



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 925 952 567
Organisasjonsform: Norskreg. utenlandsk foretak
Foretaksnavn: NORTHERN TRUST GLOBAL SERVICES SE
NUF
Forretningsadresse: Third Floor
Haakon VIIIs gate 6
0161 OSLO

Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Robert Vincent Leon Stenmark
Dato for fastsettelse av årsregnskapet: 23.05.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 12.08.2025



Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Turnover		20 380 565	23 092 700
Other operating income		-382	4 424
Sum inntekter		20 380 183	23 097 124
Kostnader			
Administrative expenses		11 616 904	9 558 219
Staff costs		4 040 392	4 712 637
Sum kostnader		15 657 296	14 270 856
Driftsresultat		4 722 887	8 826 268
Annen rentekostnad		41 422	11 112
Sum finanskostnader		41 422	11 112
Netto finans		-41 422	-11 112
Ordinært resultat før skattekostnad		4 681 465	8 815 156
Tax on profit		1 180 599	2 210 989
Ordinært resultat etter skattekostnad		3 500 866	6 604 167
Årsresultat		3 500 866	6 604 167



Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
Tangible fixed assets		1 686 881	702 883
Sum varige driftsmidler		1 686 881	702 883
Sum anleggsmidler		1 686 881	702 883
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer		3 976 599	2 007 098
Prepaid expenses		288 249	210 694
Deferred tax		13 136	10 659
Sum fordringer		4 277 984	2 228 451
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		48 183 149	41 744 860
Sum bankinnskudd, kontanter og lignende		48 183 149	41 744 860
Sum omløpsmidler		52 461 133	43 973 311
SUM EIENDELER		54 148 014	44 676 194
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Opptjent egenkapital			
Retained earnings		1 063 126	-437 740
Sum opptjent egenkapital		1 063 126	-437 740



Balanse

Beløp i: NOK	Note	2023	2022
Sum egenkapital		1 063 126	-437 740
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Lease Liability		1 739 420	745 520
Sum annen langsiktig gjeld		1 739 420	745 520
Sum langsiktig gjeld		1 739 420	745 520
Kortsiktig gjeld			
Taxation		1 178 496	2 201 881
Kortsiktig konserngjeld		48 699 328	40 220 273
Accrued expenses		1 467 644	1 946 260
Sum kortsiktig gjeld		51 345 468	44 368 414
Sum gjeld		53 084 888	45 113 934
SUM EGENKAPITAL OG GJELD		54 148 014	44 676 194



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Northern Trust Global Services SE Norway Branch

Financial Statements

For the Year Ended 31 December 2023

Organisation number: 925 952 567



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Northern Trust Global Services SE Norway Branch

Company Information

Branch Management	Mr. R. V. L. Stenmark
Registered number	B232281
Registered office	Third Floor Haakon VIIIs gate 6 Oslo 0161 Norway
Independent auditors	KPMG Chartered Accountants, Statutory Audit Firm Sorkedalsveien 6 Oslo 0369 Norway
Bankers	Nordea Bank Norge ASA Middelthungsgate 17 Oslo 0368 Norway
Solicitors	Advokatfirmaet Thommessen AS Ruseløkkveien 38 Oslo 0251 Norway



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Northern Trust Global Services SE Norway Branch



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Northern Trust Global Services SE Norway Branch

Management Report For the Year Ended 31 December 2023

The Branch Manager presents the annual report and the audited financial statements of Northern Trust Global Services SE Norway Branch ("the Branch") for the year ended 31 December 2023. These financial statements have been prepared on a going concern basis and the Branch Manager considers this assumption to be appropriate.

Principal activities

The principal activity of the Branch is to offer services as a depository for alternative investment funds and mutual funds. There has been no significant change in the activities undertaken by the Company during the year.

Turnover was NOK20,380,565 (2022: NOK23,092,700) and Profit before income tax was NOK4,681,465 (2022: NOK8,815,156) during the year.

Business review

The Company is a branch of Northern Trust Global Services SE, 10 Rue du Chateau d'Eau, LU-3364, Leudelange, Luxembourg. ("the Parent"). The ultimate parent is Northern Trust Corporation ("the Group"), which is listed on the NASDAQ in New York City, New York, USA.

Results and Distributions

The financial statements for the year ended 31 December 2023 are set out on pages 5 - 7. The profit on ordinary activities after tax for the year was NOK3,500,866 (2022: NOK6,604,167). Net cash flow from operating activities for the year was NOK9,274,474 (2022: NOK51,892,515). All adjustments made to the profit on ordinary activities after tax for the year to arrive at the net cash flow from operating activities for the year are disclosed in the statement of cashflows on page 9.

The total comprehensive income for the year to 31 December 2023 amounted to NOK3,500,866 (2022: NOK6,604,167).

A distribution in the amount of NOK2,000,000 was made from the branch to the parent (NTGS SE Luxembourg) on 21 December 2023 (2022: NOK10,000,000.). The purpose of this transaction was to minimize the foreign currency (NOK) exposure of the parent in the branch.

Branch Manager

The Branch Manager who served during the year was:

Mr. R. V. L Stenmark

The Branch has taken out insurance in respect of the Branch Manager's potential liability to the Northern Trust Corporation and third parties.

Principal risks and uncertainties

The Branch's exposure to risk, include climate risk and the potential adverse effects of climate change on the organisation as well as the risk and uncertainties that arise from operational risk due to the political and economic uncertainty surrounding the conflicts between Russia and Ukraine and Israel and Palestine. The Branch currently has limited exposure to financial risk (credit, liquidity and market risk). The Branch has one client and fee receivables are driven by this client. The Branch is funded by the Parent. The parent company is regulated by the Commission de Surveillance du Secteur Financier ("CSSF") in Luxembourg). The Branch's financial risk management policies and objectives are detailed in Note 18 to the financial statements.

Future developments

It is the intention of the Branch Manager to continue to develop the current activities of the Branch.

Statement of relevant audit information

The Branch Manager at the time when this Management Report is approved has confirmed that:

- so far as the Branch Manager is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the Branch Manager has taken all the steps that ought to have been taken as a Branch Manager in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.



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Northern Trust Global Services SE Norway Branch

External environment

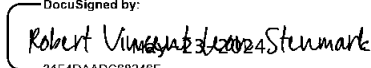
The Branch's commitment to its corporate social responsibilities around safeguarding the environment and climate change are in line with that of the Parent and wider Group.

Working environment

In line with that of the Parent and wider Group, the Branch's goal is to create a positive working environment and develop a sound corporate culture marked by openness, tolerance and high ethical standards. The Branch is committed to promote an environment free from any discrimination. The Branch currently has 4 employees (2 male, 2 female) and in line with the Parent and wider Group, operates on the basis of equal opportunities for employment and promotion regardless of gender. There were no instances of damages to material or people during the year.

Post balance sheet events

There have been no significant events affecting the Branch since the year end.

DocuSigned by:

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Mr. R. V. L. Stenmark
Branch Manager



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INDEPENDENT AUDITOR'S REPORT TO THE BRANCH MANAGERS OF NORTHERN TRUST GLOBAL SERVICES SE NORWAY BRANCH



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INDEPENDENT AUDITOR'S REPORT TO THE BRANCH MANAGERS OF NORTHERN TRUST GLOBAL SERVICES SE NORWAY BRANCH (continued)



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Northern Trust Global Services SE Norway Branch

Profit and Loss Account For the Year Ended 31 December 2023

	Notes	2023 NOK	2022 NOK
Turnover	4	20,380,565	23,092,700
Administrative expenses	5	(11,616,904)	(9,558,219)
Staff costs	6	(4,040,392)	(4,712,637)
Other operating income		(382)	4,424
Operating Profit		4,722,887	8,826,268
Interest income and similar income	7	-	-
Interest expense and similar charges	8	(41,422)	(11,112)
Profit on Ordinary Activities before Tax		4,681,465	8,815,156
Tax on profit	11	(1,180,599)	(2,210,989)
Profit for the Financial Year		3,500,866	6,604,167

Statement of Other Comprehensive Income For the Year Ended 31 December 2023

	2023 NOK	2022 NOK
Profit for the year	3,500,866	6,604,167
Total comprehensive income for the year	<u>3,500,866</u>	<u>6,604,167</u>

The notes on pages 8 to 22 form part of these financial statements.



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Northern Trust Global Services SE Norway Branch



Balance Sheet As at 31 December 2023

	Notes	2023 NOK	2022 NOK
Assets			
Tangible fixed assets	12	1,686,881	702,883
Debtors	13	4,277,984	2,228,451
Cash and cash equivalents	14	48,183,149	41,744,860
Total assets		54,148,014	44,676,194
Liabilities			
Creditors: amounts falling due within one year	15	53,084,888	45,113,934
Equity			
Retained earnings	16	1,063,126	(437,740)
Total liabilities and equity		54,148,014	44,676,194

The financial statements were approved and authorised for issue by the Branch Manager:

DocuSigned by:

Robert Vinje L. Stenmark

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Mr. R. V. L. Stenmark
Branch Manager

Date: 23 May 2024

The notes on pages 8 to 22 form part of these financial statements.



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Northern Trust Global Services SE Norway Branch

Statement of Cash Flows For the year ended 31 December 2023

		For the Year Ended 31 December 2023	For the Year Ended 31 December 2022
		NOK	NOK
Cash flows from operating activities	Note		
Profit for the financial year		3,500,866	6,604,167
Adjustments to reconcile profit for the financial year to net cash flows:			
Depreciation	12	804,665	665,224
Lease interest expense	8,12	41,422	11,112
Taxation	11	1,180,599	2,210,989
		<u>5,527,552</u>	<u>9,491,492</u>
Changes in operating assets and liabilities:			
Trade and other receivables	13	(1,969,501)	16,517,593
Prepayments	13	(77,556)	57,618
Trade and other payables	15	(478,616)	(2,434,123)
Amounts due to/from group undertakings	19	8,479,054	29,252,671
Payment of corporation tax	11	(2,206,459)	(992,736)
		<u>9,274,474</u>	<u>51,892,515</u>
Net cash from operating activities			
Cash flows from investing activities			
Purchase of property and equipment		-	-
Net cash used in investing activities		-	-
Cash flows from financing activities			
Distribution to Parent	17	(2,000,000)	(10,000,000)
Payments for the principal portion of the lease liability	12	(836,185)	(670,086)
Net cash used in financing activities		<u>(2,836,185)</u>	<u>(10,670,086)</u>
Net increase in cash and cash equivalents		6,438,289	41,222,429
Cash and cash equivalents at beginning of the year		<u>41,744,860</u>	<u>522,431</u>
Cash and cash equivalents at end of the year	14	<u><u>48,183,149</u></u>	<u><u>41,744,860</u></u>

Statement of Changes in Equity For the year ended 31 December 2023

		2023	2022
	Note	NOK	NOK
Opening equity at the beginning of the year		(437,740)	2,958,093
Profit for the financial year	16	3,500,866	6,604,167
Distribution to parent	17	(2,000,000)	(10,000,000)
Closing equity at the end of the year	16	<u><u>1,063,126</u></u>	<u><u>(437,740)</u></u>



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Northern Trust Global Services SE Norway Branch

Notes to the Financial Statements For the year ended 31 December 2023

1 Organisation and its activities

The Northern Trust Global Services SE Norway Branch ("the Branch") is a Norwegian Registered Foreign Company (Norskregistrert utenlandsk foretak) registered with the Brønnøysund Register Centre (Brønnøysundregistrene) Registration No. B232281 on 15 December 2020.

The Branch's registered office is located at the following address: Third Floor, Haakon VII's gate 6, Oslo 0161, Norway. The Branch is a branch of Northern Trust Global Services SE, 10 Rue du Chateau d'Eau, LU-3364, Leudelange, Luxembourg. ("the Parent"). The ultimate parent is Northern Trust Corporation ("the Group"), which is listed on the NASDAQ in New York City, New York, USA.

The principal activity of the Branch is to offer services as a depository for alternative investment funds and mutual funds. These Financial Statements have been prepared for the year ended 31 December 2023.

2 Accounting policies

2.1 Basis of preparation of financial statements

The accompanying financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) which are approved by the EU and adopted in Norway pursuant to IFRS regulations and the Norwegian Accounting Act.

Transfer pricing

The determination of transfer pricing is made using an "arm's-length" standard that tests what would have occurred in comparable circumstances between comparable, unrelated taxpayers. Judgement is required with regards to the appropriate methodology and verification of reasonableness. Further details are contained in Note 5.

2.2 Basis of measurement

The financial statements have been prepared on historical cost basis using the accrual basis of accounting and the going concern assumption.

2.3 Foreign currency translation

Functional and presentation currency

The Branch's functional currency is Norwegian Krone, which is denoted by the symbol NOK. The presentation currency of these financial statements is also Norwegian Krone.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each year end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses are presented in the Profit and Loss Account within 'other operating income'.



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Northern Trust Global Services SE Norway Branch

Notes to the Financial Statements For the year ended 31 December 2023

2.4 Revenue recognition

Fee income from contracts with customers is measured based on the consideration specified in a contract with a customer. The Branch recognises revenue when it transfers control over a service to a customer. Such revenue is recognised over time as the services are provided.

Fees are a function of the market value of assets serviced, the volume of transactions, and fees for other services rendered as set forth in the underlying client agreement. This revenue recognition involves the use of estimates and assumptions, including components that are calculated based on estimated asset valuations and transaction volumes.

Once the Branch determines that a performance obligation is satisfied over time, it measures its progress toward completion to determine the timing of revenue recognition. Revenue from each identified performance obligation is recognised over time using the output method. The output method recognises revenue on the basis of direct measurements of the value to the customer of the goods or services transferred to date, relative to the remaining goods or services promised under the contract.

2.5 Operating Expenses

The Branch follows accrual basis method of accounting to record the operating expenses and recognised expenses in the year in which they are incurred.

2.6 Payables and accruals

Accrued expenses and other liabilities are recognised for amounts to be paid in the future for goods or services received, whether billed by the service provider or not.

2.7 Interest receivable and interest payable

Interest income and expense for all interest-bearing financial instruments, including negative interest are recognised in 'Interest receivable and similar income' and 'Interest expense' in the Income Statement using the effective interest rates of the financial assets or financial liabilities to which they relate.

The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments received or paid on a financial asset or liability through its expected life or where appropriate, a shorter year, to the net carrying amount of the financial asset or financial liability. The effective interest rate includes all estimated cash flows considering the contractual terms of the financial instrument, but excludes the risk of future credit losses.

2.8 Taxation

Tax is recognised in the Profit and Loss Account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Branch operates and generates income.

2.9 Financial instruments

Classification

On initial recognition, a financial asset is classified and measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). It is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- the asset is held in a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the asset give rise to cash flows that are solely payments of principal and interest.

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated at FVTPL:

- the asset is held in a business model whose objective is both to hold assets to collect contractual cash flows and sell financial assets; and
- the contractual terms of the asset give rise to cash flows that are solely payments of principal and interest.



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Northern Trust Global Services SE Norway Branch

Notes to the Financial Statements For the year ended 31 December 2023

2.9 Financial instruments (continued)

For equity instruments not held for trading, the Branch has the option to elect to measure the instrument at FVOCI at the time of initial recognition. The Branch made no such elections. All other financial assets are measured at FVTPL. The Branch may also designate a financial asset as FVTPL if doing so eliminates or significantly reduces an accounting mismatch. The Branch has made no such designations.

Financial liabilities are measured at amortised cost except for financial liabilities at FVTPL. Such liabilities include derivatives.

Business model assessment

The Branch utilises the Group framework when assessing the business model. This assessment is done at the portfolio level in the same manner that performance is reported. Information considered in this assessment includes stated policies and objectives for the portfolio and Group strategy; how performance is evaluated and reported; risks that impact the business model and how those risks are managed; and the frequency, volume, timing and reasons for sales in prior years. Instruments are not reclassified unless a business model for managing the assets has changed.

The Group's Asset and Liability Management Policy governs the management of different portfolios of financial assets. Per the Asset and Liability Management Policy, investments are made primarily for the purpose of maintaining high quality securities, managing interest rate risk, providing a temporary investment of excess funds, or providing interest income. The Asset and Liability Management Policy states that the assets considered as held to collect contractual cash flows can only consist of those investments purchased with the intent and ability to hold to maturity in order to meet one or more of the previously listed portfolio objectives. The Branch determined the business model's objective is satisfied by holding investments to collect contractual cash flows. All financial instruments fall within this business model.

Solely payments of principal and interest ("SPPI") assessment

Principal is defined as the fair value of the financial asset at initial recognition. Interest is defined as consideration for the time value of money, credit risk, other basic lending risks and costs, and a reasonable profit margin. The evaluation of whether cash flows are solely payments of principal and interest is based on the contractual terms of the instrument. The Branch considers whether contractual terms could change the timing or amount of cash flows so they are not solely payments of principal and interest. These features may include leverage features, prepayment or extension features, non-recourse arrangements, and periodic resets of interest rates.

All of the Branch's financial instruments have contractual terms that produce cash flows that are solely payments of principal and interest. The Branch considered interest rates, call options, redemption prices, seniority rankings, etc. in this evaluation before concluding instruments pass the SPPI test.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances.

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses. Trade debtors include depositary fees receivable, rental security deposits and prepayments.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Offsetting

Financial assets and liabilities are offset and are reported net in the balance sheet when there is a legally enforceable right to set off the recognized amounts and when the Branch intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.



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Northern Trust Global Services SE Norway Branch

Notes to the Financial Statements For the year ended 31 December 2023

2.10 Impairment

The Branch's financial assets at amortised cost consist of cash and cash equivalents and depositary fees receivables.

The Branch recognises loss allowances for Expected Credit Losses ("ECLs") on the following financial instruments that are not measured at FVTPL:

- Cash and cash equivalents and
- Depositary fee receivables.

The Branch measures loss allowances at an amount equal to 12-month ECLs for cash and cash equivalents that have not experienced a significant increase in credit risk since initial recognition.

12-month ECLs refer to the portion of ECLs that result from default events on a financial instrument that are possible within 12 months of the reporting date. Lifetime ECLs result from all possible default events over the expected life of a financial instrument.

Credit impaired financial assets

At each reporting date, the Branch assesses whether financial assets at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

- Significant financial difficulty of the issuer;
- A breach of contract, such as a default or past due event;

It may not be possible to identify a single discrete event and the combined effect of several events may have caused financial assets to become credit impaired.

Determining significant increases in credit risk

In determining whether an instrument has experienced a significant increase in credit risk, the Branch considers reasonable and supportable information available without undue cost or effort. This includes historical experience and forward-looking information.

The Branch assigns an internal borrower rating to each of its counterparties which reflects the creditworthiness of the counterparty. Borrower ratings are assigned according to the Credit Policy and account for quantitative and qualitative aspects of the counterparty's financial health. A borrower rating of one is the strongest and of nine is the weakest.

Borrower ratings are assigned at the time an obligor or obligation is approved and are reviewed and updated, if necessary, no less than annually for each counterparty and sooner if material information on a counterparty becomes available. The Branch determines a significant increase in credit risk has occurred if a borrower rating that previously fell inside a generally understood definition of high credit quality is updated to fall outside that range.

Debt securities with borrower ratings between one and three (inclusive) are mapped to external agencies investment grade and are determined to have low credit risk (Moody's rating of Baa3 or higher or S&P rating of BBB- or higher). Loans and general custody overdrafts with borrower ratings between one and five (inclusive) are mapped to Federal Deposit Insurance Corporation's loan classification ratings that are not adversely classified and are determined to have low credit risk.

For non-investment grade exposures that do not meet the investment grade low credit risk simplifications, indicators of a significant increase in credit risk may include an increase in a counterparty's borrower rating, whether the exposure is over 30 days past due, or if the counterparty is on the Branch's watch list. Quantitative and qualitative criteria include a significant increase in the credit spread; significant adverse changes in the business, financial, or economic conditions in which the obligor operates; actual or expected forbearance or restructuring; significant change in the collateral value which is expected to increase the risk of default; or early signs of cash flow or liquidity issues.

The Branch utilizes a simplified approach for assessing credit losses related to its fee receivables. Under this simplified approach, the Branch applies a matrix whereby reserves are calculated based on ratios specific to defined ageing buckets. These ratios are developed based on an analysis of historical data and are reviewed and updated to reflect changes in data and collectability of future cash flows with separate forward-looking adjustments for individual client



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Northern Trust Global Services SE Norway Branch

Notes to the Financial Statements For the year ended 31 December 2023

2.10 Impairment (continued)

circumstances on a case-by-case basis. There is a rebuttable presumption that exposures that are more than 30 days past due have experienced a significant increase in credit risk, however the Branch applies a 0% reserve provision for trust fee receivables outstanding less than 150 days as they historically have never experienced a credit loss, and delays in payment are operational in nature and not due to credit deterioration of clients.

The Branch considers a financial asset to be in default when one or more of the following events occur:

- A credit loss event associated with any obligation occurs (e.g. charge-off, distressed restructuring involving forgiveness or postponement of principal, interest or fees);
- The obligor has filed for bankruptcy or similar protection;
- The obligor's borrower rating is downgraded to eight or nine; or

Measuring ECLs

The key inputs into the measurement of the ECLs are the probability of default, loss given default, and exposure at default. Probability of default and loss given default vary by the type of exposure, asset class and geography of the financial instruments. Probability of Default and loss given default are estimated based on historical data from external sources and internal subject matter expertise. These factors are derived by applying quarterly macroeconomic projections using models developed from historical data on macroeconomic factors and financial assets with similar factors.

Exposure at default represents the current exposure amount in the case of a default (for financial assets, this is the carrying value of the asset).

Subject to using a maximum 12-month probability of default for financial assets where credit risk has not significantly increased, the Branch calculates ECLs considering the risk of default over the maximum contractual period it is exposed to credit risk.

The Branch determines an asset is credit impaired when factors described above lead to a lowering of the counterparty's borrowing rating to 9 (default levels). These assets are considered credit-impaired and are measured at lifetime ECLs.

Presentation of ECL allowances

Loss allowances on financial assets measured at amortised cost are presented as a deduction from the gross carrying amount of the assets. Loss allowances on off-balance sheet financial liabilities are generally recognised as a liability. Loss allowances on financial instruments at FVOCI are disclosed and recognised in the Statement of Comprehensive Income.

Non-financial assets

The carrying amounts of the Branch's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

In respect of other assets, impairment losses recognised in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.



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Northern Trust Global Services SE Norway Branch

Notes to the Financial Statements For the year ended 31 December 2023

2.11 Leases (as a lessee)

The Branch recognises a "right-of-use" ("ROU") asset and a lease liability at lease commencement date for all leases [except for those with a lease term of 12 months or less for which the short-term lease exemption is applied]. The lease liability is measured at the present value of the lease payments that are not paid at lease commencement and discounted using the Branch's incremental borrowing rate. The ROU asset is initially measured at an amount equal to the lease liability, adjusted for any initial direct costs incurred and any lease payments made or incentives received before the commencement date.

The Branch will present the interest expense on the lease liability and depreciation charge for the ROU asset separately in the statement of profit or loss. The ROU asset is depreciated using the straight-line method from the commencement date.

The Branch presents ROU assets in "non-current assets" and lease liabilities in "non-current liabilities" on the Balance Sheet.

2.12 Provisions

A provision is recognised in the balance sheet when the Branch has a present legal or constructive obligation as a result of a past event, that can be reliably measured and represents a probable outflow of economic benefits that will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

2.13 Mandatory occupational pension

The Branch has a pension scheme which covers a total of 4 persons. The defined contribution scheme is expensed on a monthly basis to DNB Livsforsikring AS. The Branch's pension scheme meets the requirements of the law on compulsory occupational pension. Expenses relating to the defined-contribution scheme including employer's social security contributions during the year were NOK326,442 (2022: NOK285,547).

3 Standards and interpretations in issue but not yet effective

Certain standards, amendments and interpretations were in issue at the date of authorisation of these financial statements, but not yet effective, and therefore were not applied in these financial statements.

The impact of the adoption of these standards is currently being assessed; however, the Branch Managers anticipates that the adoption of these standards, amendments and interpretations in future periods will not have a significant impact on the financial statements of the Branch.

4 Turnover

	2023	2022
	NOK	NOK
Revenue from contracts with customers (All fees currently derived from Norway based clients)	<u>20,380,565</u>	<u>23,092,700</u>

Depositary fees

Depositary fees comprise of revenues from our core asset servicing business for providing depositary related services primarily to Asset Managers and Fund Managers.

Performance obligations

Customers are billed in arrears either monthly or quarterly, based on the fee arrangement agreed. The payment terms will vary depending on the client and services offered.

All revenues generated from contracts with customers are recognised on an accrual basis, over the year in which services are provided. The nature of the Branch's performance obligations is to provide a series of distinct services in which the customer simultaneously receives and consumes the benefits of the promised services as they are performed. Fee arrangements are mainly comprised of variable amounts based on market value of client assets serviced, transaction volumes and number of accounts.



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Northern Trust Global Services SE Norway Branch

Notes to the Financial Statements For the year ended 31 December 2023

4 Turnover (continued)

Performance obligations (continued)

Revenues accruals are recognized using the output method to an amount that reflects the consideration the Branch expects to be entitled to in exchange for providing each month or quarter of service. The revenue recognition involves the use of estimates and assumptions, including components that are calculated based on estimated asset valuations and transaction volumes.

5 Administrative expenses

	2023	2022
	NOK	NOK
Transfer pricing	9,617,943	7,275,257
Occupancy expenses	842,615	724,766
Equipment expenses	119,038	170,235
Business promotion	113,402	63,252
Outside services	236,388	830,556
Software expenses	159,595	174,083
Other operating expenses	527,923	320,070
	<u>11,616,904</u>	<u>9,558,219</u>

Transfer pricing

Transfer pricing generally refers to the determination of compensation for transactions conducted between commonly controlled taxpayers. The determination of an appropriate level of compensation is relevant for all transactions between affiliates for the provision of services, the utilisation of intellectual property and / or intercompany financing. This determination is made using an "arm's-length" standard that tests what would have occurred in comparable circumstances between comparable, unrelated taxpayers.

The Northern Trust Group's ("the Group") global transfer pricing methodology uses a residual profit split approach that allocates profit by providing appropriate recognition of each entity's contribution, revenues and expenses, its function in the Group, and its assets and risk profile. The framework also accounts for the fact that each Group service line may engage multiple affiliates to perform functions of varying complexity and value.

The residual profit split methodology framework starts with Group global revenue which is first used to reimburse most direct costs of affiliates with a routine margin. The remaining profit is then split into product related profit pools which are in turn allocated to affiliates, such as the Branch, using product specific allocation keys. The allocation keys are reflective of the economics of the Group's lines of business. The determination of the allocation keys begins with an evaluation of the metrics that represent contributions made by the various entities with respect to each product line. Allocation keys will be reassessed periodically to ensure that these continue to be representative.

	2023	2022
	NOK	NOK
Profit and Loss Account		
Amounts transferred to global transfer pricing pool	(20,328,218)	(23,097,123)
Re-imburements of expenses, plus mark-up	6,993,481	8,048,864
Profit pool allocation	3,716,794	7,773,002
Transfer pricing allocation for the Branch	<u>(9,617,943)</u>	<u>(7,275,257)</u>



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Northern Trust Global Services SE Norway Branch

Notes to the Financial Statements For the year ended 31 December 2023

6 Staff costs

	2023 NOK	2022 NOK
Wages & Salaries	2,945,290	3,566,800
Pension Costs	326,442	285,547
Social Security Contributions	547,392	584,338
Other employee benefits	188,949	238,264
Other staff costs	32,319	37,688
	<u>4,040,392</u>	<u>4,712,637</u>

The Company has 4 employees at 31 December 2023.

7 Interest income and similar income

	2023 NOK	2022 NOK
Bank interest receivable on deposits outside the Northern Trust Group	<u>-</u>	<u>-</u>

8 Interest expense and similar charges

	2023 NOK	2022 NOK
Bank interest payable on deposits outside the Northern Trust Group	<u>41,422</u>	<u>11,112</u>

9 Auditor's remuneration

Audit fees are accrued for and paid centrally by the ultimate parent The Northern Trust Company ("the Group"). Fees in respect of the 2023 audit amount to NOK317,008.

10 Benefits to Senior Officers

Total remuneration to the Branch Manager for the year was NOK2,084,593 (2022: NOK2,183,281). This amount is inclusive of Gross Salary, Pension Costs and Car Allowance.



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Northern Trust Global Services SE Norway Branch



Notes to the Financial Statements For the year ended 31 December 2023

11 Taxation

	31 December 2023	31 December 2022
	NOK	NOK
Current tax		
Current year	1,183,074	2,221,648
Deferred tax		
IFRS16 Leases	(2,475)	(10,659)
Total tax charge	1,180,599	2,210,989

Factors affecting tax charge for the year

The tax assessed for the year is the standard rate of corporation tax in Norway of 25%. The differences are explained below:

	31 December 2023	31 December 2022
	NOK	NOK
Profit on ordinary activities before tax	4,681,465	8,815,156
Profits on ordinary activities multiplied by the current rate of corporation tax of 25%	1,170,366	2,203,789
Total tax		
Effects of:		
Temporary differences	-	(12,567)
Permanent differences	5,655	-
Adjustments to tax in respect of prior periods	4,578	19,767
Tax charge for the year	1,180,599	2,210,989

Deferred tax assets

	31 December 2023	31 December 2022
	NOK	NOK
Recognised deferred tax assets and liabilities		
IFRS16 Leases	13,135	10,659
	13,135	10,659



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Northern Trust Global Services SE Norway Branch

Notes to the Financial Statements For the year ended 31 December 2023

11 Taxation (continued)

Movement in deferred tax during the year

	1 January 2023 NOK	Recognised in income NOK	31 December, 2023 NOK
IFRS16 Leases	10,659	2,476	13,135
	<u>10,659</u>	<u>2,476</u>	<u>13,135</u>

12 Tangible fixed assets

Tangible Fixed Assets consist entirely of a longterm leasehold property.

The Branch leases floor space at the office building at Third Floor, Haakon Vlls gate 6, Oslo 0161, Norway. The Branch entered into the lease agreement on 23 October 2020.

	31 December, 2023 NOK
ROU assets	
Balance as at 31 December, 2022	702,883
Additions during the year	1,788,663
Disposals during the year	-
Depreciation charge for the year	(804,665)
Carrying amount of ROU asset as at 31 December 2023	<u>1,686,881</u>
	31 December, 2023 NOK
Maturity analysis of lease liabilities	
Less than 1 year	886,759
1 to 5 years	852,661
More than 5 years	-
Total undiscounted lease liabilities at 31 December 2023	<u>1,739,420</u>
	31 December, 2023 NOK
Amounts recognised in profit and loss	
Interest on lease liabilities	41,422
Depreciation charge for ROU assets	804,665
Total amounts recognised in profit and loss at 31 December, 2023	<u>846,087</u>



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Northern Trust Global Services SE Norway Branch

Notes to the Financial Statements For the year ended 31 December 2023

12 Tangible fixed assets (continued)

	31 December, 2023
	NOK
Lease liabilities included in the Balance Sheet at 31 December	
Balance as at 1 January	745,520
Lease additions	1,788,663
Rental payments	(836,185)
Interest on lease liabilities (note 8)	41,422
Balance as at 31 December	<u>1,739,420</u>

13 Debtors (amounts falling due within one year)

	31 December, 2023	31 December, 2022
	NOK	NOK
Trust and other service fee receivables	3,976,599	2,007,098
Prepaid expenses	288,249	210,694
Amounts owed by group companies	-	-
Deferred tax	13,136	10,659
	<u>4,277,984</u>	<u>2,228,451</u>

The amounts owed by group undertakings are unsecured, non-interest bearing and repayable on demand.

14 Cash and cash equivalents

	31 December, 2023	31 December, 2022
	NOK	NOK
Balances with Banks outside the Northern Trust Group	<u>48,183,149</u>	<u>41,744,860</u>

15 Creditors (amounts falling due within one year)

	31 December, 2023	31 December, 2022
	NOK	NOK
Lease Liability	1,739,420	745,520
Amounts due to group undertakings	48,699,328	40,220,273
Accrued expenses	1,467,644	1,946,260
Taxation	1,178,496	2,201,881
	<u>53,084,888</u>	<u>45,113,934</u>

The amounts owed to group undertakings are unsecured, non-interest bearing and payable on demand.



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Northern Trust Global Services SE Norway Branch

Notes to the Financial Statements For the year ended 31 December 2023

16 Equity

	31 December, 2023 NOK	31 December, 2022 NOK
Profit and loss account		
Profit and loss account for the beginning of the year	(437,740)	2,958,093
Profit for the financial year	3,500,866	6,604,167
Distribution to Parent (note 17)	(2,000,000)	(10,000,000)
Retained profit at the end of the year	1,063,126	(437,740)

At 31 December 2023, the Branch had a positive reserves position of NOK1,063,126. The negative reserves position of NOK(437,740) at 31 December 2022 was not indicative of any inability of the Branch to continue as a going concern. It was driven by an overestimation of the distribution made to the parent (NTGS SE Luxembourg) in December 2022.

17 Distribution to parent

A distribution in the amount of NOK2,000,000 was made from the branch to the parent (NTGS SE Luxembourg) on 21 December 2023. The purpose of this transaction was to minimize the foreign currency (NOK) exposure of the parent in the branch.

18 Risk management

At the Corporate level, Northern Trust defines risk appetite as the amount and types of risk that it is willing to assume in its exposures and business activities to achieve its strategic and financial objectives. Risk appetite is a methodology to measure Northern Trust's willingness to take risk and reflects Northern Trust's tolerance of certain levels of risk exposures as measured at the enterprise and business level, as applicable. Northern Trust's Corporate Risk Appetite Statement reflects expectation that risk is consciously considered as part of day-to-day activities and strategic decisions. Northern Trust manages its business activities consistent with the risk appetite statement, in which specific guidelines are detailed for credit, operational, fiduciary, compliance, market, liquidity, and strategic risk.

This note presents information about the Branch's exposure to each of the above risks, the Branch 's objectives, policies and processes for measuring and managing risk, and the Branch 's management of capital.

Risk management framework

Risk management is the responsibility of the Branch Manager. The Branch Manager utilises the framework of its ultimate parent, the Northern Trust Corporation ("NTC" or "Northern Trust"), which has a global structure and process for risk management. Local risk management, by the Branch Manager and local risk oversight committees, use this global corporate risk structure. Policies are validated and approved locally and the local risk organisation is structured to provide the Branch's Board with the necessary risk reporting and oversight to satisfy their responsibilities.

The Branch's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the financial business, and the operational risks are an inevitable consequence of being in business. The Branch aims to achieve an appropriate balance between risk and return and to minimise potential adverse effects on the Branch's financial performance.

Credit risk

Loss allowances on financial assets measured at amortised cost are presented as a deduction from the gross carrying amount of the assets. At 31 December 2023, the impairment losses calculated in respect of the Branch's financial assets was for 2023 NOK23,593 (2022: NOK337).

Credit risk exposure

The counterparties used for investment of surplus cash are highly credit worthy financial institutions and placements are limited to a maximum tenor of 3 months. Cash and cash equivalents are of very short duration, therefore determining whether there is a significant increase in credit risk is not necessary for these exposures. They are therefore measured at 12 month ECLs.



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Northern Trust Global Services SE Norway Branch

Notes to the Financial Statements For the year ended 31 December 2023

18 Risk management (continued)

Credit risk exposure (continued)

For depositary fee receivables the simplified approach to recognising impairment is applied. The depositary fee receivables ageing is laid out in the following:

	2023	2023
	Lifetime ECL not credit impaired	Total
Trust fee receivables	NOK	NOK
Ageing		
0-149 days	3,904,335	3,904,335
150-364 days	42,491	42,491
365+ days	53,366	53,366
	<u>4,000,192</u>	<u>4,000,192</u>
Impairment allowance	<u>(23,593)</u>	<u>(23,593)</u>
	<u>3,976,599</u>	<u>3,976,599</u>
	2022	2022
	Lifetime ECL not credit impaired	Total
Trust fee receivables	NOK	NOK
Ageing		
0-149 days	1,953,732	1,953,732
150-364 days	53,366	53,366
365+ days	-	-
	<u>2,007,098</u>	<u>2,007,098</u>
Impairment allowance	<u>-</u>	<u>-</u>
	<u>2,007,098</u>	<u>2,007,098</u>

Liquidity risk

Liquidity risk is the risk of not being able to raise sufficient funds or collateral to meet balance sheet and contingent liability cash flow obligations when due, because of firm-specific or market-wide events. Liquidity risk may result from the inability to sell a financial asset quickly at an amount close to its fair value. The Branch's liquidity risk is minimal as it does not take on customer deposits or trade as principal; liquidity risk is limited to the management of day to day operating expenses. Liquidity risk is managed by monitoring on a regular basis that sufficient funds are readily available to meet the Branch's future commitments.

The table below summarises the maturity profile of financial liabilities.

December 2023	Less than one year NOK	More than one year NOK	Total NOK
Liabilities			
Due to related parties	(48,699,328)	-	(48,699,328)
Accrued expenses and other liabilities	(2,646,140)	-	(2,646,140)
Leases	(886,759)	(852,661)	(1,739,420)
	<u>(52,232,227)</u>	<u>(852,661)</u>	<u>(53,084,888)</u>



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Northern Trust Global Services SE Norway Branch

Notes to the Financial Statements For the year ended 31 December 2023

18 Risk management (continued)

Liquidity risk (continued)

December 2022	Less than one year NOK	More than one year NOK	Total NOK
Liabilities			
Due to related parties	(40,220,273)	-	(40,220,273)
Accrued expenses and other liabilities	(4,148,141)	-	(4,148,141)
Leases	(745,520)	-	(745,520)
	<u>(45,113,934)</u>	<u>-</u>	<u>(45,113,934)</u>

Foreign exchange risk is defined as the potential for movements in foreign exchange to cause changes in the value of financial instruments. The Branch's transactions are principally in Norwegian Krone, Pound Sterling and US Dollar, other transactions in foreign currencies are not material. Currency risk is managed on regular basis. The Branch's currency exposures are set out below:

	31 December 2023 NOK
Euro	(21,702)
Norwegian Krone	(52,915,046)
Pound Sterling	-
US Dollar	(148,140)
Total	<u>(53,084,888)</u>
	31 December 2022 NOK
Norwegian Krone	(45,086,177)
Pound Sterling	(16,740)
US Dollar	(11,017)
Total	<u>(45,113,934)</u>

Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. It represents the potential that inadequate information systems, operating problems, inappropriate product design and delivery difficulties, or catastrophes will result in unexpected losses. The main components are generally referred to as business continuity, product/process, technology, and transaction risks.

The Branch's operational risk framework is subject to documented procedural policies, with senior management within the Group being responsible for the implementation and maintenance of these policies.

The Branch Manager regularly reviews the risks which are faced by the Company. The risk management processes and procedures are subject to periodic review by the Group's Internal Audit function.

Strategic risk

Strategic risk is the loss from the adverse effects of business decisions, improper implementation of business decisions, or the risk that internal or external forces impede the long-term plans of the business for growth, profitability and stability. Strategic risk within Northern Trust is managed and overseen at the Northern Trust Corporation level and at the Company level.



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Northern Trust Global Services SE Norway Branch



Notes to the Financial Statements For the year ended 31 December 2023

19 Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions, or one other party controls both. The definition includes Shareholders, the Northern Trust Corporation Group ("the Group"), its affiliated companies and key management personnel.

	31 December, 2023	31 December, 2022
	NOK	NOK
Amounts owed by group companies		
The Northern Trust Company, USA	-	-
	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
Amounts due to group undertakings		
NTGS SE, Luxembourg	1,284,419	2,208,635
NTGS SE, Sweden Branch	-	6,108
The Northern Trust Company, USA	1,262,607	2,297,092
The Northern Trust Company, London Branch	46,135,979	35,705,671
The Northern Trust Management Services, London	13,222	2,767
The Northern Trust Management Services, Ireland	3,101	-
	<u>48,699,328</u>	<u>40,220,273</u>

20 Post balance sheet events

There have been no material subsequent events which would require disclosure in the Branch's annual accounts as at 31 December 2023.

21 Ultimate parent undertaking

This entity is a branch of Northern Trust Global Services SE, 10 Rue du Chateau d'Eau, LU-3364, Leudelange, Luxembourg. ("the Parent").

The Branch's ultimate parent undertaking is Northern Trust Corporation incorporated in the USA. The largest group in which the results of the Branch are consolidated is that headed by the Northern Trust Corporation. The consolidated financial statements of Northern Trust Corporation are available to the public and may be obtained from 50 South La Salle Street, Chicago, Illinois, 60603, United States of America.

22 Approval of financial statements

The Branch Manager approved these financial statements for issue on 23 May 2024.



KPMG AS
Sørkedalsveien 6
P.O. Box 7000 Majorstuen
N-0306 Oslo

Telephone +47 45 40 40 63
Internet www.kpmg.no
Enterprise 935 174 627 MVA

To the owners of Northern Trust Global Services SE Norway Branch

Independent Auditor's Report

Opinion

We have audited the financial statements of Northern Trust Global Services SE Norway Branch (the Company), which comprise the balance sheet as at 31 December 2023, the profit and loss account, the statement of other comprehensive income, 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, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

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 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.

Other Information

The Managing Director (management) are responsible for the information in the Management report. 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 Management report.

In connection with our audit of the financial statements, our responsibility is to read the Management report. The purpose is to consider if there is material inconsistency between the Management report and the financial statements or our knowledge obtained in the audit, or whether the Management report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Management report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Management report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and for such internal control as

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Statsautoriserede revisorer - medlemmer av Den norske Revisorforening

Oslo	Elverum	Mo i Rana	Tromsø
Alta	Finnsnes	Molde	Trondheim
Arendal	Hamar	Sandefjord	Tynset
Bergen	Haugesund	Stavanger	Ulsteinvik
Bodo	Knarvik	Stord	Ålesund
Drammen	Kristiansand	Straume	



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 ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company 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 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 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 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.

We communicate with the Management 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.

Oslo, 23 May 2024
KPMG AS

Svein Arthur Lyngroth
State Authorised Public Accountant



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Northern Trust Global Services SE
3rd Floor, Haakon VII's Gate 6
0161 Oslo, Norway
+47 21 09 01 00 Tel
northerntrust.com



To KPMG, Attention Svein Arthur Lyngroth
Sørkedalsveien 6, 0369 Oslo

This representation letter is provided in connection with your audit of the financial statements of Northern Trust Global Services SE Norway Branch (subsequently "the Company") for the year ended 31 December 2023, for the purpose of expressing an opinion as to whether these financial statements give a true and fair view in accordance with IFRS (EU). Subsequently "the applicable framework". We confirm that the representations we make in this letter are in accordance with the definitions set out in the Appendix to this letter.

23.05.2024

We confirm that:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement, for preparation of financial statements that give a true and fair view in accordance with the applicable framework.
2. The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.
3. All events subsequent to the date of the financial statements and for which the applicable framework require adjustment or disclosure have been adjusted or disclosed.
4. The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole.

Information Provided

5. We have provided you with:
 - a) access to all information of which we are aware that is relevant to the preparation of the financial statements, such as records, documentation and other matters;
 - b) additional information that you have requested from us for the purpose of the audit; and
 - c) unrestricted access to persons within the Company from whom you determined it necessary to obtain audit evidence.
6. All transactions have been recorded in the accounting records and are reflected in the financial statements.
7. We confirm the following:
 - i. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

Included in the Appendix to this letter are the definitions of fraud, including misstatements arising from fraudulent financial reporting and from misappropriation of assets.
 - ii. We have disclosed to you all information in relation to:

Northern Trust Global Services SE Norway Branch, org. no. 925 952 567 (Foretaksregisteret), address: 3rd Floor, Haakon VII's Gate 6, 0161 Oslo, is a Norwegian branch of Northern Trust Global Services SE supervised by Finanstilsynet. Northern Trust Global Services SE, Registered office: 10 Rue du Château d'Eau L-3384 Leudelange Luxembourg, B232281 (Registre de Commerce et des Sociétés), is authorised and supervised as a credit institution by the ECB and CSSF. Subject to regulation in Norway by the Finanstilsynet.



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- a) Fraud or suspected fraud that we are aware of and that affects the Company and involves:
 - management,
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements.
- b) Allegations of fraud, or suspected fraud, affecting the Company's financial statements communicated by employees, former employees, analysts, regulators or others.

In respect of the above, we acknowledge our responsibility for such internal control as we determine necessary for the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In particular, we acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and error.

8. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements. Further, we have disclosed to you and have appropriately accounted for and/or disclosed in the financial statements in accordance with the applicable framework all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.
9. We have disclosed to you the identity of all related parties and all the related party relationships and transactions of which we are aware and all related party relationships and transactions have been appropriately accounted for and disclosed in accordance with applicable framework.

Included in the Appendix to this letter are the definitions of both a related party and a related party transaction as we understand them and as defined in IAS 24

10. We confirm that we have fulfilled our duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Northern Trust Global Services SE Norway Branch

DocuSigned by:
Robert Vincent Leon Stenmark

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Robert Vincent Leon Stenmark
Branch Manager



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Appendix to the representation letter of Northern Trust Global Services SE Norway Branch

Definitions

The following definitions assume that IFRS Accounting Standards are the applicable financial reporting framework.

Financial Statements

IAS 1.10 states that “a complete set of financial statements comprises:

- (a) a statement of financial position as at the end of the period;
- (b) a statement of profit or loss and other comprehensive income for the period;
- (c) a statement of changes in equity for the period;
- (d) a statement of cash flows for the period;
- (e) notes, comprising material accounting policies and other explanatory information;
- (ea) comparative information in respect of the preceding period as specified in paragraphs 38 and 38A; and
- (f) a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements in accordance with paragraphs 40A–40D.

An entity may use titles for the statements other than those used in this Standard. For example, an entity may use the title 'statement of comprehensive income' instead of 'statement of profit or loss and other comprehensive income'.”

Material Matters

Certain representations in this letter are described as being limited to matters that are material.

IAS 1.7 and IAS 8.5 state the following:

Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.

Materiality depends on the nature or magnitude of information, or both. An entity assesses whether information, either individually or in combination with other information, is material in the context of its financial statements taken as a whole.

Information is obscured if it is communicated in a way that would have a similar effect for primary users of financial statements to omitting or misstating that information. The following are examples of circumstances that may result in material information being obscured:

- (a) information regarding a material item, transaction or other event is disclosed in the financial statements but the language used is vague or unclear;



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- (b) information regarding a material item, transaction or other event is scattered throughout the financial statements;
- (c) dissimilar items, transactions or other events are inappropriately aggregated;
- (d) similar items, transactions or other events are inappropriately disaggregated; and
- (e) the understandability of the financial statements is reduced as a result of material information being hidden by immaterial information to the extent that a primary user is unable to determine what information is material.

Assessing whether information could reasonably be expected to influence decisions made by the primary users of a specific reporting entity's general purpose financial statements requires an entity to consider the characteristics of those users while also considering the entity's own circumstances.

Many existing and potential investors, lenders and other creditors cannot require reporting entities to provide information directly to them and must rely on general purpose financial statements for much of the financial information they need. Consequently, they are the primary users to whom general purpose financial statements are directed. Financial statements are prepared for users who have a reasonable knowledge of business and economic activities and who review and analyse the information diligently. At times, even well-informed and diligent users may need to seek the aid of an adviser to understand information about complex economic phenomena.”

Fraud

Fraudulent financial reporting involves intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users. [ISA 240.A2]

Misappropriation of assets involves the theft of an entity's assets. It is often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorization. [ISA 240.A5]

Error

An error is an unintentional misstatement in financial statements, including the omission of an amount or a disclosure. [IFAC Glossary of Terms].

Prior period errors are omissions from, and misstatements in, the entity's financial statements for one or more prior periods arising from a failure to use, or misuse of, reliable information that:

- a) was available when financial statements for those periods were authorized for issue; and
- b) could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements.

Such errors include the effects of mathematical mistakes, mistakes in applying accounting policies, oversights or misinterpretations of facts, and fraud. [IAS 8.5]

Management

For the purposes of this letter, references to “management” should be read as “management and, where appropriate, those charged with governance”. [ISA 580.8]



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Related party

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to in IAS 24 *Related Party Disclosures* as the “reporting entity”).

- a) A person or a close member of that person’s family is related to a reporting entity if that person:
 - i) has control or joint control over the reporting entity;
 - ii) has significant influence over the reporting entity; or
 - iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- b) An entity is related to a reporting entity if any of the following conditions applies:
 - i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - iii) Both entities are joint ventures of the same third party.
 - iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
 - vi) The entity is controlled, or jointly controlled by a person identified in (a).
 - vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

[In recognition of the circumstances arising in certain countries whereby governments hold large investments in entities, and furthermore, as a result of government “bail-outs” and financial support provided to various entities, resulting from the economic downturn, revised IAS 24.25 states the following, in respect of government-related entities:]

A reporting entity is exempt from the disclosure requirements of IAS 24.18 in relation to related party transactions and outstanding balances, including commitments, with:

- a) a government that has control, joint control or significant influence over the reporting entity; and
- b) another entity that is a related party because the same government has control, joint control or significant influence over both the reporting entity and the other entity.

Related party transaction - A transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.



Our date 09.06.2022	Your date 12.05.2022	Case officer Vibeke Horne
800 80 000 skatteetaten.no	Your reference AR489141028	Telephone +4790518192
Org. nr. 974761076	Our reference 2022/5484251	Postal address Postboks 9200 Grønland 0134 OSLO

NORTHERN TRUST GLOBAL SERVICES SE NORWAY BRANCH
Third Floor, Haakon VII's gate 6
0161 OSLO

Callers from abroad, please call +47 22 07 70 00

Att. Robert Vincent Leon Stenmark

Permission to prepare the annual accounts and directors' report in English language for Northern Trust Global Services SE Norway Branch, org. no 925 952 567

With reference to your letter of 12 May 2022 with respect to the above matter regarding Northern Trust Global Services SE Norway Branch.

Based on a total evaluation, the view of the tax office is that Northern Trust Global Services SE Norway Branch may make the directors' report and annual accounts in English language according to the Norwegian Accounting Act § 3-4 third paragraph. The exemption requires that the information the decision is based on, does not change significantly.

A copy of this letter must be sent to the Register of Company Accounts in Brønnøysund together with the financial statements. It is incumbent on the company to document by this letter that the permit is granted.

Background

Northern Trust Global Services SE Norway Branch is a Norwegian branch of a foreign company and is part of an international group. The company offers onshore depositary services to Norwegian asset managers and asset owners.

Condition for the permission

According to the Norwegian Accounting Act § 3-4, third paragraph shall "the directors' report and annual accounts (...) be in Norwegian. The Ministry can in an individual decision decide that the directors' report and/or annual accounts may be in another language".

Ot. prp. nr. 42 (1997-1998) About Act about annual accounts etc., says the following about the purpose of the Accounting Act, refer section 1.1:

"The aim of the Government with respect to the Accounting Act is that it shall contribute towards providing informative accounts for different users of accounts. The users of accounts include investors and creditors, which provide capital for the companies. Other groups include those who have an interest in knowing how the companies are operated, for example employees and the local community. The information to the capital market is an important basis for the correct pricing of financial instruments. The



correct pricing of stocks is an important factor in securing the best possible allocation of resources in the economy. High quality accounts will also make it more difficult for market participants to obtain speculative gains as a result of non-publicly available information.”

One of the main goals of the Accounting Act is to contribute to “informative accounts for different users of accounts”. The users of the accounts will include investors, creditors, employees and the local community.

Hence, it is the view of the Ministry that it is crucial that the question of dispensation from the general rule that the annual accounts and/or directors’ report should be prepared in Norwegian, not in any significant way deviate from the consideration of users of the accounts.

As mentioned above it is particularly the consideration of the users of the account information, which has to be taken into consideration when considering the application for permission. In this assessment, the tax office has emphasized that the company is a Norwegian branch of a foreign company and is part of an international group. Furthermore, all key players and partners in this industry understand and use English.

Please state “our reference” (see above) in all written communication with the Norwegian Tax Authorities.

Yours sincerely,

Vibeke Horne
Adviser
Customer Interaction Division, Customer Service
The Norwegian Tax Administration

This document has been electronically approved and therefore has no handwritten signatures.