loss) after tax		**19 282**	**15 189**
Total comprehensive income/(loss)		**-193 203**	**-504 252**
Total comprehensive income attributable to:			
Equity holders of the parent company		-193 203	-504 252

Consolidated statement of financial position

NOK thousand	Note	31.12.2024	31.12.2023
Goodwill	3.2	351 211	351 309
Intangible assets	3.1	222 147	296 676
Deferred tax asset	5.1	-	-
Right-of-use assets	3.4	182 234	190 182
Property, plant & equipment	3.3	22 799	24 841
Purchased loan portfolios	4.1, 4.2	5 650 215	6 209 570
Other non-current financial assets	4.1, 4.6	82 355	23 359
Other non-current receivables		267	-
Total non-current assets		**6 511 227**	**7 095 936**
Trade and other receivables	2.6	69 687	28 077
Prepayments	2.6	12 755	16 289
Cash and cash equivalents	4.7	268 907	705 365
Total current assets		**351 349**	**749 731**
Total assets		**6 862 576**	**7 845 667**

NOK thousand	Note	31.12.2024	31.12.2023
Share capital		228 357	143 229
Share premium		3 086 166	2 458 077
Other equity		-657 782	-464 578
Total equity	4.9	**2 656 741**	**2 136 728**
Interest-bearing liabilities	4.2	3 603 261	4 490 962
Lease liabilities	3.4, 4.4	159 548	163 953
Other non-current liabilties		-	620
Total non-current liabilities		**3 762 809**	**4 655 535**
Trade and other payables	2.6, 2.7	27 103	46 990
Income tax payable	5.1	9 442	-787
Lease liabilities	3.4, 4.4	33 617	33 682
Other current financial liabilities	4.1, 4.6	-	2 404
Other current liabilities	2.6, 4.3	372 864	971 116
Total current liabilities		**443 026**	**1 053 404**
Total liabilities		**4 205 835**	**5 708 939**
Total equity and liabilities		**6 862 576**	**7 845 667**

Oslo, 17 March 2025

Torbjørn Martinsen
Chairman of the Board

Sverre Olav Helsem
Board member

Linn Kvitting Hagesæther
Board member

Vegard Helland
Board member

Per-Aage Pleym Christensen
Board member

Inga Lise Lien Moldestad
Board member

Trude Glad
Board member

Geir-Egil Bolstad
Board member

Simen Danielsen Torgersrud
Board member

Mona Bay Sørensen
Board member

Rolf Eek-Johansen
CEO

Consolidated statement of changes in equity

				Other equity		
NOK thousand	**Share capital**	**Share premium**	**Other capital reserves**	**Cumulative translation differences**	**Retained profit**	**Total equity**
Balances at 1 January 2023	**143 229**	**2 458 077**	**-**	**1 714**	**37 960**	**2 640 980**
Profit/loss for the period					-519 441	-519 441
Other comprehensive income/loss				8 217	6 972	15 189
Total comprehensive income/loss	**-**	**-**	**-**	**8 217**	**-512 469**	**-504 252**
Balances at 31 December 2023	**143 229**	**2 458 077**	**-**	**9 931**	**-474 509**	**2 136 728**
Profit/loss for the period					-212 485	-212 485
Other comprehensive income/loss				4 588	14 693	19 282
Total comprehensive income/loss	**-**	**-**	**-**	**4 588**	**-197 792**	**-193 203**
Issue of share capital	85 128	628 089				713 217
Balances at 31 December 2024	**228 357**	**3 086 166**	**-**	**14 519**	**-672 301**	**2 656 741**

On April 25th, the company performed a conversion of debt of a total of MNOK 713.2, refer to note 4.9.

Consolidated statement of cash flows

NOK thousand	Note	2024 (01.01.2024-31.12.2024)	2023 (01.01.2023-31.12.2023)
Cash flow from operating activities			
Profit or loss before tax		-202 050	-500 626
Adjustments to reconcile profit before tax to net cash flows:			
Finance income	4.8	-77 009	-120 858
Finance costs	4.8	482 633	517 538
Change in finacial instruments measured at fair value		-	-2 404
Portfolio amortisation	4.3	750 492	843 219
Portfolio revaluation		31 857	266 318
Depreciation and amortisation	3.1, 3.3, 3.4	181 744	152 145
Working capital adjustments:			
Changes in trade and other receivables	2.6	-38 119	-15 825
Changes in trade and other payables	2.6	-43 243	-4 742
Changes in other items		-117 374	382 507
Debt portfolios:			
Purchase of debt portfolios	4.3	-157 418	-1 492 941
Other items			
Tax paid	5.1	-	-
Interest received		15 287	8 965
Interest paid		-355 571	-341 162
Net cash flows from operating activities		**471 228**	**-307 868**

NOK thousand	Note	2024 (01.01.2024-31.12.2024)	2023 (01.01.2023-31.12.2023)
Cash flow from financing activities			
Development expenditures	3.1	-61 433	-134 253
Purchase of property, plant and equipment	3.3	-13 961	-15 640
Purchase of junior note		-43 862	-
Purchase of shares in subsidiaries, net of cash acquired	6.2	-5 778	-2 245
Net cash flows from financing activities		**-125 034**	**-152 138**
Cash flow from financing activities			
Proceeds from issuance of equity	4.9	-	-
Proceeds from borrowings	4.4	175 000	776 345
Repayments of borrowings	4.4	-925 000	-
Payments for principal for the lease liability	3.4, 4.4	-37 240	-29 109
Net cash flows from financing activities		**-787 240**	**747 236**
Net increase/(decrease) in cash and cash equivalents		**-441 046**	**287 230**
Cash and cash equivalents at the beginning of the period	4.7	705 365	409 918
Net foreign exchange difference	4.7	4 588	8 217
Cash and cash equivalents at 31 December		**268 907**	**705 365**

Section 1 - Overview

1.1 Corporate information

Kredinor (the "Group") consists of Kredinor AS and its subsidiaries. Kredinor AS (the "Company") is a privately held company incorporated in Norway. The Company's registered office is at Sjølyst plass 3, 0278 OSLO, Norway

The principal activities of Kredinor Group are described in note 2.1 Operating segments.

On 15 March 2022, SpareBank 1-owned Modhi Finance AS and Kredinor SA announced a letter of intent to merge, with the ambition of becoming a leading company in debt collection and debt management. On 1 May, Kredinor was reorganised from a cooperative owned by its members to a limited liability company owned by the newly formed Kredinor Foundation. On 30 September 2022 The Financial Supervisory Authority of Norway approved the merger between Modhi and Kredinor and on 1 October 2022 and the formal merger was completed. The company has become one of Norway's largest in debt collection and debt management, with the Nordic region as its home market.

Reference is made to note 6.1 for a list of subsidiaries, where the largest entity is Kredinor AS, registered in Norway.

The consolidated financial statements of the Group for the year ended 31 December 2024 were authorised for issue in accordance with a resolution of the Board of Directors on 17 March 2025.

1.2 Basis of preparation

These financial statements have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU, and with additional disclosures required by Norwegian law. The financial statements have been prepared on a going concern basis and under the historical cost convention, except for certain financial instruments which are measured at fair value. The financial statements are presented in Norwegian Krone, which is the functional currency of the Company.

The Company has applied all applicable accounting standards and interpretations issued by the International Accounting Standards Board (IASB) that are effective for the current reporting period.

The group is structured with Kredinor AS as the parent company.

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities. Actual results may differ from these estimates. The material accounting policies adopted by the Company are disclosed in the notes to the financial statements.

PRESENTATION AND FUNCTIONAL CURRENCY
The consolidated financial statements are presented in NOK, which is also the functional currency in the parent company. For each entity, the group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

1.3 Critical accounting estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies.

This note provides an overview of the areas considered to be material, and of items which are likely to be materially adjusted due to changes in estimates and assumptions. Detailed information about each of these estimates and judgements is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

PURCHASED LOAN PORTFOLIO (NOTE 4.1, 4.2)
The measurement of purchased loan portfolio is based on the Group's own projection of future cash flows from the acquired portfolios which are based among other factors on the macroeconomic environments, types of debtors and loans (e.g. secures/unsecured). Future projections are periodically reviewed and any changes in estimated cash flows are ultimately authorised by a central revaluation committee.

GOODWILL (NOTE 3.2)
Goodwill and other intangible asset derives from the acquistion of Modhi Group. Goodwill is not amortised but it is tested for impairment annually, or more frequent if events or changes in circumstances indicate that the carrying value may be impaired. This calculation requires management's judgment based on information available within the Group and the market, as well as on past experience.

An impairment test was conducted for the company's CGUs per fourth quarter for 2024. The test showed a significant headroom and resulted in no impairment for 2024.

In 2023 the impaiment test resulted in a write-down of goodwill related to portefolios investments. The entire goodwill associated with the CGU was written down and the year's depreciation was reversed. Total write down is NOK 61.7 million.

JUNIOR NOTE
In 2024 Kredinor made an investment of MNOK 43.9 in a junior note issued by a securitization veichle (SPV) holding a Swedish non-performing loans portfolio. The portfolio has a gross volume of approximately SEK 700 million and Kredinor has an option, exercisable after year 10, to purchase the portfolio for the amount of outstanding notes. The note fails the SPPI-test and is therefore measured at fair value using a DCF method. Changes in the fair value on the note is recognised in net gain/(loss) junior note and interest received on the note is recognised in the FSLI "Finance income".

Section 2 - Operating performance

2.1 Operating segments

ACCOUNTING POLICIES
Kredinor's two business areas, Credit Management Services (CMS) and Portfolio Investments (PI), are the basis for the segment reporting.

Operating segments are components of the Group regularly reviewed by the chief operating decision maker (CODM) to assess performance and to be able to allocate resources to operating segments. The Group reports its business through reporting segments which correspond to the operating segments.

OPERATING SEGMENTS
The CMS operating segment helps companies collect overdue payments from their customers, and assists customers in settling their debts. In addition, the CMS business includes Third Party Collection, invoicing services, customer service outsourcing, analysis services and legal services related to debt collection matters, as well as a number of technology solutions for payment and integration with client's accounting systems. Our clients are from all sectors of the economy, including banking and finance, energy, telecoms, retail, transport and parking, as well as the public sector.

The PI segment purchases overdue (non-performing) debt claims from companies, and then collects these over time. The majority of purchased debt comes from the financial services sector, but the Group also purchase claims from companies in telecom, retail, energy, transport and other sectors.

All non-current assets held by the Group in both operating segments are located in the Nordics; and all revenue from customers is generated in the same geographics locations.

Performance is measured by the CODM based on the operating segment's earnings berfore interest, tax, depreciation and amortisation (EBITDA). The table below provides a disaggregation of performance by operating segments.

2024

NOK thousand	CMS	PI	Other/ eliminations	Total
Revenue from contracts with customers	752 528	-	-	752 528
Interest revenue from purchased loan portfolios	-	742 610	-	742 610
Net gain/(loss) from purchased loan portfolios	-	-31 857	-	-31 857
Other income	-	3 670	-	3 670
Total revenue and other income	**752 528**	**714 423**	-	**1 466 951**
Employee benefit expenses	525 313	109 398	-	634 710
Other operating expenses	253 315	193 608	-	446 923
EBITDA	**-26 100**	**411 418**	-	**385 317**

For impairment, please refer to note 3.2.

2023

NOK thousand	CMS	PI	Other/ eliminations	Total
Revenue from contracts with customers	686 710	-	-	686 710
Interest revenue from purchased loan portfolios	-	762 995	-	762 995
Net gain/(loss) from purchased loan portfolios	-	-266 318	-	-266 318
Other income	-	3 152	-	3 152
Total revenue and other income	**686 710**	**499 829**	-	**1 186 539**
Employee benefit expenses	538 125	110 161	-	648 286
Other operating expenses	295 856	196 603	-	492 458
EBITDA	**-147 271**	**193 065**	-	**45 795**

2.2 Revenue from contracts with clients

Kredinor Group offers solutions in the entire value chain from invoicing and ledger administration to reminder services, debt collection and monitoring of unpaid debt collection cases. The Group also offer legal services, course and education, credit ratings services and factoring.

ACCOUNTING POLICIES
Revenue from contracts with clients are recognised in accordance with IFRS 15.

The core principle of IFRS 15 requires the group to recognise revenue to depict the transfer of goods and services to customers in an amount that reflects the consideration the group expects to be entitled in exchange for those goods or services.

At contract inception, the group identifies and determines the performance obligations in the contract. A performance obligation is a promise to transfer to the customer a good or a service (or a bundle of goods or services) that is distinct. After determining the performance obligations, the transaction price must be assessed. The transaction price is the amount of consideration to which the group expects to be entitled to in exchange for transferring promised services to a customer. The consideration promised in a contract may include fixed amounts, variable amounts, or both.

For variable elements, the group estimate the amount to which it will be entitled to. However, variable amounts can only be included in the transaction price to the extent they are not constrained, i.e., it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur once the uncertainty related to the variable consideration is subsequently resolved. In making this assessment the group consider both the likelihood and the magnitude of the revenue reversal. The estimate of variable consideration, including the amounts subject to constraint, is updated at each reporting period.

The transaction price will also depend on whether the case is settled in a way that also covers the group's revenues, and that the debtor both has the willingness and ability to settle. It can also happen that a case is not solved, and the revenue for such cases are zero as the bottom line for debt collection services is "no cure no pay".

Revenue recognition occurs upon satisfaction of the performance obligation either at a point in time or over time, depending on the underlying business model.

Based on the underlying revenue sources the group has applied the following revenue recognition principles:

Revenue from third-party collection
Revenue from third-party collection is recognised when debt is collected from the debtor. This is based on the assesment that the uncertainty related to the variable consideration in debt collection services is significant and should therefore be constrained.

Revenue from other services
Revenue from other services is recognised in the accounting period when the service is rendered, for example for invoice services when invoice is sent to the debtor.

Type of revenue NOK thousand	2024	2023
CSM	696 289	638 464
Other revenue	56 239	48 246
Total revenue from contracts with customers	**752 528**	**686 710**

Geographic information NOK thousand	2024	2023
Norway	732 859	677 772
Sweden	3 495	1 109
Finland	9 686	4 864
Denmark	6 488	2 965
Total revenue from contracts with customers	**752 528**	**686 710**

The geographic information is based on the customers country of domicile.

Revenue recognition NOK thousand	2024	2023
Point in time	56 239	48 246
Over time	696 289	638 464
Total revenue from contracts with customers	**752 528**	**686 710**

2.3 Interest revenue from purchased loan portfolios and other income

INTEREST REVENUE FROM PURCHASED LOAN PORTFOLIOS

Revenue from portfolio investments is recognised as 'Interest revenue from purchased loan portfolios and net impairment gain/loss purchased loan portfolios' in the consolidated statement of profit or loss.

2024

Split by geographical markets	Interest revenue from purchased loan portfolios	Net gain/(loss) purchased loan portfolios	Net revenue
Norway	499 815	50 066	549 881
Sweden	132 491	-93 310	39 181
Finland	110 304	11 387	121 691
Total	**742 610**	**-31 857**	**710 753**

For further information on Purchased debt portfolios, see note 4.3.

2023

Split by geographical markets	Interest revenue from purchased loan portfolios	Net gain/(loss) purchased loan portfolios	Net revenue
Norway	535 262	-241 859	293 403
Sweden	114 324	-21 772	92 552
Finland	113 409	-2 687	110 722
Total	**762 995**	**-266 318**	**496 677**

For further information on Purchased debt portfolios, see note 4.3.

OTHER INCOME

Other income is recognised when control is transferred, where its probable that economic benefits will be controlled by the Group and the consideration can reliably be estimated. Gains or losses that arise from sale of property, plant and equipment are calculated as the differance between net sales price and the booked value of the asset.

Other Income NOK thousand	31.12.2024	31.12.2023
Other operating income	3 670	3 152
Total Other Income	**3 670**	**3 152**

2.4 Employee benefit expenses

ACCOUNTING POLICIES
Employee benefit expenses comprise all types of remuneration to all employees of the group (i.e., full–time, part–time, permanent, casual or temporary' staff and directors and other management personnel) and are expensed when earned.

Ordinary salaries can be both fixed pay and hourly wages and are earned and paid periodically. Holiday pay is earned on the basis of ordinary pay and is normally paid in the holiday months of the following year. The employer's national insurance contribution (social security) is calculated and expensed for all payroll related costs including pensions. Pension contributions are earned on a monthly basis. Other employee expenses consist of other benefits such as insurance, cars and telephones and remuneration to the Board of Directors.

Pensions
Norwegian entities within the Group have a defined contribution pension plan for its employees which satisfies the statutory requirements in the Norwegian law on required occupational pension ("lov om obligatorisk tjenestepensjon").

Contributions in the Group's defined contribution plan are paid to pension insurance plans and charged to the income statement in the period to which the contributions relate. Once the contributions have been paid, there are no further payments.

Defined benefit plan included 13 pensioners and the scheme does not include any active employees.

NOK thousand	31.12.2024	31.12.2023
Salaries	465 347	443 718
Social security costs	77 579	81 024
Bonuses	-	19 457
Pension costs	55 009	53 652
Other employee expenses	36 775	50 435
Total employee benefit expenses	**634 710**	**648 286**
Average number of full-time employees (FTEs)	626	638

At the end of the reporting period, members of the board and management did not hold shares in Kredinor AS. For information on remuneration to Management and the Board of Directors, including disclosures on shares held, see note 6.3.

NOK thousand	31.12.2024	31.12.2023
Interest cost in the pension liability	535	522
Expected return on assets	-985	-946
Administration costs	20	26
Net pension cost incl. administration costs	**-430**	**-398**
Plan deviations/estimate changes recognised in the income statement	200	302
Social security tax	-61	-56
Net pension expense	**-291**	**-151**
Costs of the AFP scheme including employer's tax	8 657	7 729
Costs of the contribution plan including employer's tax	46 643	46 075
Total net pension expense	**55 009**	**53 652**

NOK thousand	31.12.2024	31.12.2023
Earned pension liability 31.12.	16 932	17 625
Calculated pension liability 31.12.	**16 932**	**17 625**
Pension asset at market value 31.12.	19 541	18 972
Actuarial gain/(loss)	-1 531	-2 538
Social security tax	-584	-548
Net pension liability/asset	**-4 724**	**-4 433**
Pension agreement DNB (additional agreement)	-	-
Total pension liability/(asset)	**-4 724**	**-4 433**

Total pension asset is included in Other non-current financial assets in the balance sheet.

The calculations are based on these conditions:		
Discount rate	3.30%	3.10%
Estimated salary increase	3.50%	3.50%
Estimated pension increase	2.80%	2.80%
Estimated G-regulation	3.25%	3.25%
Expected return on plan assets	5.40%	5.30%
Expected withdrawal percentage AFP scheme	100%	100%
Expected turnover	0.00%	0.00%
Social security tax	14.10%	14.10%

2.5 Other operating expenses

ACCOUNTING POLICIES
Other operating expenses are recognised when they occur and represent a broad range of operating expenses incurred by the Group in its day-to-day activities. Other operating expenses consist of expenses that are not classified on the lines for cost of employee benefit expenses, materials, depreciation and amortisation, impairment and income tax expense.

NOK thousand	31.12.2024	31.12.2023
Postage	36 221	37 198
External services	135 906	148 044
Legal fee expense	125 990	108 597
IT costs	59 236	60 284
Lease expenses	6 322	13 924
Other operating expenses	83 249	124 411
Total other operating expenses	**446 923**	**492 458**

LEGAL OTLAYS/FEE EXPENSE
The company incurs outlays for court fees, legal representation and other costs related to legal activities which can be charged to and collected from end-debtors. In certain cases the Group has agreements with its clients where any expenses that cannot be collected from the debtors are instead refunded by the clients. The amount expected to be covered by the customer is accrued continuously and recognized as income at the time of payment from the customer. Upon payment of incurred court fees, this is recorded as a reduction of other operating expenses where the actual cost is expensed.

2024

Auditor fees NOK thousand	Statutory audit fee	Other certification services	Tax advisory	Other services	Total
PWC	1 891	448	-	1 634	3 973
Other	3 634	-	-	1 260	4 894
Total auditor fees (excl. VAT)	**5 525**	**448**	**-**	**2 894**	**8 867**

2023

Auditor fees NOK thousand	Statutory audit fee	Other certification services	Tax advisory	Other services	Total
EY	3 998	256	-	3 136	7 390
Total auditor fees (excl. VAT)	**3 998**	**256**	**-**	**3 136**	**7 390**

2.6 Trade and other receivables

ACCOUNTING POLICIES

Trade and other receivables

Trade receivables are financial assets which are initially recognised at transaction price determined under IFRS 15 and in later periods measured at amortised cost using the effective interest rate method adjusted for an allowance for expected credit losses.

The Group's trade receivables consist of trade receivables and factoring.

Expected credit losses

The Group recognises an allowance for expected credit losses (ECLs) for its financial assets. ECLs are based on the cash flows that the Company expects to receive. For trade receivables, the Group applies a simplified approach to calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group bases the allowance of its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

NOK thousand	31.12.2024	31.12.2023
Trade receivables from customers at nominal value - external	11 621	13 197
Allowance for expected credit losses	-1 521	-2 238
Trade receivables	**10 100**	**10 960**

	Total	Not due	0-30 days	31-60 days	61-90 days	>90 days
Trade receivables	11 621	8 620	1 427	768	109	697
Loss allowance	-1 521					-1 521
Trade receivables net 31.12.2024	**10 100**	**8 620**	**1 427**	**768**	**109**	**-824**

	Total	Not due	0-30 days	31-60 days	61-90 days	>90 days
Trade receivables	13 197	10 294	906	194	763	1 041
Loss allowance	-2 238					-2 238
Trade receivables net 31.12.2023	**10 960**	**10 294**	**906**	**194**	**763**	**-1 197**

	2024	2023
Opening balance ECL 01.01.	-2 238	-2 595
Reversed previous loss allowance	1 917	357
New loss allowance	-1 200	-
Closing balance ECL 31.12.	**-1 521**	**-2 238**

Other receivables	31.12.2024	31.12.2023
Prepaid expenses	12 755	16 289
Other	59 587	17 118
Other receivables	**72 342**	**33 407**

For details regarding the Group's procedures on managing credit risk, reference is made to note 4.10.

2.7 Trade and other payables and other current liabilities

ACCOUNTING POLICIES
Trade payables consist of liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporing period.

Trade payables and other payables are measured at fair value of their transaction price upon initial recognition and subsequently at amortised cost.

NOK thousand	31.12.2024	31.12.2023
Trade payables	27 103	46 990
Trade and other payables	**27 103**	**46 990**

NOK thousand	31.12.2024	31.12.2023
Client funds payable [1]	85 641	103 542
Public duties	59 939	35 742
Other [2]	227 284	831 832
Other current liabilities	**372 864**	**971 116**

[1] The corresponding client funds cash balance is reported as part of cash in note 4.7
[2] In 2023, other includes short-term loans from SpareBank 1 Gruppen 500 MNOK

Section 3 - Fixed assets

3.1 Intangible assets

Nature of the Group's intangible assets
The Group's intangible assets mainly include customer relationships acquired through the acquisition of subsidiaries, IT-Systems and internally developed project systems.

ACCOUNTING POLICIES
Intangible assets acquired
Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value on the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Capitalisation of IT-Systems & Internally developed project systems
Development expenditures on an individual project, which represents new applications, are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale.
- Its intention to complete the intangible asset and use or sell it.
- Its ability to use or sell the intangible asset.
- How the intangible asset will generate probable future economic benefits.
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- Its ability to measure the expenditure attributable to the intangible asset reliably during its development.

Other costs are classified as IT costs and are expensed as incurred. These expenses are disclosed in Note 2.5.

Useful lives and subsequent measurement
The group must determine if an intangible asset has a finite or indefinite useful life and may sometimes involve considerable assessments. Intangible assets with indefinite useful lives are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Intangible assets with finite useful lifetime are periodically evaluated for impairment and amortised over their useful economic lives. After each reporting period, the amortisation period and method for an intangible asset with a finite useful life are evaluated. The initial assessment and review of economically useful lives require management to make estimates and assumptions on the Group's intellectual property and competition in the future.

	Customer relationships	Statistics	Technology	Software	Projects in progress[)]	Total
Acquisition cost 1 January 2023	**99 900**	**26 400**	**112 694**	**3 352**	**19 005**	**261 351**
Additions			38 336	7 174	98 999	144 509
Currency translation effects			-258			-258
Acquisition cost 31 December 2023	**99 900**	**26 400**	**150 773**	**10 526**	**118 004**	**405 603**
Additions			28 846	32 587		61 433
Additions through acquisition			5 332			5 332
Disposals			112 714		-105 758	6 957
Currency translation effects			-93			-93
Acquisition cost as at 31 December 2024	**99 900**	**26 400**	**297 572**	**43 114**	**12 246**	**479 232**
Acc.dep. & impairment 1 January 2023	**2 498**	**1 100**	**42 884**	**399**	**-**	**46 880**
Amortisation charge for the year	9 990	4 400	32 213	1 384		47 987
Impairment			14 060			14 060
Acc.dep. & impairment 31 December 2023	**12 488**	**5 500**	**89 157**	**1 783**	**-**	**108 927**
Amortisation charge for the year	9 990	4 400	12 009	32 615		59 014
Impairment			89 145			89 145
Acc.dep. & impairment 31 December 2024	**22 478**	**9 900**	**190 310**	**34 398**	**-**	**257 086**
Carrying amount 01.01.2023	**97 403**	**25 300**	**69 810**	**2 953**	**19 005**	**214 471**
Carrying amount 31.12.2023	**87 413**	**20 900**	**61 616**	**8 743**	**118 004**	**296 675**
Carrying amount 31.12.2024	**77 423**	**16 500**	**107 262**	**8 716**	**12 246**	**222 147**
Economic life (years)	10 years	6 years	5 years	5-7 years	No amortisation	
Depreciation plan		Straight-line				

An impairment test of intangible assets has been carried out as of 31 December 2024. In this regard, investments in the company's data warehouse and proprietary technology were written down by a total of 89 MNOK.

3.2 Goodwill and impairment considerations

ACCOUNTING POLICIES
Recognised goodwill in the Group is derived from the acquisitions of Modhi Group in 2022, Kredinor A/S in 2023 and Kredinor 365 AS in 2024.

Due to the requirements of IAS 38, goodwill may not be recognised as an intangible asset on an individual basis. Synergies, an assembled workforce, the ability to develop and commercialise new technology, and high growth expectations are the main factors that influence the value of goodwill. Deferred tax liabilities for the difference between the assigned values and the tax bases of the assets acquired and liabilities assumed in a business combination at amounts that do not reflect fair value must also be recognised, which may result in goodwill creation.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests, and any previous interest held over the net identifiable assets acquired and liabilities assumed).

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units (CGUs) that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Each of the acquirer's CGUs, or groups of CGUs, that are expected to benefit from the business combination must receive a goodwill allocation at the acquisition date in accordance with IFRS 3 (as revised in 2008). Regardless of whether other assets or liabilities of the acquiree have been assigned to those units, this can include the existing CGUs of the acquirer. The Goodwill from the acquisition of Modhi Group was allocated to the CGUs CMS and PI.

Impairment considerations
The Group has goodwill which are subject to annual impairment testing. The testing is generally performed annually as at 31 December and when circumstances indicate that the carrying value may be impaired.

The recoverable amount of each CGU (or combination of CGUs) that goodwill or intangible assets with indefinite useful lives relate to is evaluated to determine impairment. An impairment loss is recognised when the CGU's recoverable value is less than its carrying amount. Impairment losses relating to goodwill cannot be reversed in future periods.

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length terms, for similar assets or observable market prices less incremental costs for disposing of the asset. Recent market transactions are considered when determining fair value less costs of disposal. An appropriate valuation model is utilised if no such transactions can be found.

NOK thousand	Goodwill
Gross amount as at 1 January 2023	**392 737**
Additions through acquisition	6 250
Disposals	60
Gross amount as at 31 December 2023	**399 047**
Additions through acquisition (see note 6.2)	824
Disposals	-923
Gross amount as at 31 December 2024	**398 949**
Accumulated impairment as at 1 January 2023	-
Impairment for the year	47 678
Accumulated impairment as at 31 December 2023	47 678
Impairment for the year	
Accumulated impairment as at 31 December 2024	**47 678**
Carrying amount as at 01 January 2023	**392 737**
Carrying amount as at 31 December 2023	**351 309**
Carrying amount as at 31 December 2024	**351 210**

For impairment testing, goodwill acquired through the business combinations in 2022 was allocated to the CMS CGU and PI CGU.

Recognised goodwill in the group amounts to 351.210 as of 31.12.2024. Goodwill is mainly derived from the acquisition of Modhi Group which was completed in 2022. Goodwill is tested for impairment by groups of cash-generating units (CGU).

Book value of goodwill (NOK thousand):	2024	2023
PI	-	-
CMS	334 740	334 500
Other units	16 470	16 810
Total book value of goodwill	**351 210**	**351 309**

Goodwill is tested for impairment at least annually, or when there are indications of impairment. The impairment test was performed quarterly in 2024. The CGU CMS is significant for impairment test of the goodwill, whereas the goodwill related to PI was fully written down as of 30 September 2023.

The recoverable amount is set to the estimated value in use. The value in use is the net present value of the estimated cash flow before tax, using a discount rate reflecting the timing of the cash flows and the expected risk.

The following assumptions were utilised when calculating value in use as of 2024

	CMS
Discount rate	10.9%
Growth rate	2.0%

CGU CMS
The CGU CMS consist of the cash from Third Party Collection, invoicing services, customer service outsourcing, analysis services and legal services related to debt collection matters, as well as a number of technology solutions for payment and integration with client's accounting systems. This then includes the fully digital advisory service Kan.

The calculation of the value in use for the CGU CMS has been calculated by using projected cash flows based on the budgets approved by the Group Management, covering a six-year period. The market situation for CMS is affected by the overall economy in Norway which will have an impact on collection. Based on management's understanding and market analysis in the industry, there is a prudent optimism about the future and as such the calculations used has been based in a moderate growth in the total market and our market share.

Key assumptions for value in use calculations
The calculation of value in use for the cash generating units is most of all sensitive when it comes to the following assumptions:

Discount rate
The discount rate is based on weighted average cost of capital (WACC). The discount rate is reflecting the current market rate of return in the industry where the cash generating unit is being compared. The cost of equity has been calculated with the basis in the capital asset pricing model (CAPM). An interest rate of 10.9% has been used when discounting the cash flows for CMS. This is based on a risk free interest rate of 3.8%, plus a risk premium of 8.5%. Furthermore, is cost of debt and ROE considered in the calculation.

Growth rate
The growth rate in the period is based on management's expectation to the development in the market. Based on available information and knowledge about the market, management is expecting some increase in the growth for the next years. Management's expectation is based on the historical development in trends and public sector analysis. As a consequence of the uncertainty in the expectations, there may be a need for subsequent adjustments.

Sensitivity analysis for key assumptions
CMS and PI was acquired in 2022 and the management believe that the purchase price was fair. For CMS, the impairment test indicated that the recoverable amount of the goodwill is MNOK 2 329, which exceeds the carried amount of MNOK 633. This gives a headroom of MNOK 1 666.

Both CMS and PI, and other units, will not be impaired unless a significant change takes place in the assumptions used. Management believes that no changes within a range of reasonably possible changes will lead to that the book value exceeds the recoverable amount.

3.3 Property, plant & equipment

ACCOUNTING POLICIES

Property, plant and equipment (“PP&E”) is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the PP&E and borrowing costs for similar construction projects if they meet the recognition criteria. The gain or loss arising from the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset.

Depreciation is calculated on a straight-line basis over the assets’ estimated useful lives. The residual values, useful lives, and methods of depreciation of PP&E are reviewed at each financial year end and adjusted prospectively, if appropriate.

The Group evaluates, at each reporting date, whether there is an indication that PP&E may be impaired. If such an indication exists, the Group estimates the asset’s recoverable amount. The recoverable amount is the higher of an asset’s fair value, less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows largely independent of those from other assets or groups of assets. There has been a impairment to furniture.

NOK thousand	Facilities under construction	Buildings and properties	System development, office machinery, vehicles etc.	Total
Acquisition cost 1 January 2023	**16 506**	**7 957**	**286 062**	**310 525**
Additions			15 640	15 640
Disposals	-16 506			-16 506
Currency translation effects		-193	193	-
Additions/disposals			258	258
Acquisition cost 31 December 2023	**-**	**7 764**	**302 153**	**309 917**
Additions			13 961	13 961
Disposals	-		-6 957	-6 957
Acquisition cost 31 December 2024	**-**	**7 764**	**309 157**	**316 921**
Acc.dep. & impairment 1 January 2023	**-**	**2 911**	**274 405**	**277 316**
Depreciation for the year		374	5 840	6 213
Impairment for the year			1 546	1 546
Acc.dep. & impairment 31 December 2023	**-**	**3 285**	**281 791**	**285 076**
Depreciation for the year		691	8 263	8 954
Impairment for the year			92	92
Acc.dep. & impairment 31 December 2024	**-**	**3 976**	**290 145**	**294 122**
Carrying amount 01.01.2023	**16 506**	**5 045**	**11 657**	**33 208**
Carrying amount 31.12.2023	**-**	**4 479**	**20 362**	**24 841**
Carrying amount 31.12.2024	**-**	**3 787**	**19 012**	**22 799**
Economic life (years)	na	25	3-5	
Depreciation method	Straight-line method			

3.4 Right-of-use assets and lease liabilities

ACCOUNTING POLICIES

At inception of a contract, The Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- The agreement creates enforceable rights of payment and obligations
- The identified asset is physically distinct
- The supplier does not have a substantive right to substitute the asset throughout the period of use
- It has the right to obtain substantially all of the economic benefits from use of the asset
- It has the decision-making rights that are most relevant to changing how and for what purpose the asset is used throughout the contract period

Group as a lessee

At the commencement date, the Group recognises a lease liability and corresponding right-of-use asset for all lease agreements in which it is the lessee, except for the following exemptions applied:

- Short-term leases (defined as 12 months or less)
- Low value assets

For these leases, the Group recognises the lease payments as operating expenses in the consolidated statement of comprehensive income.

Measuring the lease liability

The lease liability is initially measured at the present value of the lease payments for the right to use the underlying asset during the lease term that are not paid at the commencement date. The lease term represents the non-cancellable period of the lease, together with periods covered by an option to extend the lease when the Group is reasonably certain to exercise this option, and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

The lease payments included in the measurement comprise:

- Fixed lease payments, less any lease incentives received
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect adjustments in lease payments due to an adjustment in and index or rate.

The Group presents its lease liabilities as separate line items in the consolidated statement of financial position.

Measuring the right-of-use asset

The right-of-use asset is initially measured at cost. The cost of the right-of-use asset includes the corresponding amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date and initial direct costs incurred.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and impairment losses, applying the same policies for impairment as for property, plant and equipment (Note 3.3). The right-of-use asset is depreciated from the commencement date to the earlier of the lease term and the remaining useful life of the right-of-use asset. Depreciation is calculated on a straight-line basis.

The Group presents its right-of-use assets as separate line items in the consolidated statement of financial position.

The Group's leased assets

The Group leases several assets, mainly office space in Norway. Additionally, the Group leases office space in Sweden and Finland. Leases of office space generally have a lease term of 3 -10 years. The Group also leases office equipment., The Group's right-of-use assets recognised in the consolidated statement of financial position are presented in the table below:

The Group's lease assets

Right-of-use assets	Office space	Other leased assets	Total
Carrying amount of right-of-use assets 1 January 2023	**25 239**	**554**	**25 793**
Additions through acquisitions (note 6.2)	190 910	979	191 889
Depreciation of right-of-use assets	-18 835	-1 025	-19 859
Impairment/Modification [1]	-7 642	-	-7 642
Carrying amount of right-of-use assets 31 December 2023	**189 673**	**509**	**190 182**
Addition of right-of-use assets	15 158	1 341	16 499
Depreciation of right-of-use assets	-23 686	-761	-24 447
Impairment/Modification [1]	-	-	-
Carrying amount of right-of-use assets 31 December 2024	**181 145**	**1 089**	**182 234**

[1] Related to moving from premises before end of contract

Remaining lease term or remaining useful life (years)	1-10
Depreciation plan	Straight-line method

Expenses in the period related to practical expedients and variable payments	2024	2023
Short-term lease expenses	6 322	4 243
Total lease expenses in the period	**6 322**	**4 243**

The lease expenses in the period related to short-term leases, low-value assets and variable lease payments are included in other operating expenses in the consolidated statement of comprehensive income, and the payments are presented in the Group's operating activities in the consolidated statement of cash flows.

The Group's lease liabilities

Undiscounted lease liabilities and maturity of cash outflows	31.12.2024	31.12.2023
Less than one year	49 548	73 225
One to two years	44 117	47 432
Two to three years	38 950	46 043
Three to four years	34 307	40 133
Four to five years	32 462	30 988
More than five years	252 715	276 798
Total undiscounted lease liabilities	**452 099**	**514 619**

Summary of the lease liabilities in the financial statements	31.12.2024	31.12.2023
Carrying amount 1 January	197 635	47 214
Additions through acquisition (note 6.2)	-	-
New and remeasured leases recognised during the year [1]	16 519	171 590
Cash payments	-37 240	-29 109
Interest expense on lease liabilities	16 252	7 939
Total lease liabilities	**193 165**	**197 635**

[1] Modification of lease term

	31.12.2024	31.12.2023
Current lease liabilities in the statement of financial position	33 617	33 682
Non-current lease liabilities in the statement of financial position	159 548	163 953
Total cash outflow for the year ended 31 December	**37 240**	**29 109**

LEASE COMMITMENTS NOT INCLUDED IN THE LEASE LIABILITIES

Inflation adjustments

In addition to the lease liabilities presented above, the Group is committed to pay variable lease payments for its office buildings, mainly related to future inflation adjustments which is not included in the initial calculation of lease liabilities. The lease liability and right-of-use asset will be adjusted to reflect the inflation adjustment when the uncertainty related to the adjustment has been resolved.

Other matters

The Group's leases does not contain provisions or restrictions that impacts that Group's dividend policies or financing possibilities.

Section 4 - Financial instruments, risk and equity

4.1 Classification of financial instruments

ACCOUNTING POLICIES
Classification of financial instruments
The Groups' financial instruments are grouped in the following categories:

Financial assets and Financial liabilities
Financial assets and financial liabilities measured subsequently at amortised cost:
The Group's financial assets and financial liabilities are classified as measured at amortised cost, with the exception of derivatives which are classified as measured at fair value through profit or loss.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. The Group's financial assets (i.e., purchased loan portfolios, trade receivables and cash and cash equivalents) are part of the Group's business model with the sole objective to collect contractual cash flows. Additionally, the contractual terms of the financial assets, primarily applicable to non-performing loans and cash, give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, thereby passing the SPPI test.

Financial assets and financial liabilities measured subsequently at fair value through profit or loss:
Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss. This category includes derivatives.

Initial recognition and subsequent measurement for financial instruments at amortised cost
The Group's financial assets and liabilities are initially recognised at fair value plus directly attributable transaction expenses. Subsequently, these instruments are measured at amortised cost using the effective interest method (EIR). Gains and losses are recognised in profit or loss upon impairment, when the instruments are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of comprehensive income.

Impairment of financial assets
Financial assets measured at amortised cost are considered for impairment by recognising an allowance for expected credit losses (ECLs). The group applies a simplified approach (as applicable for trade receivables) in calculating ECLs, where the group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The group bases its ECLs on its historical losses, adjusted for forward-looking factors specific to the debtors and the economic environment (e.g. market trends, default rates in the retail market etc.). See note 4.10 for further information related to management of credit risk.

The Group considers a financial asset in default when contractual payments are 30 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. See note 4.3 regarding Purchased loan portfolio.

Derecognition of financial instruments
A financial asset is derecognised when the rights to receive cash flows from the asset have expired, the Group has transferred its rights to receive cash flows from the asset or The Group has assumed an obligation to pay the received cash flows in full under a "pass-through" arrangement. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of comprehensive income.

31 December 2024 NOK thousand	Note	Financial instruments at amortised cost	Derivatives at fair value	Total
Non-current assets				
Purchased loan portfolios	4.2	5 650 215		5 650 215
Other non-current financial assets	4.6, 6.3	46 545	35 810	82 355
Current assets				
Trade and other receivables	2.6	69 687		69 687
Cash and cash equivalents	4.7	268 907		268 907
Total financial assets		**6 035 354**	**35 810**	**6 071 163**
Non-current liabilities				
Non-current interest-bearing liabilities	4.3	3 603 261		3 603 261
Other non-current financial liabilities		-		-
Total current liabilities				
Trade and other payables	2.7	27 103		27 103
Other current financial liabilities	4.6		-	-
Other current liabilities	2.7	372 864		372 864
Total financial liabilities		**4 003 228**	**-**	**4 003 228**

31 December 2023 NOK thousand	Note	Financial instruments at amortised cost	Derivatives at fair value	Total
Non-current assets				
Purchased loan portfolios	4.2	6 209 570		6 209 570
Other non-current financial assets	4.6, 6.3	23 359	17 896	41 255
Current assets				
Trade and other receivables	2.6	28 077		28 077
Cash and cash equivalents	4.7	705 365		705 365
Total financial assets		**6 966 371**	**17 896**	**6 984 267**
Non-current liabilities				
Non-current interest-bearing liabilities	4.3	4 490 962		4 490 962
Other non-current financial liabilities		620		620
Total current liabilities				
Trade and other payables	2.7	46 990		46 990
Other current financial liabilities	4.6		2 404	2 404
Other current liabilities	2.7	971 116		971 116
Total financial liabilities		**5 509 687**	**2 404**	**5 512 091**

4.2 Purchased debt portfolios

ACCOUNTING POLICIES
Purchased debt portfolios consists of portfolios of non-performing loans that are already credit-impaired when acquired. The purchase price reflects incurred and expected credit losses and non-performing loans are initially recognised at transaction price. The loans are subsequently measured at amortised cost using a credit-adjusted effective interest rate.

To calculate the credit-adjusted EIR Kredinor includes the initial expected credit losses in the estimated cash flows. Estimating cash flows when calculating the credit-adjusted EIR for purchased portfolios are gross cash flows which include cash flow related to notional, accrued reminder fees, accrued collection fees, accrued interest and can also include accrued legal fees (in case another debt collection company have been involved before acquisition) which are expected to be received from end customer.

The credit-adjusted EIR is applied for interest recognition throughout the life of the asset.

The Group typically acquire portfolios of claims consisting of several individual claims. The acquisition cost and analytics are done on the portfolio as they have the same risk characteristics thus initial EIR is calculated based on the business case for the portfolio.

The carrying amount of each portfolio is determined by discounting future cash flows discounted to present value using the credit adjusted effective interest rate as at the date the portfolio was acquired.

Prior to purchasing a portfolio the Group make and estimate of the expected future payments over the next 15 years (180 months). This is done because the NPV of the cash flow beyond 180 months is immaterial and very uncertain. The Group revisit the time horizon regularly, adding additional periods if appropriate.

Given that future estimated cash flows are based on a rolling forecast the subsequent changes in lifetime ERC will consist of:

- Actual cash flow deviances from expected cashflow
- Change in estimated cash flow
- Change related to adding an extra period

Estimated remaning collections are set on a portfolio level. In estimating future cash flows, we have also incorporated an additional analysis layer into our collection estimates to account for anticipated changes in macroeconomic conditions. The Group use 3 macro-economic scenarios, a base case, an upside scenario and a downside scenario that is provided by Moody's Analytics. This involves a thorough examination and testing of various macro-economic variables to assess their historical influence on collections, ensuring our projections are closely aligned with future economic expectations.

Purchased loan portfolios are presented as non-current assets in the consolidated statement of financial position. Interest revenue from purchased loan portfolios and net impaiment gain/loss from purchased loan portfolios are presented as separate line items in the consolidated income statement.

NOK thousand	2024	2023
Balance 1 Jan	**6 209 570**	**5 713 877**
Acquisitions	157 418	1 492 941
Collection	-1 493 102	-1 609 366
Interest revenue from purchased loan portfolios	742 610	766 147
Net gains from purchased loan portfolios	62 200	124 872
Net loss from purchased loan portfolios	-94 057	-391 190
Derivatives (forward flow)	0	2 404
Currency differences	65 576	109 885
Balance 31 Dec	**5 650 215**	**6 209 570**

Weighted Gross IRR
This represent the discount rate applied to the ERC wich are used to derive the book values of the purchased loan portfolios for Norway, Sweden and Finland.

	2024	2023
NO	13.7%	13.2%
SE	13.7%	13.6%
FI	11.0%	11.0%

FAIR VALUE ESTIMATION OF PURCHASED LOAN PORTFOLIOS

The fair value assessment of acquired loan portfolios is determined by computing the net present value of projected net cash flows over a 15-year horizon, adjusted for tax. These cash flow projections include estimated future collections net of associated collection costs and taxes, exclusively pertaining to existing portfolios without factoring in cash flows from prospective investments.

Collection costs consists of various operational expenditures within the portfolio segment, including debt collection commissions, payroll outlays, facility expenses, communication charges, and other pertinent expenses directly or indirectly linked to the portfolio investments. The Norwegian tax rate has been applied to the cash flows, given majority of collections derive from Norway.

As of December 31, 2024, the post-tax weighted average cost of capital (WACC) for the portfolio segment stands at an approximately 8.7%. While a significant portion of the Group's portfolio cash flows transact in NOK, a portion also transact in SEK and EUR. A sensitivity analysis of the cash flow projections is detailed in the accompanying table.

A 10% change in ERC over the entire 15-year period will result in a change in book value of MNOK ±565.

	2024		2023	
NOK thousand	**Book value**	**Fair value**	**Book value**	**Fair value**
ASSETS				
Purchased loan portfolios	5 650 215	5 571 448	6 209 570	5 868 258
Total financial assets	**5 650 215**	**5 571 448**	**6 209 570**	**5 868 258**

4.3 Interest bearing liabilities

Specification of the Group's interest-bearing liabilities as per 31 December 2024.

31.12.2024

Non-current interest-bearing liabilities	Interest rate	Notional amount (T)[1]	Book value (NOK)	Maturity
Senior unsecured bond (NOK)	Nibor 3mnd + 7%	1 000 000	1 000 000	23.02.2027
Loan, RCF (NOK)	Nibor 3mnd + 3.25%	680 000	680 000	10.11.2026
Loan, RCF (SEK)	Stibor 3mnd +3.25%	960 000	988 128	10.11.2026
Loan, RCF (EUR)	Euribor 3mnd + 3.25%	76 000	896 420	10.11.2026
Loan, SpareBank1 Gruppen (NOK)	Nibor 6mnd + 8%	100 000	100 000	18.03.2029
- Incremental borrowing costs capitalised			-61 287	
Total non-current interest-bearing liabilities			**3 603 261**	

31.12.2023

Non-current interest-bearing liabilities	Interest rate	Notional amount (T)[1]	Book value (NOK)	Maturity
Senior unsecured bond (NOK)	Nibor 3mnd + 7%	1 000 000	1 000 000	23.02.2027
Loan, RCF (NOK)	Nibor 3mnd + 3.5%	1 505 000	1 505 000	13.11.2025
Loan, RCF (SEK)	Stibor 3mnd +3.5%	1 060 000	1 073 780	13.11.2025
Loan, RCF (EUR)	Euribor 3mnd + 3.5%	76 000	854 278	13.11.2025
Loan, SpareBank1 Gruppen (NOK)	Nibor 6mnd + 8%	100 000	100 000	18.03.2029
- Incremental borrowing costs capitalised			-42 096	
Total non-current interest-bearing liabilities			**4 490 962**	

[1] T=book value in original currency

Current interest-bearing liabilities	Interest rate	Notional amount (T)[1]	Book value (NOK)	Maturity
Loan, SpareBank1 Gruppen (NOK)	Fixed rate 17.5%	500 000	500 000	30.04.2024
Total current interest-bearing liabilities			**500 000**	

The Group has pledged assets as security for it's loans and borrowings, presented in the table below:

Assets pledged as security and guarantee liabilities	31.12.2024	31.12.2023
Secured balance sheet liabilities:		
Interest-bearing liabilities to financial institutions	2 564 548	3 433 058
Shares in subsidiaries are pledged as security for secured liabilities.		

A subordinated facility agreement was entered into in Q4 2023. Total amount was 675 MNOK and drawn amount as of 31.12.2023 was 500 MNOK. The loan including incurred interest was in April 2024 converted to equity, total amount MNOK 731.2.

COVENANTS

The Group has not given any guarantees to or on behalf of third parties in the current and previous period.

There was no breach at year end of financial covenants for the Group's interest bearing debt.

The company has prepared forecasts for 2025. These forecasts indicate comfortable headroom to all covenants.

The RCF was in 2024 extended for one more year until November 2026. The extention was made at same terms, but the facilty was reduced from 4 200 MNOK to 3 500 MNOK.

Compliance with covenants for 2025 may be affected by several factors, including collection ratios, interest rates, and macro economic developments. Management is monitoring the risk and will if necessary take adequate measures.

See note 4.10 for further information.

31.12.2024

Loan	Book value (NOK)	Covenant	Threshold value	Current value	Testing dates
RCF Facility	2 564 548	Secured Portfolio Loans Ratio	< 60%	42.44%	End of every quarter
		Total Portfolio Loans Ratio	< 72.5%	61.90%	End of every quarter
		Secured Group Loans Ratio	< 3.25	2.03	End of every quarter
		Total Group Loans Ratio	< 3.5	2.96	End of every quarter
		Aggregate Collection on Approved Portfolios	> 95%	103.7%	End of every quarter
Bond	1 000 000	Total Leverage ratio excl RFT	< 4.0	3.05	End of every quarter
		Interest coverage ratio	> 3.0	3.61	End of every quarter
		Secured LTV	< 65%	42.44%	End of every quarter
		Minimum liquidity (NOKm)	50.0	268.9	End of every quarter

31.12.2023

Loan	Book value (NOK)	Covenant	Threshold value	Current value	Testing dates
RCF Facility	3 433 058	Secured Portfolio Loans Ratio	< 60%	46,43%	End of every quarter
		Total Portfolio Loans Ratio	< 72.5%	66,17%	End of every quarter
		Secured Group Loans Ratio	< 3.25	2.24	End of every quarter
		Total Group Loans Ratio	< 3.5	3.19	End of every quarter
		Aggregate Collection on Approved Portfolios	> 95%	95.5%	End of every quarter
Bond	1 000 000	Leverage Ratio	< 4.0	3.53	End of every quarter
		Interest Cover Ratio	> 3.0	3.34	End of every quarter
		Secured LTV	< 65%	46,43%	End of every quarter
		Minimum liquidity (NOKm)	50.0	705.4	End of every quarter

4.4 Maturity profile of financial liabilities

Contractual undiscounted cash flows from financial liabilities is presented below:

		Remaining contractual maturity					
31.12.2024	**Note**	**Less than 6 months**	**6 to 12 months**	**1 to 3 years**	**3 to 5 years**	**Over 5 years**	**Total**
Financial liabilities							
Non-current interest-bearing liabilities	4.3	-	-	3 564 548	100 000	-	3 664 548
Accrued interest (current)		34 135	-	-	-	-	34 135
Total financial liabilities		**34 135**	**-**	**3 564 548**	**100 000**	**-**	**3 698 683**

		Remaining contractual maturity					
31.12.2023	**Note**	**Less than 6 months**	**6 to 12 months**	**1 to 3 years**	**3 to 5 years**	**Over 5 years**	**Total**
Financial liabilities							
Non-current interest-bearing liabilities	4.3	-	-	3 433 058	1 000 000	100 000	4 533 058
Accrued interest (current)		49 123	-	-	-	-	49 123
Total financial liabilities		**49 123**	**-**	**3 433 058**	**1 000 000**	**100 000**	**4 582 181**

Reconciliation of changes in liabilities incurred as a result of financing activities:

			Non-cash changes			
2024	**01.01.2024**	**Cash flow effect**	**Interest**	**Other changes**	**Acquisition**	**31.12.2024**
Non-current interest-bearing liabilities	**4 490 962**	**-925 000**			**37 299**	**3 603 261**
Current interest-bearing liabilities	-	-	175 000	-	-175 000	-
Lease liabilities	26 045	-37 240		16 252	-	5 056
Total liabilities from financing	**4 517 006**	**-962 240**	**175 000**	**16 252**	**-137 701**	**3 608 317**

			Non-cash changes			
2023	**01.01.2023**	**Cash flow effect**	**Interest**	**Other changes**	**Acquisition**	**31.12.2023**
Non-current interest-bearing liabilities	**3 714 617**	**-**	**776 345**	**-**	**-**	**4 490 962**
Current interest-bearing liabilities	-	-		-	-	-
Lease liabilities	47 214	-29 109		7 939	-	26 045
Total liabilities from financing	**3 761 831**	**-29 109**	**776 345**	**7 939**	**-**	**4 517 006**

4.5 Fair value measurement

ACCOUNTING POLICIES
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Fair value disclosures
Management has assessed that the fair values of cash and short-term deposits, trade and other receivables, trade payables and other current liabilities, purchased loan portfolio and interest bearing liabilties approximate their carrying amounts.

Interest-rate swap
The fair value of interest-rate swaps are determined based on market value statements from the counterparties (DNB and Nordea)

Interest-bearing liabilities
The fair values of the Group's interest-bearing liabilities are determined by using the Discounted Cash Flow (DCF) method using a discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The fair values of the Group's interest-bearing loans and borrowings are in most cases similar to carrying amount, as the interest rates are floating and as the own non-performance risk as at the end of the reporting period was assessed to be insignificant.

Set out below is a comparison, by class, of the carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Fair value of financial items measured at amortised cost (in thousands)	**Carrying amount**	**Fair value**	**Level 1**	**Level 2**	**Level 3**
Financial assets as of 31.12.2024					
Interest rate swap, asset (note 4.6)	35 810	35 810		35 810	
Total	**35 810**	**35 810**	-	**35 810**	-
Financial assets as of 31.12.2023					
Forward flow derivatives, asset (note 4.6)					
Interest rate swap, asset (note 4.6)	17 896	17 896		17 896	
Total	**17 896**	**17 896**	-	**17 896**	-
Financial liabilities as of 31.12.2023					
Forward flow derivatives, liability (note 4.6)	-2 404	-2 404			-2 404
Interest rate swap, liability (note 4.6)					
Total	**-2 404**	**-2 404**	-	-	**-2 404**

4.6 Derivatives

ACCOUNTING POLICIES
The Group has derivatives that are not designated as hedging instruments. Derivatives not designated as hedging instruments reflect the positive/negative change in fair value of those derivative contracts.

Forward flow derivatives
A forward flow derivatives is an agreement that commits the company to future purchases of defaulted loans.

The Group has entered into forward flow agreements to purchase future non-performing loan portfolios. These are agreements whereby Kredinor agrees to buy, and the counterparty agrees to sell financial assets (loans) that fulfils a set of specified criteria's (past due status etc.) in a number of batches (typically monthly) over a specified time period. The price at which Kredinor buys is pre-determined in the agreement. The value of a forward flow agreement is, when possible, based on a market value, using data from comparable transactions to assess the market value. If relevant market data is not available, internal data is used to estimate a value of the contract.

A forward flow agreement is a financial derivative as it is an agreement whose fair value changes in response to a financial instrument price driven by financial variables such as credit risk and interest rates. Furthermore, the forward flow agreement requires no, or little net investment and it is settled at a future date(s). Hence a forward flow agreement is to be valued at fair value through profit or loss.

Initially the value of the derivative is nil, as the future expected collection level is unchanged from the valuation assumption underlying the contract. If the future cash flow estimates for the forward flow changes from the assumed level when signing the contract, there can be a change in the value of the derivative. Any change in fair value from the time of entering the forward flow contract to the actual transfer of the portfolio will be recognized in the income statement under "Change in financial instruments measured at fair value". Forward flow derivatives are classified as "Other current financial assets" or "Other current financial liabilities" in the statement of financial position.

Interest rate swaps
An interest rate swap is a derivative contract through which two counterparties agree to exchange one steam of future interest payments for another, based on a specified principal amount. The Group use interest rate swaps to reduce the level of risk for fluctuations in interest costs on floating rate long-term loans. Through the interest rate swaps Kredinor receives Nibor 3 months and pay fixed rate. Interest rate swaps are classified as either "Other non-current financial assets" or "Other non-current financial liabilities" in the statement of financial position. Changes in fair value is recognised under OCI as Kredinor uses hedge accounting.

The overview below shows the financial derivatives' nominal value broken down by type of derivative, as well as positive and negative market values. Positive market values are recognised as assets, while negative market values are recognised as liabilities.

Derivatives per 31 December 2024	Nominal value	Due date	Positive market value	Negative market value	Amount recognised in income statement
Forward flow derivatives	na			-	
Interest rate swaps	400 000	23.02.2027	6 467		
	545 529	30.03.2027	-7 274		
	427 139	30.03.2027	-7 283		
	360 000	14.02.2028	12 569		
	200 000	08.03.2028	3 513		
	200 000	08.01.2029	5 567		
	200 000	08.01.2029	5 779		
	360 000	14.02.2029	16 470		
Total			**35 810**	-	

Derivatives per 31 December 2023	Nominal value	Due date	Positive market value	Negative market value	Amount recognised in income statement
Forward flow derivatives	na			-2 404	
Interest rate swaps	466 000	14.02.2024	3 412		
	400 000	23.02.2027	1 561		
	200 000	08.03.2028	-724		
	360 000	14.02.2028	6 963		
	200 000	25.04.2028	-173		
	360 000	14.02.2029	6 857		
Total			**17 896**	**-2 404**	

4.7 Cash and cash equivalents

ACCOUNTING POLICIES
Cash and cash equivalents in the statement of financial position comprise cash at banks and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits. Restricted bank deposits comprise of cash for withholding taxes, deposits and other restricted cash which may not be used for other purposes and client funds. Client funds arises from cash received on collections on behalf of a client. Collections are kept on separate restricted bank accounts and are reflected simultaneously as a liability. The funds are reported as 'Restricted cash' and 'Other current liabilities' in the consolidated statement of financial position.

NOK thousand	31.12.2024	31.12.2023
Bank deposits, unrestricted	164 555	549 157
Bank deposits, restricted - client funds [1)]	97 482	137 894
Bank deposits, restricted	6 870	18 314
Total in the statement of financial position	**268 907**	**705 365**

[1)] The corresponding client funds payable is reported as part of other payables in note 2.7

Bank deposits earns a low interest at floating rates based on the bank deposit rates.

4.8 Finance income and expenses

ACCOUNTING POLICIES
Interest income and interest expenses are calculated using the effective interest method.

Foreign currency gains or losses are reported as foreign exchange loss or foreign exchange gain in finance income or finance costs, except for currency translation effects from translation of foreign subsidiaries and the parent company which are presented within OCI. For other accounting policies related to the underlying financial instruments, reference is made to note 4.1

Interest costs on lease liabilities represents the interest rate used to measure the lease liabilities recognised in the consolidated statement of financial position (see note 3.4 for further information).

Finance income NOK thousand	2024	2023
Interest income	15 287	8 965
Other finance income	439	6
Foreign exchange gain	65 021	111 887
Net gain/(loss) junior note	-3 737	-
Total financial income	**77 009**	**120 858**

Finance expenses NOK thousand	2024	2023
Ordinary interest expenses	355 571	341 162
Interest expense on lease liabilities	16 252	7 939
Amortised arrangement fees	34 709	34 267
Total interest cost	**406 533**	**383 368**
Foreign exchange loss	67 245	113 629
Other finance costs	8 855	20 541
Total financial expenses	**482 633**	**517 538**

Financial instruments	2024	2023
Change in fair value of derivatives	-	2 404
Change in financial instruments measured at fair value	**-**	**2 404**

Interest income and expenses
Interest income represents mainly interest income on cash deposits, and interest expenses represents mainly interest expenses on external financing and lease liabilities, measured and classified at amortised cost in the consolidated statement of financial position.

Derivatives
Derivatives consist of interest rate swaps and forward flow agreements. See note 4.6.

4.9 Share capital and shareholders information

For the purpose of the group's capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the group's capital management is to ensure that it maintains a healthy working capital and financial stability in order to support its growing business operations and to maximize shareholder value.

The group manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares, perform prepayments of debt or draw on short-term credit.

In order to achieve this overall objective, the group's capital management, amongst other things, aims to ensure that it reinvests or returns excess cash flows from operations that are not necessary to maintain a healthy operating working capital to its investors. There has been no breach of the financial covenants in the current or previous period. Reference is made to note 4.2.

Issued capital and reserves:

Share capital in Kredinor AS	Number of shares authorised and fully paid	Par value per share (NOK)	Financial Position (NOK Thousands)
At 1 January 2023	**1 432 292 000**		**143 229**
At 31 December 2023	**1 432 292 000**		**143 229**
Share capital increase - 25 April	851 279 373	0.10	85 128
At 31 December 2024	**2 283 571 373**		**228 357**

All shares are ordinary and have the same voting rights and rights to dividends. Reconciliation of the Group's equity is presented in the statement of changes in equity.

On April 25th, the company performed a conversion of debt of a total of MNOK 713.2. The conversion was done by SpareBank 1 Gruppen AS.

The Group's shareholders:

Shareholders in Kredinor AS at 31.12.2024	Total shares	Ownership/ Voting rights
Kredinorstiftelsen	716 146 000	31.4%
SpareBank1 Gruppen AS	1 567 425 373	68.6%
Total	**2 283 571 373**	**100%**

4.10 Capital and risk management

FINANCIAL RISK

Interest-bearing liabilities, lease liabilities, and trade and other payables make up the majority of the Group's financial liabilities. These financial liabilities are primarily used to finance the Group's operations. The Group's principal financial assets include non-performing loan (NPL) portfolios, trade and other receivables, cash and accrued revenue that derive directly from its operations. The Group holds Interest Rate Swaps to reduce the risk of fluctuations in interest rate costs on long-term loans. See note 4.1 and 4.3 for further information of management of NPL's.

Market risk, credit risk, and liquidity risk are just a few of the risks to which the Group is exposed and which have an impact on its financial performance. Through prudent business practices and effective risk management, the Group aims to reduce any potential adverse effects of such risks.

Risk management is carried out by Group management under policies approved by the Board. The Board reviews and agrees policies for managing each of these risks, which are summarised below:

MARKET RISK

Market risk is the risk that the financial instrument's fair value or future cash flows will fluctuate due to changes in market prices. Elements that affect the Group's market risk are exchange and interest rate fluctuations. Financial instruments affected by market risk include interest bearing debt, cash and cash and cash equivalents, trade receivables, lease liabilities and trade and other payables.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group mainly buys non-performing loan portfolios aimed at the consumer loan market in Norway, Sweden and Finland, financed with loans in Norwegian and foreign currency. Changes in market conditions, such as interest rate fluctuation, may lead to change in market prices and reduced competitiveness for the Group, which could result in the company's results and growth potential. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's loan which have base interest rates in IBOR. The Group does currently hedge the base interest rates with the use of interest rate swaps.

Interest rate sensitivity

The sensitivity to a possible change in interest rates related to the Group's loans in Norwegian and foreign currency, with all other variables held constant on the Group's profit before tax, is illustrated below. In calculating the sensitivity analyses, the Group assumes that the sensitivity of the relevant statement of profit or loss item is the effect of the supposed changes in respective financial risks.

All amounts in NOK thousand

Interest rate sensitivity: (IBOR 12 months)	Increase / decrease in basis points	Effect on profit before tax (+/-) (NOK thousands)	Effect on equity (NOK thousands)
31 December 2024	+/- 100	8 895	6 938
31 December 2023	+/- 100	23 650	18 447
31 December 2022	+/- 100	32 486	25 339

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group is exposed to currency risk as the company has assets in foreign currencies through ownership in portfolios with claims in countries outside Norway where the claims in the portfolio are in foreign currency. Currency risk could arise when receivables and liabilities in other currencies do not balance. The Group expects to keep the currency risk to a minimum by financing in the same currency as the currency in which the portfolios are nominated.

The Group is also exposed to currency risk as a proportion of net interest income is in another currency than NOK. This risk is minimized because foreign currency loans are regulated approximately to book receivables in the same currency.

In order to control currency positions, limitations have been set for the size of the currency boundaries and requirements for how significant the changes in currency fluctuations may be before you have to assess whether to increase/decrease the collateral in foreign currency. Therefore, the Group continuously monitor currency fluctuations.

Foreign currency sensitivity

The following table illustrates the sensitivity for a hypothetical increase or decrease in the foreign exchange rates related to the Group's investments and loans in foreign currency in the period, holding all other variables constant:

All amounts in NOK thousand

Foreign currency sensitivity	Date	Change in FX rate	Effect on profit before tax (NOK thousands	Effect on equity (NOK thousands)
Increase / decrease in NOK/EUR	31.12.2024	+/- 10%	-33 818	-26 378
Increase / decrease in NOK/SEK	31.12.2024	+/- 10%	-49 900	-38 922
Increase / decrease in NOK/DKK	31.12.2024	+/- 10%	81	63

10% is used as it is considered to be a reasonable fluctuation in the exposed currencies vs NOK based on calculations on previous years variance.

LIQUIDITY RISK
Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Access to liquidity is actively managed through liquidity planning and reporting from ongoing operations. Liquidity in the company is satisfactory, and the Group is expected to generate sufficient cash flow from operations to cover committed obligations. Additional liquidity needs in relation to new investments will be covered by the overdraft facility or the revolving facility with the syndicate banks. In addition a bond of NOK 1.000.000 was issued in February 2023. Total liquidity risk is therefore considered as low.

An overview of the maturity profile of the Group's financial liabilities with corresponding cash flow effect is presented in note 4.4. Funding structure and covenants are presented in note 4.2.

CREDIT RISK
Credit risk is mainly related to the acquisition of non-performing loan portfolios and the calculated cash flow on these. The NPL portfolios is bought at discounted prices and therefore the risk is partially mitigated. The risk on this type of investments is that losses may be incurred by over-estimating collections or under-estimating the costs to collect.

The Group carries out portfolio analyses. The analyses must provide a sufficient basis for estimating future demand on the portfolios (volume and duration) that are considered to be purchased. In addition, ongoing valuation of the portfolios is carried out based on the expected future collection of the defaulted receivables. The actual collection is continuously measured against the forecast, and in the event of any discrepancies between the actual collection and the forecast, an assessment is made as to whether the forecast needs to be adjusted.

An overview of the total exposure to NPL portfolios is presented in note 4.3.

Section 5 - Tax

5.1 Taxes

ACCOUNTING POLICIES

Current income tax
Current income tax is measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income. Current income tax relating to items recognised directly in equity is recognised in equity (OCI) and not in the statement of profit or loss.

Deferred tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

The Group has tax losses carried forward of 592 540 as at 31.12.2024 (638 899 as at 31.12.2023). The tax loss carried forward from may be offset against future taxable income and will not expire. The Group do not recognise deferred tax assets as of 31.12.2024.

All amounts in NOK thousands

Current income tax expense:	2024 (01.01.2024-31.12.2024)	2023 (01.01.2023-31.12.2023)
Tax payable	10 187	13 039
Change deferred tax/deferred tax assets (ex. OCI effects) [1]	249	5 776
Total income tax expense	**10 435**	**18 815**

Current income tax payable consist of:	2024 (01.01.2024-31.12.2024)	2023 (01.01.2023-31.12.2023)
Income tax payable for the year as above	10 187	13 039
- of which paid in fiscal year	10 187	13 039
Income tax payable	**10 187**	**13 039**

Tax payable	31.12.2024	31.12.2023
Tax payable on taxable income	10 187	13 039
Prepaid tax	-744	-13 826
Tax payable in the balance sheet	**9 442**	**-787**

Deferred tax assets:	31.12.2024	31.12.2023
Property, plant and equipment	-66 854	-5 530
Other current assets	-15 978	-2 238
Pension liabilities	4 724	4 433
Liabilities	-972	-
Financial derivatives	205 692	196 903
Other	115 483	138 640

Deferred tax assets:	31.12.2024	31.12.2023
Losses carried forward (including tax credit)	-592 540	-638 899
Basis for deferred tax assets:	**-350 446**	**-306 692**
Calculated deferred tax assets		
- Deferred tax assets not recognised [1]	350 446	306 692
Net deferred tax assets in the statement of financial position	-	-

The Group's operations are subject to income tax in various foreign jurisdictions. The statutory income tax rates vary from 22% to 25%, which results in a difference between the statutory income tax rate in Norway and the average tax rate applicable to the Group.

A reconciliation of the differences between the theoretical tax expense under the rate applicable in Norway and the actual tax expense is as follows:

Reconciliation of income tax expense	2024 (01.01.2024-31.12.2024)	2023 (01.01.2023-31.12.2023)
Profit or loss before tax	-202 050	-500 626
Tax expense 22% (Norwegian tax rate)	-44 451	-110 138
Permanent differences [1]	2 414	195
Effect of different tax rates	-7 253	-1 446
Effect of group adjustments on deferred assets	45 252	43 319
Effect of changes from previous periods	-62 625	19 413
Deferred tax assets not recognised current year	77 098	67 472
Recognised income tax expense	**10 435**	**18 815**

[1] The permanent differences are related to R&D tax (Skattefunn), representation and other non-deductible costs.

Section 6 - Group and related parties

6.1 Group companies

ACCOUNTING POLICIES
Basis of consolidation
The consolidated financial statements comprise the financial statements of Kredinor AS and its subsidiaries as of 31 December 2024. IFRS 10 defines that subsidiaries are consolidated when control is achieved. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect the investor's return.

In general, there is an assumption that a majority of voting rights results in control. However, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee.

The Group re-assesses whether or not it controls an investee if facts and circumstances imply that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group achieves control over the subsidiary and ceases when the Group loses control of the subsidiary. From the date the Group gains control, assets, liabilities, income, and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statement until the date the Group ceases to control the subsidiary.

Upon full-on consolidation, all intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated. Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Group.

The Group do not have ownership in joint arrangements as defined by IFRS 11, other associates, interests in unconsolidated structured entities or interests in unconsolidated subsidiaries that require disclosure under IFRS 12.

The consolidated entities

The subsidiaries of Kredinor AS as of 31 December 2024 are presented below:

Consolidated entities 31.12.2024	Country	Ownership	Registered office	Result 2024	Equity 31.12.2024
Kredinor Finans AS	Norway	100%	Oslo	216 796	2 072 094
Roniderk AB	Sweden	100%	Stockholm	-204	1 656
Kredinor Holding AB	Sweden	100%	Stockholm	-114 982	362 824
Kredinor AB	Sweden	100%	Stockholm	-113 027	365 304
Kredinor Finland OY	Finland	100%	Helsinki	-24 167	370 804
Kredinor Employee Invest AS	Norway	100%	Oslo	-46	-21
Kredinor Management Invest AS	Norway	100%	Oslo	-33	-6
KAN AS	Norway	100%	Oslo	-114 372	-140 914
Kredinor A/S	Denmark	100%	Ballerup	1 087	1 361
Kredinor 365 AS	Norway	100%	Oslo	-12	65
Digi-Ink	Latvia	100%	Ventspils	861	606

The following subsidiaries are included in the consolidated financial statements as of 31 December 2023

Consolidated entities 31.12.2023	Country	Ownership	Registered office	Result 2024	Equity 31.12.2023
Kredinor Finans AS	Norway	100%	Oslo	-71 983	1 933 213
Roniderk AB	Sweden	100%	Stockholm	-356	1 834
Kredinor Holding AB	Sweden	100%	Stockholm	-117 481	20 422
Kredinor AB	Sweden	100%	Stockholm	-48 173	20 955
Kredinor Finland OY	Finland	100%	Helsinki	-34 443	61 944
Kredinor Employee Invest AS	Norway	100%	Oslo	-15	25
Kredinor Management Invest AS	Norway	100%	Oslo	-16	26
KAN AS	Norway	100%	Oslo	-26 573	-26 543
Kredinor A/S	Denmark	100%	Denmark	-485	356

6.2 Business combinations

ACCOUNTING POLICIES
A business combination is as a transaction or other event in which an acquirer obtains control of one or more businesses. A business consists of inputs and processes applied to those inputs that have the ability to create outputs. Determining whether a particular set of assets and activities is a business should be based on whether the integrated set is capable of being conducted and managed as a business by a market participant.

Business combinations are accounted for according to IFRS 3 using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at fair value at the acquisition date according to IFRS 13, and the amount of any non-controlling interests in the acquiree. The Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets for each business combination. Costs related to the acquisition are expensed as incurred and included in other operating expenses.

The Group assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date when acquiring a business. Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. The Group measures any contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments at fair value. The changes in fair value are recognised in the statement of profit or loss.

Goodwill arises in a business combination when the fair value of consideration transferred exceeds the fair value of identifiable assets acquired less the fair value of identifiable liabilities assumed. Goodwill acquired in a business combination is allocated to each of the Group's cash-generating units that are expected to benefit from the combination irrespective of whether other assets or liabilities of the acquiree are assigned to those units, and tested subsequently for impairment.

In a business combination, the assets acquired, and liabilities assumed are valued at fair value at the time of acquisition. The various assets and liabilities are valued on the basis of different models, requiring estimates and assumptions to be made. Goodwill is the residual value in this allocation. Errors in estimates and assumptions can lead to an error in the split of the value between the various assets and liabilities incl. goodwill, but the sum of the total excess values will always be consistent with the purchase price paid.

The economic useful life of intangible assets acquired in a business combination are assessed as either finite or indefinite. Intangible assets with indefinite useful lives are subsequently tested for impairment by assessing the recoverable amount of the CGU to which the intangible assets relates, further described in note 3.1. Intangible assets with finite useful lives are amortised over the useful economic life and assessed for impairment or changes to the amortisation period as described in note 3.2. The assumptions applied to determining the economic useful lives in a business combination may involve considerable estimates such as future innovation and development.

Acquisitions during 2024

Company/Group	Main business activity	Date of business combination	Proportion of voting equity acquired	Acquiring entity
Kredinor 365 AS	CMS	08.10.2024	100%	Kredinor AS

Nu Diil Group AS (Kredinor 365 AS)
On 8 October 2024, The Group acquired 100% of the voting shares of Nu Diil Group AS, now named Kredinor 365 AS. Kredinor 365 is a SPV with no employees or activity but own software and 100% of the shares in Digi-Ink SIA, a Latvian subsidiary with 9 employees who have developed the software.

The transaction is recorded as a business combination in accordance with IFRS 3. The acquisition date for accounting purposes corresponds to the date when Kredinor AS obtained control of the legal entitiy, 8 October, 2024. For tax and economic purposes, the effective date was 1 November 2024.

The table below illustrates the fair values of the identifiable assets in Intellecto at acquisition date:

Amounts in NOK thousands	CMS	08.10.2024 Kredinor 365
Other financial assets	5 566	5 566
Trade and other receivables	-	-
Other current assets	19	19
Cash and cash equivalents	378	378
Total assets	**5 963**	**5 963**
Trade and other payables	93	93
Other current liabilities	538	538
Total liabilities	**631**	**631**

Amounts in NOK thousands		08.10.2024 Kredinor 365
Total identifiable net assets at fair value	**5 332**	**5 332**
Purchase consideration transferred	6 156	6 156
Goodwill arising on acquisition	**824**	**824**

Purchase consideration transferred		08.10.2024 Kredinor 365
Shares in Kredinor AS	6 156	6 156
Total purchase consideration transferred	**6 156**	**6 156**

Analysis of cash flows on acquisition		08.10.2024 Kredinor 365
Net cash acquired with the subsidiary	**378**	**378**
Cash paid	-6 156	-6 156
Net cash flow from acquisition	**-5 778**	**-5 778**

The table below shows the Group's revenue and profit before tax for the twelve months period ended 31 December 2024 if the business combination had taken place at the beginning of the year:

Amounts in NOK thousands	2024
Revenue for the Group	**1 466 951**
Revenue from Kredinor 365 pre acquisition	3 581
01.01-31.12 Revenue	**1 470 533**

Amounts in NOK thousands	2024
Profit or loss before tax for the Group	**-202 050**
Profit or loss from Kredinor 365 pre acquisition	-1 291
01.01-31.12 Profit before tax	**-203 341**

6.3 Remuneration to Executive Management

Remuneration to the Board of Directors
The remuneration for the Board of Directors is determined by the Annual General Meeting (AGM).

Remuneration to Executive Management
The Board of Kredinor AS determines the principles applicable to the Group's policy for compensation to the Executive Management Team. The Board is directly responsible for determining the CEO's salary and other benefits. The Group's Executive Management Team includes the Chief Executive Officer ("CEO").

Bonus
There has not been paid out any bonuses in 2024. In 2023, a bonus was paid to the CEO and the Executive Management Team.

Pension
The members of the Executive Management Team has the same pension agreement as all employees for 2023:
7% for salary between 0 - 7.1G
15% for salary between 7.1 - 12G
16% for salary above 12G
There is an extra disability pension of 42% of the pension basis for salaries exceeding 12G, which all members of the Executive Management Team are included in.

Severance arrangements
An agreement with the CEO that grants him 6 months' salary if the Board terminates the agreement with him, was triggered during 2023. During 2024 and 2023, members of the EMT had a termination agreement.

Loans and guarantees
At the end of 2024, no loan or prepayments has been granted to the Board of Directors or to the Executive Management Team.

Other commitments
Some of the members of the Executive Management Team have operating allowance for car in their employment contract agreement.

Klaus-Anders Nysteen was CEO until 06.12.2023. From 06.12.2023, the company constituted Rolf Eek-Johansen as CEO until he was appointed as permanent CEO from 16.05.2024.

Remuneration to Executive Management for the year ended 31 December 2024
All amounts in NOK thousand

Name	Title	Salary	Bonus	Pension	Other compensation	Total remuneration
Rolf Eek-Johansen	CEO	3 737	-	565	83	4 385
Other Management		17 789	-	2 279	95	20 163
Total		**21 526**	**-**	**2 844**	**178**	**24 548**

Remuneration to Executive Management for the year ended 31 December 2023
All amounts in NOK thousand

Name	Title	Salary	Bonus	Pension	Other compensation	Total remuneration
Klaus-Anders Nysteen	CEO	5 127	500	702	470	6 799
Rolf Eek-Johansen	Interim CEO	279	-	39	-	318
Other Management		17 131	1 750	2 360	226	21 467
Total		**22 537**	**2 250**	**3 101**	**696**	**28 584**

Remuneration to the Board of Directors for the year ended 31 December

2024

Name	Title	31.12.2024	31.12.2023
Torbjørn Martinsen	Chairman of the Board	-	
Linn Kvitting Hagesæther	Board member	340	246
Geir-Egil Bolstad	Board member	351	150
Vegard Helland	Board member	346	150
Sverre Olav Helsem	Board member	348	246
Inga Lise Lien Moldestad	Board member	357	15
Trude Glad	Board member	-	
Mona Bay Sørensen	Board member	-	
Simen D. Togersrud	Board member	-	
Per-Aage Pleym Christensen	Board member	30	
Rune Strande	Deputy board member / Member of the Selection Comittee	50	35
Sigurd Aune	Deputy board member / Member of the Selection Comittee	50	35
Grethe Marit Dehli	Deputy board member	30	-
Bente Foshaug	Deputy board member	30	246
Hanne Karoline Kræmer	Deputy board member / Member of the Selection Comittee	-	
Vegard Urstad Aakervik	Deputy board member	-	
Jespe Lunde	Deputy board member	-	
Jan Frode Janson	Member of the Selection Comittee, ended 25.04.24	20	
Karen Skarbø	Member of the Selection Comittee	20	20
Sverre Kristian Gjessing [1]	Chairman of the Board, ended 25.04.24	534	435
Vegard Urstad Aakervik	Board member, ended 25.04.24	309	-

2024

Name	Title	31.12.2024	31.12.2023
Jill Rønningen	Board member, ended 25.04.24	331	150
Per-Aage Pleym Christensen	Deputy board member, ended 25.04.24	-	-
Andreas Mathisen	Deputy board member, ended 25.04.24	30	-
Liv Bortne Ulriksen	Deputy board member, ended 25.04.24	30	15
Elisabeth Selvik	Board member, ended 05.06.23	-	246
Sverre Michaelsen	Board member, ended 05.06.23	-	-
Heidi Hagen Stensrud	Board member, ended 05.06.23	-	-
Anne Gretland	Board member, ended 05.06.23	-	-
Sverre Fykse	Deputy board member, ended 05.06.23	-	15
Nina Gjølberg Nordli	Deputy board member, ended 05.06.23	-	15
Kristina Jacobsen	Board Member Kredinor Finans AS	-	92
Total		**3 207**	**2 111**

[1] In 2023, Sverre Kristian Gjessing has, according to agreement, invoiced NOK 733.813 through his own company Victorem Consulting AS

6.4 Related party transactions

Shareholders, members of the Board and the Executive Management team in the parent company and the Group subsidiaries are related parties. Information on major shareholders of the Group is provided in note 4.7. Significant agreements and remuneration paid to Executive Management and the Board for the current and prior period are presented in note 6.3.

The principle of arm's length is the basis of all transactions with related parties.

A subordinated facility agreement was entered into in Q4 2023 with SpareBank 1 Group. Total amount was 675 MNOK. The loan including accrued interest was at April 25th converted into ordinary shares of the Borrower.

Section 7 - Other disclosures

7.1 Changes in IFRS and new standards

NEW AND AMENDED STANDARDS ADOPTED
The group has applied certain amendments to the standards and interpretaions that are effective for annual periods beginning 1 January 2024. Following amendments are applicable from periods beginning 1 January 2024

- **IAS 1:** Amendments regarding the classification of liabilities as current or non-current, including those with covenants.
- **IFRS 16:** Amendments related to lease liability in sale and leaseback transactions.
- **IAS 7 and IFRS 7:** Amendments concerning supplier finance arrangements, leading to new disclosures about liabilities and associated cash flows in specific notes.

These amendments did not materially affect prior periods and are not expected to significantly impact current or future periods.

NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED
The group has identified new standards and amendments effective after 31 December 2024, which have not been early adopted:

- **IAS 21:** Lack of Exchangeability (effective 1 January 2025) – This amendment helps determine currency exchangeability and the appropriate spot exchange rate. No material impact is expected on operations or financial statements.
- **IFRS 9 and IFRS 7:** Amendments to the Classification and Measurement of Financial Instruments (effective 1 January 2026) – These amendments address recognition and derecognition of financial assets and liabilities, SPPI criterion assessments, and new disclosure requirements. No material impact is anticipated.
- **IFRS 19:** Subsidiaries without Public Accountability: Disclosures (effective 1 January 2027) – Allows eligible subsidiaries to apply reduced disclosure requirements. No impact is expected.
- **IFRS 18:** Presentation and Disclosure in Financial Statements (effective 1 January 2027) – This standard will replace IAS 1, introducing changes to enhance comparability and transparency. Although it won't affect recognition or measurement, it will impact presentation and disclosure, including:
  - New categories for grouping income and expenses, affecting how operating profit is calculated.
  - Separate presentation of goodwill and other intangible assets.
  - New disclosures for management-defined performance measures and detailed breakdowns of expenses.
  - Changes in cash flow statement presentation, with interest paid classified as financing cash flows and interest received as investing cash flows.

The group management is currently assessing the detailed implications of applying the new standard to the group's financial statements, but has not yet reached any preliminary conlusions.The group will apply IFRS 18 retrospectively from 1 January 2027, with restated comparatives for the financial year ending 31 December 2026.

7.2 Events after the reporting period

ACCOUNTING POLICIES
If the Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, the Group will assess if the information affects the amounts that it recognises in the Group's financial statements. The Group will adjust the amounts recognized in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in the light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its financial statements but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

Adjusting events
There have been no significant adjusting events subsequent to the reporting date.

Income statement for the parent company

Notes

Income statement
Kredinor AS

NOK thousand	Note	2024	2023
Operating revenues and operating expenses			
Debt collection services	1	725 545	679 825
Other operating income	1, 2	53 996	48 168
Total operating revenues		**779 541**	**727 993**
Personnel expenses	3	498 305	520 995
Depreciation of fixed assets and intangible assets	4.5	72 810	99 399
Other operating expenses	3	472 823	382 932
Total operating expenses		**1 043 938**	**1 003 326**
Earnings		**-264 398**	**-275 333**
Financial income and financial expenses			
Income on investment in subsidiaries	2	99 892	-
Interest income from enterprises in the same group	2	282 087	289 686
Other interest income		7 626	5 959
Other financial income	6	63 698	110 690
Impairment of other financial fixed assets		115 730	-
Other interest expense		342 501	328 169
Other financial expenses	6	110 389	329 853
Results of financial items		**-115 316**	**-251 687**
Profit before tax		**-379 714**	**-527 020**
Tax	7	-	17 729
Net income		**-379 714**	**-544 749**
Transfers			
Allocated to other equity	8	-379 714	-544 749
Total transfers		**-379 714**	**-544 749**

Balance
Kredinor AS

NOK thousand	Note	31.12.2024	31.12.2023
Assets			
Fixed assets			
Intangible assets			
Deferred tax assets	7	-	-
Goodwill	4	260 366	295 348
Other intangible assets	4	92 440	87 417
Total intangible assets		**352 806**	**382 765**
Property, plant and equipment			
Plots, buildings, etc. real estate	5	3 787	4 479
Operating equipment, inventory, etc.	5	17 224	17 282
Total property, plant and equipment		**21 011**	**21 761**
Financial fixed assets			
Investments in subsidiaries	9	2 662 131	1 986 834
Loans to enterprises in the same group	2	2 588 162	3 853 548
Pension funds	10	4 724	4 433
Total financial fixed assets		**5 255 017**	**5 844 815**
Total fixed assets		**5 628 834**	**6 249 341**

NOK thousand	Note	31.12.2024	31.12.2023
Current assets			
Receivables			
Accounts receivable	11	31 832	41 662
Other current receivables	11	85 904	45 907
Disbursements	11	-	-
Accrued, unbilled collection income		20 622	55 397
Consolidated receivables	2	262 117	418 305
Total receivables		**400 476**	**561 271**
Investments			
Other market-based financial instruments			
Total investments			
Bank deposits, cash, etc.	12	176 096	548 484
Total current assets		**576 572**	**1 109 755**
Total assets		**6 205 405**	**7 359 096**
Equity and debt			

NOK thousand	Note	31.12.2024	31.12.2023
Equity			
Share capital	8	228 357	143 229
Premiums	8	3 086 166	2 458 077
Total invested equity		**3 314 523**	**2 601 306**
Retained earnings			
Uncovered losses	8	-969 198	-589 484
Other equity			
Total retained earnings		**-969 198**	**-589 484**
Total equity		**2 345 325**	**2 011 822**
Debt			
Other long-term liabilities			
Debt to credit institutions	13	3 503 261	4 390 962
Total other long-term liabilities		**3 503 261**	**4 390 962**
Current liabilities			

NOK thousand	Note	31.12.2024	31.12.2023
Received, unearned debt collection income		33 408	30 329
Accounts payable		21 021	46 269
Tax payable	7	-	-
Government fees owed		50 466	41 050
Consolidated debt	2	1 226	53 191
Other current liabilities		250 699	785 473
Total current liabilities		**356 819**	**956 312**
Total liabilities		**3 860 080**	**5 347 274**
Total equity and liabilities		**6 205 405**	**7 359 096**

Cash flow statement
Kredinor AS

NOK thousand	Note	2024	2023
Cash flows from operating activities			
Ordinary profit before tax		**-379 714**	**-527 020**
Tax paid for the period		-	-
Loss/gain on sale of fixed assets		-	-
Ordinary depreciation and amortisation	4.5	72 810	99 399
Change receivables and other income		160 795	223 613
Change in current liabilities		-25 248	-328 856
Changes in pension obligations and provisions for liabilities		-291	-635
Change in other time limit entries		-192 644	160 398
Net cash flow from operating activities		**-364 292**	**-373 100**
Cash flows from investment activities			
Disbursements on purchases of fixed assets	4.5	-43 086	-81 419
Disbursements on purchases of subsidiaries	9	-6 156	-
Capital contributions to subsidiaries	2	-	-55 594
Change loans to subsidiaries	2	791 145	-409 704
Net cash flow from investment activities		**741 903**	**-546 717**

NOK thousand	Note	2024	2023
Cash flows from financing activities			
Repayment of debt to/Admission of loans from credit institutions	13	-750 000	1 318 441
Net cash flow from financing activities		**-750 000**	**1 318 441**
Net change in cash position		**-372 388**	**398 624**
Holdings of bank deposits and cash per 1.1.	12	548 484	149 860
Holdings of bank deposits and cash as of 31.12.		**176 096**	**548 484**
Liquid assets			
Non-restricted bank deposits and cash		91 131	402 648
Restricted bank deposits		84 965	145 836
Sum		**176 096**	**548 484**

ACCOUNTING POLICIES

The annual accounts are prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles, regulations relating to annual accounts, etc. for debt collection activities.

All figures are given in NOK thousands unless otherwise stated in text.

Use of estimates

The preparation of financial statements in accordance with the Accounting Act requires the use of estimates. Furthermore, the application of the company's accounting policies requires management to exercise discretion. Areas that largely contain such discretionary assessments, a high degree of complexity, or areas where assumptions and estimates are material to the financial statements are described in the notes.

Shares in subsidiaries

Subsidiaries are companies where the parent company has control, and thus determining influence on the entity's financial and operational strategy, normally by owning more than half of the voting capital.

The following companies are part of the Group on 31.12.2024:
Kredinor AS (parent company)
Kredinor Finans AS (100%)
Kredinor Holding AB (100%)
Kredinor AB (100%)
Kredinor Finland OY (100%)
Kredinor Kapital AB (100%)
Kredinor Management Invest AS (100%)
Kredinor Employee Invest (100%)
KAN AS (100%)
Kredinor A/S (100%)
Kredinor 365 AS (100%)
Digi-Ink (100%)

Revenues

Recognition of fees, commissions, etc. takes place by distribution of payments on a case-by-case basis, corrected for changes in received, unearned collection income and earned, not received debt collection income. The size of these depends on the amount of the amount and the resolution time. Income from the financing business is earned through the financing of the receivables, and is accrued as interest income accrues. Other services (operating revenues) are recognised as income in line with execution/delivery. Income earned by financing receivables is accrued as interest income accrues. Payments on portfolios of repayment loans are recognised as income based on the effective interest rate.

Classification of balance sheet items

Assets destined for permanent ownership or use are classified as fixed assets. Fixed assets are assessed at acquisition cost, but are written down to fair value in the event of a decline in value that is not expected to be temporary. Long-term liabilities are recognised in the balance sheet at nominal value. Current assets and current liabilities include items that are due for payment within one year. Other items are classified as fixed assets/long-term liabilities. Current assets are valued at the lowest of acquisition cost and fair value. Current liabilities are capitalized at record value. Fixed assets are recognised in the balance sheet and depreciated over the economic life of the asset's if they have a useful life of more than 3 years. Maintenance of fixed assets is expensed on an ongoing basis, while costs or improvements are added to the operating asset's cost price and depreciated over the remaining economic life.

Intangible assets and goodwill

Goodwill has arisen in connection with the acquisition of subsidiaries. Goodwill depreciates over life expectancy.

Systems development

Development expenses are capitalized to the extent that a future economic benefit associated with the development of an identifiable intangible asset can be identified and expenses can be measured reliably. Otherwise, such expenses are expensed on an ongoing basis. Capitalised development is depreciated on a straight-line basis over an economic lifetime. Only purchased costs are subject to activation.

Property, plant and equipment

Plots are not depreciated. Other fixed assets are recognised in the balance sheet and depreciated on a straight-line basis to residual value over the expected useful life of the operating assets. In the event of a change in depreciation schedule, the effect is distributed over the remaining depreciation period (the "breakpoint method"). Maintenance of operating assets is expensed on an ongoing basis as operating expenses. Costs and improvements are added to the operating asset's cost price and depreciated in line with the operating asset.

Leased (leased) fixed assets are recognised on the balance sheet as operating assets if the lease is considered financial.

Other long-term equity investments

The cost method is used as a principle for investments in other shares, etc. In principle, distributions are recognised as financial income when the distribution has been approved. Distributions that exceed the share of retained equity after the purchase are recognised as a reduction in acquisition costs.

Impairment of fixed assets

If there is an indication that the carrying value of a fixed asset is higher than its fair value, a test for impairment is carried out. The test is conducted for the lowest level of fixed assets that have independent cash flows. If the carrying value is higher than both the sales value and the recoverable amount (present value if still used/owned), impairment is made to the highest of the sales value and recoverable amount.

Previous write-downs, with the exception of goodwill write-downs, are reversed if the assumptions for the write-down are no longer present.

Debt collection cases at work/prepaid income

Debt collection cases at work are calculated in accordance with the Regulations relating to annual accounts etc. for debt collection activities, laid down on 28.05.1999. Debt collection cases under execution are assessed in accordance with the ongoing settlement method, without profit. The calculation is based on direct production costs for cases in progress as of 31.12., adjusted for completion rate and experience resolution.

Receivables

Trade receivables are recognised on the balance sheet after deducting provisions for expected losses. Provisions for losses are made on the basis of an individual assessment of the receivables and an additional provision to cover other foreseeable losses.

Other receivables, both current and fixed assets, are recorded at the lowest face value and fair value. Fair value is the present value of expected future payments. However, discounting is not carried out when the effect of discounting is immaterial to the accounts. Provisions for losses are assessed in the same way as for trade receivables.

Foreign currency
Foreign currency receivables and liabilities are assessed at the exchange rate at the end of the financial year. Capital gains and capital losses are recognised in the income statement as financial income and financial expenses. Translation differences in the consolidation of foreign group companies are recognised against other equity in the Group.

Client funds
According to the Regulations relating to annual accounts in debt collection companies, client funds and client liability for debt collection and legal practice are not included in the balance sheet.

Debt
Liabilities, with the exception of certain provisions for liabilities, are recognised in the balance sheet at nominal debt amounts.

Pension costs and liabilities
The accounting of pension costs takes place in accordance with the accounting standard on pension costs. The Group's employees who are covered by collective agreements are included in the financial industry's AFP scheme.

Deposit Plans
In the case of defined contribution plans, the company pays deposits to an insurance company. The Company has no further payment obligation after the deposits have been paid. The deposits are recognised as salary expenses. Any prepaid deposits are recognised on the balance sheet as assets (pension funds) to the extent that the contribution can be refunded or reduce future payments.

Performance plans
A defined benefit plan is a retirement plan that is not a defined contribution plan. Typically, a defined benefit plan is a retirement plan that defines a pension payment that an employee will receive upon retirement. Pension payments are normally dependent on several factors, such as age, number of years in the company and salary. The pension obligation is calculated annually by an independent actuary using a linear accrual method. In 2013, Kredinor SA decided to switch to defined contribution pension schemes for all employees. By merging with its subsidiary Sopran AS in 2014, Kredinor SA acquired a closed defined benefit pension scheme.

Tax
The tax expense in the income statement includes both the tax payable for the period and the change in deferred tax. Deferred tax is calculated at the applicable tax rate on the basis of the temporary differences that exist between accounting and tax values, as well as any tax loss to be carried forward at the end of the financial year. Tax-increasing and tax-reducing temporary differences that reverse or can reverse during the same period are offset. The inclusion of deferred tax assets on net tax-reducing differences that have not been offset and losses to carry forward are justified by assumed future earnings. Deferred tax and tax assets that can be recognised on the balance sheet are recorded net on the balance sheet.

Tax reductions on group contributions made, and tax on group contributions received that are led to a reduction in cost price or directly against equity, are recognised directly against tax on the balance sheet (against tax payable if the group contribution has an effect on tax payable and against deferred tax if the group contribution has an effect on deferred tax).

Deferred tax in both the company accounts and the consolidated financial statements is recognised as a nominal amount.

Cash flow statement
The cash flow statement is prepared using the indirect method. Cash and cash equivalents include cash and bank deposits.

The comparative figures
The comparative figures from 2023 apply to Kredinor AS.

Note 1 Operating revenue

NOK thousand	2024	2023
Debt collection revenues	725 545	679 825
Other operating income	53 996	48 168
Income from repayment loans	-	-
Profit from the sale of business	-	-
Sum	**779 541**	**727 993**

Geographic information	2024	2023
Norway	779 541	727 993
Sum	**779 541**	**727 993**

The geographic information is based on the customers country of domicile.

Note 2 Balances with companies in the same group, etc.

	Receivables due later than a year		Other current receivables	
NOK thousand	**2024**	**2023**	**2024**	**2023**
Subsidiary				
Kredinor Finans AS	1 338 000	1 824 000	235 124	197 595
Kredinor Holding AB	2 059	10 130	256	815
Kredinor AB	563 094	1 033 260	79 112	76 339
Kredinor Finland Oy	555 455	985 780	75 801	72 797
Kredinor A/S	791	377	100	32
KAN AS	128 764	-	-128 443	70 638
Kredinor Management Invest AS	-	-	106	73
Kredinor Employee Invest AS	-	-	62	16
Kredinor 365 AS	-	-	-	-
Digi-Ink	-	-	-	-
Sum	**2 588 162**	**3 853 548**	**262 117**	**418 305**

Long-term receivables on Kredinor Finans AS consist of several long-term loans with different maturities.

All loans are assessed in accordance with the agreement between the companies. No collateral has been provided for the loans. The interest on the Group loans are set based on a arm-lengths principle and based on the cost of funding for Kredinor AS.

Loan to KAN AS has been written down due to the fact that KAN AS is decided to cease the operation.

Maturity profile long-term receivables on subsidiaries

NOK thousand	0-5 years	>5 years	Without decay	Sum
Loan amount	2 850 279	-	-	2 850 279

	Other current liabilities	
	2024	2023
Subsidiary		
Kredinor Finans AS	215	22 661
Kredinor AB	871	-
Kredinor Holding AB	-	30 390
Kredinor Management Invest AS	99	99
Kredinor Employee Invest AS	40	40
Sum	**1 226**	**53 191**

Transactions with companies in the same group of companies

Parent company		2024	2023
Kredinor Finans AS	Operating income	61 981	68 279
KAN AS	Operating income	120	-
Kredinor Finans AS	Group contribution	99 892	-
Kredinor Finans AS	Interest income	121 897	144 343
Kredinor Sverige AB	Interest income	77 597	72 232
Kredinor Holding AB	Interest income	252	781
Kredinor Finland OY	Interest income	74 026	71 635
KAN AS	Interest income	8 110	327
Kredinor A/S	Interest income	47	7

Note 3 Compensation of employees, number of employees, remuneration, loans to employees, etc.

Labour costs	2024	2023
Salaries	366 638	381 514
Employer's National Insurance contributions	67 712	69 386
Pension costs	41 737	45 302
Other benefits	22 218	24 792
Sum	**498 305**	**520 995**
Full-time equivalents employed in the financial year	521	552

Remuneration to Executive Management for the year ended 31 December 2024

All amounts in NOK thousand

Name	Title	Salary	Bonus	Pension	Other compensation	Total
Rolf Eek-Johansen	CEO	3 737	-	565	83	4 385
Total		**3 737**	**-**	**565**	**83**	**4 385**

Remuneration to Executive Management for the year ended 31 December 2023

All amounts in NOK thousand

Name	Title	Salary	Bonus	Pension	Other compensation	Total
Klaus-Anders Nysteen	CEO	5 127	500	702	470	6 799
Rolf Eek-Johansen	Interim CEO	279	-	39	-	318
Total		**5 406**	**500**	**741**	**470**	**7 117**

Rolf Eek-Johansen is the company's CEO.

No loans/collateral have been granted to the general manager, the chairman of the board or other related parties.

Performance bonuses are paid to all Kredinor employees in accordance with the actual full-time equivalent share throughout the year. Performance bonuses are not affected by absence or paid leave.

2024 Auditor fees NOK thousand	**Statutory audit fee**	**Other certification services**	**Tax advisory**	**Other services**	**Total**
PWC	1 030	448	-	839	2 317
Other	489	151	-	1 135	1 775
Total auditor fee	**1 519**	**600**	**-**	**1 974**	**4 092**

2024 Auditor fees NOK thousand	**Statutory audit fee**	**Other certification services**	**Tax advisory**	**Other services**	**Total**
EY	1 835			125	
Total auditor fee	**1 835**	**-**	**-**	**125**	**1 960**

Note 4 Intangible assets and goodwill

	Goodwill	**Development, software etc.**	**Sum**
Acquisition cost 01.01.	**450 619**	**53 541**	**504 160**
Additions	-	36 738	36 738
Disposals	-985	45 933	44 948
Acquisition cost 31.12.	**449 634**	**136 212**	**585 846**
Accumulated depreciation and amortisation 01.01.	**155 271**	**12 058**	**167 328**
Impairments	-	10 409	10 409
Depreciation	33 997	21 307	55 304
Accumulated depreciation and amortisation 31.12.	**189 268**	**43 773**	**233 041**
Carrying value 31.12.	**260 366**	**92 440**	**352 805**
Depreciation of the year	**33 997**	**21 307**	**55 304**
	295 348	41 483	
Useful life	5-10 years	5-10 years	
Depreciation schedule	Linear	Linear	

Disposals of MNOK 45.9 is reclassifisation from property, plant and equipment to intangible assets.

Goodwill from the following purchases is depreciated over more than 5 years:
Intangible assets / goodwill recognised in connection with the merger of Modhi per 01.10.2022 is depreciated over a period of 10 years. The expected economic life span of the underlying assets is more than 10 years and is therefore reflected in the depreciation.

Addition of goodwill relates to the acquisition of Kredinor 365 AS.

Note 5 Property, plant and equipment

	Plant under construction	Buildings and properties	Office machines, inventory, etc.	Sum
Acquisition cost 01.01.	**-**	**7 159**	**389 238**	**396 397**
Additions	-	-	6 348	6 348
Disposals	-	-	-45 933	-45 933
Acquisition cost 31.12.	**-**	**7 159**	**349 652**	**356 811**
Accumulated depreciation and amortisation 01.01.	**-**	**2 681**	**326 022**	**328 703**
Impairments	-	-	-	-
Depreciation	-	691	6 407	7 098
Accumulated depreciation and amortisation 31.12.	**-**	**3 372**	**332 428**	**335 800**
Carrying value 31.12.	**-**	**3 787**	**17 224**	**21 011**
				-
Depreciation of the year	-	691	6 407	7 098
Useful life		25 years	3-5 years	
Depreciation schedule	No depreciation	Linear	Linear	

Disposals of MNOK 45.9 is reclassifisation from property, plant and equipment to intangible assets.

Note 6 Other financial income and expenses

	2024	2023
Other financial income		
Agio	63 697	110 690
Other financial income	1	-
Total other financial income	**63 698**	**110 690**
Other financial costs	**2024**	**2023**
Impairment financial assets	-	163 722
Disagio	67 069	111 802
Other financial expenses	8 610	12 966
Depreciation establishment fee	34 709	41 362
Total other financial expenses	**110 389**	**329 853**

Note 7 Tax

Calculation of deferred tax/deferred tax assets

	2024	2023
Tax on ordinary result		
Tax payable	-	-
Change in deferred tax/deferred tax asset	-	17 729
Tax expense	**-**	**17 729**
Taxable income		
Profit before tax	-379 714	-527 020
Permanent differences	298 062	245 945
Change in temporary differences in results	629	-8 873
Change from previous years	-3 538	-
Interest deduction cut off	972	-
Taxable income	**-83 589**	**-289 948**
Tax payable		
Tax payable on taxable income	-21 976	-
Tax payable on received group contribution	21 976	-
Tax payable in the balance sheet	**-**	**-**
Calculation of effective tax percentage		
Profit before tax	-379 714	-527 020
Estimated tax	-83 537	-115 944
22% of permanent differences	65 574	54 108
Total	**-17 964**	**-61 836**
Effective tax percentage	**4.7%**	**11.7%**

	2024	2023
Temporary differences		
Property, plant and equipment	-3 142	-4 241
Profit and Loss Account	527	659
Receivables	-1 521	-2 238
Other accounting differences	-14 984	-35 815
Repayment loans	115 483	138 918
Pension obligations	4 724	4 433
Total temporary differences	**101 087**	**101 716**
Deficit to carry forward	-514 457	-434 406
Interest deduction cut off	-972	-
Basis for deferred tax	**-414 342**	**-332 690**
Deferred tax	-91 155	-73 192
Deferred tax asset not recognised	91 155	73 192
Deferred tax on the balance sheet	**-**	**-**

Note 8 Equity

	Share capital	Share premium	Other equity	Total
Change in equity for the year				
Equity 01.01.	143 229	2 458 077	-589 484	2 011 822
Issue of share capital	85 128	628 089		713 217
Results for the year	-	-	-379 714	-379 714
Equity 31.12.	**228 357**	**3 086 166**	**-969 198**	**2 345 325**

Issued capital and reserves:

Share capital in Kredinor AS	Number of shares authorised and fully paid	Par value per share (NOK)	Financial Position (NOK Thousands)
At 1 January 2023	**1 432 292 000**		**143 229**
At 31 December 2023	**1 432 292 000**		**143 229**
Share capital increase - 25 April	851 279 373	0.10	85 128
At 31 December 2024	**2 283 571 373**		**228 357**

Shareholders in Kredinor AS at 31.12.2024	Total shares	Ownership/ Voting rights
Kredinorstiftelsen	716 146 000	31.4%
SpareBank1 Gruppen AS	1 567 425 373	68.6%
Total	**2 283 571 373**	**100%**

Note 9 Investment in subsidiaries

Parent company
Investments in subsidiaries are accounted for according to the cost method.

Subsidiary	Business Office	Ownership/ voting share	Self-containment last year (100%)	Last year results (100%)	Carrying value
Kredinor Finans AS	Norway	100%	2 072 094	216 796	1 933 213
Roniderk AB	Sverige	100%	1 656	-204	-
Kredinor Holding AB	Sverige	100%	362 824	-114 982	358 509
Kredinor Finland OY	Finland	100%	370 804	-24 167	363 300
Kredinor Employee Invest AS	Norway	100%	-21	-46	60
Kredinor Management Invest AS	Norway	100%	-6	-33	42
KAN AS	Norway	100%	-140 914	-114 372	-
Kredinor A/S	Danmark	100%	1 361	1 087	852
Kredinor 365 AS	Norway	100%	65	-12	6 156
Carrying value 31.12.					**2 662 131**

The carrying value of the shares in KAN AS has been written down with TNOK 80 as of 31.12.24.

The carrying value of the shares in Kredinor Holding AB has been written down with MNOK 115.6 as of 31.12.24.

On 8 October 2024, The Group acquired 100% of the voting shares of Nu Diil Group AS, now named Kredinor 365 AS. Kredinor 365 is a SPV with no employees or activity but own software and 100% of the shares in Digi-Ink SIA, a Latvian subsidiary with 9 employees who have developed the software.

Note 10 Pensions

The company and the group are obliged to have an occupational scheme pursuant to the Act relating to compulsory occupational pensions. The company's and the Group's pension schemes satisfy the requirements of this Act.

The company and the group have defined benefit schemes that include a total of 25 people in the company and 25 people in the group. The company also has a contractual pre-pension scheme (AFP).

The new AFP scheme, which is effective from 1 January 2011, is to be regarded as a defined-benefit multi-enterprise scheme, but is recognised as a defined contribution scheme until reliable and sufficient information is available so that the Group can account for its proportional share of pension costs, pension obligations and pension funds in the scheme.

The company's obligations under AFP are therefore not recognised in the balance sheet as debt. The general manager has a supplementary pension scheme for salaries in excess of 12G. The obligation related to the defined contribution scheme shall be financed by annual payments up to the time of retirement to a pension savings scheme in a bank. The operating defined contribution scheme is paid from retirement age and in a peridoe of 10 years unless otherwise agreed.

Income statement parent company	**2024**	**2023**
	Secured	**Secured**
Interest cost of pension obligation	535	522
Gross pension cost	535	522
Expected return on pension funds	-985	-946
Management cost/interest guarantee	20	26
Net pension cost incl. administration costs	-430	-398
Plan deviations/estimate changes recorded in the results	200	302
Employer's National Insurance contributions	-61	-56
Net pension cost defined benefit scheme	**-291**	**-151**
Costs of AFP scheme incl. employer's National Insurance contributions	8 657	7 729
Costs of a defined contribution scheme incl. employer's National Insurance contributions	33 371	37 725
Total net pension cost	**41 737**	**45 302**

Balance sheet parent company		
Accrued pension obligations 31.12.	16 932	17 625
Estimated gross pension liability 31.12.	**16 932**	**17 625**
Pension funds (at market value) 31.12.	19 541	18 972
Not recognised estimate deviations/plan changes	-1 531	-2 538
Employer's National Insurance contributions	-584	-548
Net pension obligation/funds	**-4 724**	**-4 434**

	2024	2023
Balance Group	**Secured**	**Secured**
Accrued pension obligations 31.12.	16 932	17 625
Estimated gross pension liability 31.12.	16 932	17 625
Pension funds (at market value) 31.12.	19 541	18 972
Not recognised estimate deviations/plan changes	-1 531	-2 538
Employer's National Insurance contributions	-584	-548
Net pension obligation/funds	-4 724	-4 433

Economic prerequisites	**2024**	**2023**
Discount rate	3.30%	3.10%
Expected wage adjustment	3.50%	3.50%
Expected pension regulation	2.80%	2.80%
Expected G-regulation	3.25%	3.25%
Expected return on pension funds	5.40%	5.30%
Expected withdrawal percentage AFP scheme	100%	100%

Note 11 Receivables

	2024	2023
Trade receivables at face value	**31 832**	**41 662**
Disbursements	-	-
Other receivables	106 526	101 304
Receivables to companies in the same group	262 117	418 305
Total receivables	**400 476**	**561 271**

	2024	2023
Receivables		
Unaccrued unbilled collection income	20 622	55 397
Included in current liabilities Received unearned debt collection income	33 408	30 329

Note 12 Restricted bank deposits, client liability/client funds

Restricted bank deposits	2024	2023
Deposit	91 131	402 648
Tax withholding funds	6 361	17 727
Other restricted funds	78 604	128 109
Sum	**176 096**	**548 484**

Client funds

Client funds and associated client liability for debt collection activities are recorded net on the balance sheet.

The outstanding bank amounts to MNOK 78.6 and the associated client liability amounts to MNOK 72.8. The difference corresponds to payments that have not been distributed as of 31.12.2024.

Client funds and associated client liability for the legal practice are presented in accordance with Section 3a (3) of the Lawyers' Regulations.

Note 13 Debt to credit institutions

31.12.2024

Non-current interest-bearing liabilities	Interest rate	Notional amount (T)	Book value (NOK)	Maturity
Senior unsecured bond (NOK)	Nibor 3mnd + 7%	1 000 000	1 000 000	23.02.2027
Loan, RCF (NOK)	Nibor 3mnd + 3.25%	680 000	680 000	10.11.2026
Loan, RCF (SEK)	Stibor 3mnd +3.25%	960 000	988 128	10.11.2026
Loan, RCF (EUR)	Euribor 3mnd + 3.25%	76 000	896 420	10.11.2026
Incremental borrowing costs capitalised			-61 287	
Total non-current interest-bearing liabilities			**3 503 261**	

31.12.2023

Non-current interest-bearing liabilities	Interest rate	Notional amount (T)	Book value (NOK)	Maturity
Senior unsecured bond (NOK)	Nibor 3mnd + 7%	1 000 000	1 000 000	23.02.2027
Loan, RCF (NOK)	Nibor 3mnd + 3.5%	1 505 000	1 505 000	13.11.2025
Loan, RCF (SEK)	Stibor 3mnd +3.5%	1 060 000	1 073 780	13.11.2025
Loan, RCF (EUR)	Euribor 3mnd + 3.5%	76 000	854 278	13.11.2025
- Incremental borrowing costs capitalised			-42 096	
Total non-current interest-bearing liabilities			**4 390 962**	

Short-term interest-bearing liabilities	Interest rate	Notional amount (T)	Book value (NOK)	Maturity
Loan, SpareBank1 Gruppen (NOK)	Fixed rate 17.5%	500 000	500 000	30.04.2024
Total short-term interest-bearing liabilities			**500 000**	

Note 14 Related party transactions

Benefits to senior executives are discussed in Note 3, and balances with group companies are discussed in Note 2.

Note 15 Collateral/warranty liability

Kredinor AS has provided collateral that constitutes 1/40 of the client responsibility, cf. regulations to sections 3-2 to 3-4 of the Debt Collection Act.

Note 16 Financial risk regarding the financing business

Credit and market risk: The group's credit risk is mainly linked to the group's financing activities in the subsidiaryKredinor Finans AS. Credit risk means the risk that the customer cannot meet his obligation to pay. The group considers the risk of loss witin the current portfolio to be normal.

To the General Meeting of Kredinor AS

Independent Sustainability Auditor's Limited Assurance Report

Limited Assurance Conclusion

We have conducted a limited assurance engagement on the sustainability statement of Kredinor AS (the «Company»), included in Sustainability statement of the Board of Directors' report (the «Sustainability Statement»), as at 31 December 2024 and for the year then ended.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Statement is not prepared, in all material respects, in accordance with the Norwegian Accounting Act section 2-3, including:

- compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Company to identify the information reported in the Sustainability Statement (the «Process») is in accordance with the description set out in section Impact, risk and opportunity management: IRO-1; and
- compliance of the disclosures in EU Taxonomy 2024 within the Environment section of the Sustainability Statement with Article 8 of EU Regulation 2020/852 (the «Taxonomy Regulation»).

Basis for Conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance engagements other than audits or reviews of historical financial information («ISAE 3000 (Revised)»), issued by the International Auditing and Assurance Standards Board.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the *Sustainability Auditor's Responsibilities* section of our report.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements as required by relevant laws and regulations in Norway and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other Matter

The comparative information included in the Sustainability Statement was not subject to an assurance engagement. Our conclusion is not modified in respect of this matter.

Responsibilities for the Sustainability Statement

The Board of Directors and the Managing Director (Management) are responsible for designing and implementing a process to identify the information reported in the Sustainability Statement in accordance with the ESRS and for disclosing this Process in section Impact, risk and opportunity management: IRO-1 of the Sustainability Statement. This responsibility includes:

- understanding the context in which the Company's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Company's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

Management is further responsible for the preparation of the Sustainability Statement, in accordance with the Norwegian Accounting Act section 2-3, including:

- compliance with the ESRS;
- preparing the disclosures in EU Taxonomy 2024 within the Environment section of the Sustainability Statement, in compliance with the Taxonomy Regulation;
- designing, implementing and maintaining such internal control that Management determines is necessary to enable the preparation of the Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

Inherent limitations in preparing the Sustainability Statement

In reporting forward-looking information in accordance with ESRS, Management is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Company. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

Sustainability Auditor's Responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability Statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities in respect of the Sustainability Statement, in relation to the Process, include:

- Obtaining an understanding of the Process, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- Considering whether the information identified addresses the applicable disclosure requirements of the ESRS; and
- Designing and performing procedures to evaluate whether the Process is consistent with the Company's description of its Process set out in section Impact, risk and opportunity management: IRO-1.

Our other responsibilities in respect of the Sustainability Statement include:

- Identifying where material misstatements are likely to arise, whether due to fraud or error; and
- Designing and performing procedures responsive to where material misstatements are likely to arise in the Sustainability Statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the Work Performed

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Statement. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise in the Sustainability Statement, whether due to fraud or error.

In conducting our limited assurance engagement, with respect to the Process, we:

- Obtained an understanding of the Process by:
  - performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents); and
  - reviewing the Company's internal documentation of its Process; and
- Evaluated whether the evidence obtained from our procedures with respect to the Process implemented by the Company was consistent with the description of the Process set out in section Impact, risk and opportunity management: IRO-1.

In conducting our limited assurance engagement, with respect to the Sustainability Statement, we:

- Obtained an understanding of the Company's reporting processes relevant to the preparation of its Sustainability Statement by:
  - Obtaining an understanding of the Company's control environment, processes and information system relevant to the preparation of the Sustainability Statement, but not for the purpose of providing a conclusion on the effectiveness of the Company's internal control; and
  - Obtaining an understanding of the Company's risk assessment process;
- Evaluated whether the information identified by the Process is included in the Sustainability Statement;
- Evaluated whether the structure and the presentation of the Sustainability Statement is in accordance with the ESRS;
- Performed inquiries of relevant personnel on selected information in the Sustainability Statement;
- Performed substantive assurance procedures on selected information in the Sustainability Statement;

- Where applicable, compared disclosures in the Sustainability Statement with the corresponding disclosures in the financial statements and other sections of the Board of Directors' report;
- Evaluated the methods, assumptions and data for developing estimates and forward-looking information;
- Obtained an understanding of the Company's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Statement;
- Evaluated whether information about the identified taxonomy-eligible and taxonomy-aligned economic activities is included in the Sustainability Statement; and
- Performed inquiries of relevant personnel and substantive procedures on selected taxonomy disclosures included in the Sustainability Statement.

Oslo, 17 March 2025
PricewaterhouseCoopers AS

Lars Kristian Mjelde Jørgensen
State Authorised Public Accountant – Sustainability Auditor
(This document is signed electronically)

Kredinor_Uavhengig bærekraftsrevisors attestasjons

Signers:

Name	*Method*	*Date*
Jørgensen, Lars Kristian	BANKID	2025-03-17 18:17

To the General Meeting of Kredinor AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Kredinor AS, which comprise:

- the financial statements of the parent company Kredinor AS (the Company), which comprise the balance as at 31 December 2024, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Kredinor AS and its subsidiaries (the Group), which comprise the statement of financial position as at 31 December 2024, the income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of Kredinor AS for one year from the election by the general meeting of the shareholders on 16 May 2024 for the accounting year 2024.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How our audit addressed the Key Audit Matter
Valuation of Purchased Loan Portfolios	
Purchased loan portfolios represent a considerable part of the Group's total assets. The book value of purchased loan portfolios is determined based on expected future cash flows that are discounted using the internal rate of return (IRR) at the date the portfolios were acquired. Consequently, valuation of the portfolios includes substantial elements of management judgement. Additionally, expected credit losses shall be determined based on forward-looking assessments, in accordance with IFRS 9. Expected losses result in recognition of impairment. The use of models to determine expected credit losses also entails judgment, specifically related to determination of significant accounting parameters in the model. We focused on valuation of purchased loan portfolios because of the inherent risk of errors due to the large data materials and the complex models necessary, and the level of judgment applied by management to arrive at an estimate. Both factors may have a material effect on the Group's net profit and net book value of total assets. Refer to notes 4.1 and 4.2 to the consolidated financial statements for management's description of the purchased loan portfolios.	We reviewed the company's documentation for the IRR used in the calculation of book values by reconciling the prior years calculations with last year's financial statements and ensuring that the same rate of return is applied in the current year's calculations. .Furthermore, on a sample basis, we tested whether the applied IRR on purchased loan portfolios during 2024 corresponded to the underlying business case. We tested the mathematical accuracy of the valuation model. Using forecasted cash collection and related IRR, we recalculated book value of the purchased loan portfolios at year end. For a sample of portfolios that met certain risk criteria, such as material portfolios that had historical deviations from forecasted cash flows, we obtained and considered the supporting documentation and challenged management's assumptions. We used our own specialist and assessed the Group's stress testing methodology for macroeconomic scenarios. Our assessment included a qualitative analysis of the model, review of the adjustments implemented at the balance-sheet date related to macroeconomic factors and a comparison of the Group's documentation to our expectations. We noted no material deviations as a result of our audit procedures. We read the disclosures and compared them to our understanding and the accounting regulations and found them appropriate and adequate.
Impairment assessment of goodwill	
Goodwill represents a material amount at 31 December 2024. The carrying amount of goodwill is tested for impairment at least annually. The determination of recoverable amount, being the higher of fair value less costs of disposal and value in use (VIU), requires management's judgment and is sensitive to changes in the applied discount rate and to management's expectations on net present value of future cashflows, including growth expectations and forecasts about margins.	We obtained an understanding of management's process for conducting the impairment assessment of goodwill. Our procedures included obtaining and understanding management's impairment assessment and examining the identification of cash generating units (CGUs) to which goodwill is allocated. We evaluated key assumptions utilised by management in determining the recoverable amount of each CGU, comparing the assumptions to board approved budgets and external data. We

Assessment of goodwill impairment was an area of focus in our audit due to the material amounts involved and the substantial judgment applied. Note 3.2 to the consolidated financial statements and note 4 to the financial statements of the Company disclose goodwill and impairment considerations.	also performed analyses on management's estimates of future cash flows and weighted average cost of capital. As part of our audit, we engaged in discussions with management regarding forecasted revenues, the current market conditions, and future growth expectations. We also obtained available supporting documentation related to budgets and forecasts, and considered events after the balance sheet date to assess the applied forecasts. We discussed with our own valuation specialists about both the model applied and assumptions used by management. We also tested mathematical accuracy of the value in use calculation. We read the disclosures and compared them to our understanding and the accounting regulations.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our opinion on the Board of Directors' report applies correspondingly to the statement on Corporate Governance.

Our opinion on whether the Board of Directors' report contains the information required by applicable statutory requirements, does not cover the Sustainability Statement, on which a separate assurance report is issued.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation of the consolidated financial statements of the Group

that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Oslo, 17 March 2025
PricewaterhouseCoopers AS

Lars Kristian Mjelde Jørgensen
State Authorised Public Accountant
(This document is signed electronically)

Revisjonsberetning

Signers:

Name	*Method*	*Date*
Jørgensen, Lars Kristian	BANKID	2025-03-17 18:17

Glossary of our terms

Definitions

Cash collection NPL	Gross cash collection is the actual cash collected from purchased portfolios before costs related to collect the cash received
Cash EBITDA	Cash EBITDA is EBIT adding back depreciation and portfolio amortisations
Cash Revenue	Total revenue adding portfolio amortisations and deducting net revaluations from purchased portfolios
Collection performance	Cash collected from purchased portfolios divided by active target (ERC)
Cost to collect (CtC)	All external and internal operating costs related to the Group's collection business
Cost to Income	Total group cost, excluding net finance, depreciation and amortisation, divided by total group revenue
ERC	Estimated remaining collection (ERC) expresses the gross cash collection in nominal values expected to be collected in the future from the purchased loan portfolios owned at the reporting date
FTE Cost to Income	Group salary cost divided by total group revenue
NRI	An infrequent or abnormal cost or revenue that is reported in the financial statement
ROE	Net profit after tax divided by shareholders' average equity. Average equity calculated as equity in start of period plus equity in end of period divided by 2.
Year-over-Year	Comparison of one period with the same period from the previous year

Glossary of our terms continued

Terms and abbreviations

3PC	Third-party collections
ACV	Annual contract value
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation, and amortisation
ERC	Estimated remaining collection
FTE	Full-time equivalent
IRR	Internal rate of return; The zero-NPV generating interest rate
LTM	Last Twelve Months
LTV	Loan to value ratio
LY	Last Year
MoM	Money-on-money
NPL/PD	Non-performing loans/Purchase debt
NRI	Non-recurring item
RCF	Revolving Credit Facility
ROCE	Return on Capital Employed
ROE	Return on Equity
RTM	Rolling Twelve Months
YoY	Year-over-Year
YTD	Year to Date
PI	Portfolio Investments
CMS	Credit Management Services

Kredinor AS

A company in the SpareBank 1 Alliance