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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 10-Q**

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(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2023

or

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 001-00395



**NCR CORPORATION**

(Exact name of registrant as specified in its charter)

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**Maryland**  
(State or other jurisdiction of  
incorporation or organization)

**31-0387920**  
(I.R.S. Employer  
Identification No.)

**864 Spring Street NW**  
**Atlanta, GA 30308**  
(Address of principal executive offices) (Zip Code)

**Registrant's telephone number, including area code: (937) 445-1936**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	NCR	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Non-accelerated filer

Accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

As of April 21, 2023, there were approximately 140.4 million shares of the registrant's common stock issued and outstanding.

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**Part I. Financial Information**
**Item 1. FINANCIAL STATEMENTS**

**NCR Corporation**  
**Condensed Consolidated Statements of Operations (Unaudited)**

In millions, except per share amounts	Three months ended March 31	
	2023	2022
Product revenue	\$ 521	\$ 516
Service revenue	1,370	1,350
<b>Total revenue</b>	<b>1,891</b>	<b>1,866</b>
Cost of products	456	492
Cost of services	969	963
Selling, general and administrative expenses	292	313
Research and development expenses	64	65
<b>Total operating expenses</b>	<b>1,781</b>	<b>1,833</b>
<b>Income (loss) from operations</b>	<b>110</b>	<b>33</b>
Interest expense	(83)	(63)
Other income (expense), net	(3)	9
<b>Income (loss) from continuing operations before income taxes</b>	<b>24</b>	<b>(21)</b>
Income tax expense (benefit)	14	13
<b>Income (loss) from continuing operations</b>	<b>10</b>	<b>(34)</b>
Income (loss) from discontinued operations, net of tax	—	(1)
<b>Net income (loss)</b>	<b>10</b>	<b>(35)</b>
Net income (loss) attributable to noncontrolling interests	1	(1)
<b>Net income (loss) attributable to NCR</b>	<b>\$ 9</b>	<b>\$ (34)</b>
<b>Amounts attributable to NCR common stockholders:</b>		
Income (loss) from continuing operations	\$ 9	\$ (33)
Series A convertible preferred stock dividends	(4)	(4)
Income (loss) from continuing operations attributable to NCR common stockholders	5	(37)
Income (loss) from discontinued operations, net of tax	—	(1)
Net income (loss) attributable to NCR common stockholders	\$ 5	\$ (38)
<b>Income (loss) per share attributable to NCR common stockholders:</b>		
<b>Income (loss) per common share from continuing operations</b>		
Basic	\$ 0.04	\$ (0.27)
Diluted	\$ 0.04	\$ (0.27)
<b>Net income (loss) per common share</b>		
Basic	\$ 0.04	\$ (0.28)
Diluted	\$ 0.04	\$ (0.28)
<b>Weighted average common shares outstanding</b>		
Basic	139.6	135.7
Diluted	141.7	135.7

See Notes to Condensed Consolidated Financial Statements.

**NCR Corporation**  
**Condensed Consolidated Statements of Comprehensive Income (Unaudited)**

In millions	Three months ended March 31	
	2023	2022
Net income (loss)	\$ 10	\$ (35)
Other comprehensive income (loss):		
<b>Currency translation adjustments</b>		
Currency translation gains (loss)	4	(26)
<b>Derivatives</b>		
Unrealized gains (loss) on derivatives	(11)	57
Loss (gains) on derivatives recognized during the period	(19)	1
Less income tax	7	(13)
<b>Employee benefit plans</b>		
Amortization of prior service cost (benefit)	—	(1)
Amortization of actuarial loss (gains)	(1)	—
Less income tax	—	—
<b>Other comprehensive income (loss)</b>	<b>(20)</b>	<b>18</b>
<b>Total comprehensive income (loss)</b>	<b>(10)</b>	<b>(17)</b>
Less comprehensive income (loss) attributable to noncontrolling interests:		
Net income (loss)	1	(1)
Currency translation losses	(1)	—
<b>Amounts attributable to noncontrolling interests</b>	<b>—</b>	<b>(1)</b>
<b>Comprehensive income (loss) attributable to NCR</b>	<b>\$ (10)</b>	<b>\$ (16)</b>

See Notes to Condensed Consolidated Financial Statements.

**NCR Corporation**  
**Condensed Consolidated Balance Sheets (Unaudited)**

In millions, except per share amounts	March 31, 2023	December 31, 2022
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 519	\$ 505
Accounts receivable, net of allowances of \$37 and \$34 as of March 31, 2023 and December 31, 2022, respectively	1,009	1,083
Inventories	792	772
Restricted cash	257	228
Prepaid and other current assets	493	494
Total current assets	<u>3,070</u>	<u>3,082</u>
Property, plant and equipment, net	681	663
Goodwill	4,542	4,540
Intangibles, net	1,105	1,145
Operating lease assets	353	371
Prepaid pension cost	217	212
Deferred income taxes	595	598
Other assets	879	896
<b>Total assets</b>	<u>\$ 11,442</u>	<u>\$ 11,507</u>
<b>Liabilities and stockholders' equity</b>		
Current liabilities		
Short-term borrowings	\$ 105	\$ 104
Accounts payable	952	942
Payroll and benefits liabilities	223	207
Contract liabilities	631	537
Settlement liabilities	269	250
Other current liabilities	636	673
Total current liabilities	<u>2,816</u>	<u>2,713</u>
Long-term debt	5,406	5,561
Pension and indemnity plan liabilities	615	614
Postretirement and postemployment benefits liabilities	88	91
Income tax accruals	97	97
Operating lease liabilities	340	353
Other liabilities	317	324
<b>Total liabilities</b>	<u>9,679</u>	<u>9,753</u>
<b>Commitments and Contingencies (Note 10)</b>		
Series A convertible preferred stock: par value \$0.01 per share, 3.0 shares authorized, 0.3 shares issued and outstanding as of March 31, 2023 and December 31, 2022, respectively; redemption amount and liquidation preference of \$276 as of March 31, 2023 and December 31, 2022, respectively	275	275
<b>Stockholders' equity</b>		
NCR stockholders' equity		
Preferred stock: par value \$0.01 per share, 100.0 shares authorized, no shares issued and outstanding as of March 31, 2023 and December 31, 2022, respectively	—	—
Common stock: par value \$0.01 per share, 500.0 shares authorized, 140.1 and 138.0 shares issued and outstanding as of March 31, 2023 and December 31, 2022, respectively	1	1
Paid-in capital	727	704
Retained earnings	1,080	1,075
Accumulated other comprehensive loss	(319)	(300)
<b>Total NCR stockholders' equity</b>	<u>1,489</u>	<u>1,480</u>
Noncontrolling interests in subsidiaries	(1)	(1)
<b>Total stockholders' equity</b>	<u>1,488</u>	<u>1,479</u>
<b>Total liabilities and stockholders' equity</b>	<u>\$ 11,442</u>	<u>\$ 11,507</u>

See Notes to Condensed Consolidated Financial Statements.

**NCR Corporation**  
**Condensed Consolidated Statements of Cash Flows (Unaudited)**

In millions	Three months ended March 31	
	2023	2022
<b>Operating activities</b>		
Net income (loss)	\$ 10	\$ (35)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Loss (income) from discontinued operations	—	1
Depreciation and amortization	151	147
Stock-based compensation expense	32	34
Deferred income taxes	6	4
Loss (gain) on disposal of property, plant and equipment and other assets	2	2
(Gain) loss on divestiture	(3)	—
Changes in assets and liabilities, net of effects of business acquired:		
Receivables	63	(129)
Inventories	(45)	(77)
Current payables and accrued expenses	20	(63)
Contract liabilities	95	105
Employee benefit plans	(16)	(8)
Other assets and liabilities	2	57
<b>Net cash provided by operating activities</b>	<b>\$ 317</b>	<b>\$ 38</b>
<b>Investing activities</b>		
Expenditures for property, plant and equipment	\$ (19)	\$ (15)
Additions to capitalized software	(64)	(65)
Business acquisitions, net of cash acquired	(6)	(1)
Proceeds from divestiture, net	3	—
Other investing activities, net	—	(5)
<b>Net cash used in investing activities</b>	<b>\$ (86)</b>	<b>\$ (86)</b>
<b>Financing activities</b>		
Short term borrowings, net	\$ —	\$ 2
Payments on term credit facilities	(26)	(2)
Payments on revolving credit facilities	(448)	(279)
Borrowings on revolving credit facilities	318	312
Cash dividend paid for Series A preferred shares dividends	(4)	(4)
Proceeds from employee stock plans	6	6
Tax withholding payments on behalf of employees	(16)	(36)
Net change in client funds obligations	—	6
Principal payments for finance lease obligations	(5)	(4)
<b>Net cash provided by (used in) financing activities</b>	<b>\$ (175)</b>	<b>\$ 1</b>
<b>Cash flows from discontinued operations</b>		
Net cash provided by (used in) operating activities of discontinued operations	\$ (6)	\$ (4)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(10)	(6)
Increase (decrease) in cash, cash equivalents, and restricted cash	40	(57)
Cash, cash equivalents and restricted cash at beginning of period	740	749
<b>Cash, cash equivalents and restricted cash at end of period</b>	<b>\$ 780</b>	<b>\$ 692</b>

**Supplemental disclosures of noncash investing and financing activities** During the three months ended March 31, 2022, we issued shares of the Company's common stock and assumed unvested outstanding option awards in the acquisition of Moon Inc., dba LibertyX, for total non-cash consideration of \$68 million. In connection with the acquisition, we also assumed debt of \$2 million. Refer to Note 2, "Business Combinations", for additional information on the LibertyX acquisition.

See Notes to Condensed Consolidated Financial Statements.

**NCR Corporation**  
**Condensed Consolidated Statements of Changes in Stockholder's Equity (Unaudited)**

In millions	NCR Stockholders							
	Common Stock			Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive (Loss) Income	Non-Redeemable Noncontrolling Interests in Subsidiaries	Total
	Shares	Amount						
<b>December 31, 2022</b>	138	\$ 1	\$ 704	\$ 1,075	\$ (300)	\$ (1)	\$ 1,479	
Comprehensive income:								
Net income (loss)	—	—	—	9	—	1	10	
Other comprehensive income (loss)	—	—	—	—	(19)	(1)	(20)	
Total comprehensive income (loss)	—	—	—	9	(19)	—	(10)	
Employee stock purchase and stock compensation plans	2	—	23	—	—	—	23	
Series A convertible preferred stock dividends	—	—	—	(4)	—	—	(4)	
<b>March 31, 2023</b>	<b>140</b>	<b>\$ 1</b>	<b>\$ 727</b>	<b>\$ 1,080</b>	<b>\$ (319)</b>	<b>\$ (1)</b>	<b>\$ 1,488</b>	

In millions	NCR Stockholders							
	Common Stock			Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive (Loss) Income	Non-Redeemable Noncontrolling Interests in Subsidiaries	Total
	Shares	Amount						
<b>December 31, 2021</b>	132	\$ 1	\$ 515	\$ 1,031	\$ (291)	\$ 3	\$ 1,259	
Comprehensive income:								
Net income (loss)	—	—	—	(34)	—	(1)	(35)	
Other comprehensive income (loss)	—	—	—	—	18	—	18	
Total comprehensive income (loss)	—	—	—	(34)	18	(1)	(17)	
Employee stock purchase and stock compensation plans	3	—	19	—	—	—	19	
Stock issued in acquisition of LibertyX	1	—	68	—	—	—	68	
Series A convertible preferred stock dividends	—	—	—	(4)	—	—	(4)	
<b>March 31, 2022</b>	<b>136</b>	<b>\$ 1</b>	<b>\$ 602</b>	<b>\$ 993</b>	<b>\$ (273)</b>	<b>\$ 2</b>	<b>\$ 1,325</b>	

See Notes to Condensed Consolidated Financial Statements.



**NCR Corporation**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)**

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**1. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Condensed Consolidated Financial Statements have been prepared by NCR Corporation (“NCR”, the “Company”, “we” or “us”) without audit pursuant to the rules and regulations of the U.S. Securities and Exchange Commission (“SEC”) and, in the opinion of management, include all adjustments (consisting of normal, recurring adjustments, unless otherwise disclosed) necessary for a fair statement of the condensed consolidated results of operations, financial position, and cash flows for each period presented. The consolidated results for the interim periods are not necessarily indicative of results to be expected for the full year. The 2022 year-end Condensed Consolidated Balance Sheet was derived from audited financial statements, but does not include all disclosures required by accounting principles generally accepted in the United States (GAAP). These financial statements should be read in conjunction with NCR’s Form 10-K for the year ended December 31, 2022.

*Announcement of Planned Separation* On September 15, 2022, NCR announced a plan to separate into two independent, publicly traded companies – one focused on digital commerce, the other on ATMs. The separation is intended to be structured in a tax-free manner. The separation transaction will follow the satisfaction of customary conditions, including effectiveness of appropriate filings with the U.S. Securities and Exchange Commission, and the completion of audited financial statements. The current target is to complete the separation in the fourth quarter of 2023.

In connection with the planned separation into two independent, publicly traded companies, the restricted stock units and stock options of certain members of executive management, including our named executive officers, will be converted into restricted stock units and stock options of NCR (RemainCo) and NCR ATMCo (SpinCo) on the same basis as is applicable to our stockholders.

**Use of Estimates** The preparation of financial statements in accordance with GAAP requires management to make estimates and judgments that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenue and expenses during the period reported.

Although our estimates contemplate current and expected future conditions, as applicable, it is reasonably possible that actual conditions could differ from our expectations, which could materially affect our results of operations and financial position. In

**NCR Corporation**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)**

particular, a number of estimates have been and will continue to be affected by the ongoing variants of the coronavirus (COVID-19) pandemic, macroeconomic pressures and geopolitical challenges. The ultimate impact on our overall financial condition and operating results will depend on the duration and severity of the pandemic, supply chain challenges and cost escalations including materials, interest, labor and freight, and any additional governmental and public actions taken in response. As a result, our accounting estimates and assumptions may change over time as a consequence of the effects of these external factors. Such changes could result in future impairments of goodwill, intangible assets, long-lived assets, incremental credit losses on accounts receivable and decreases in the carrying amount of our tax assets.

**Evaluation of Subsequent Events** The Company evaluated subsequent events through the date that our Condensed Consolidated Financial Statements were issued. Other than the items discussed below and within the Notes to Condensed Consolidated Financial Statements, no matters were identified that required adjustment to the Condensed Consolidated Financial Statements or additional disclosure.

*Cyber ransomware incident* On April 13, 2023, NCR determined that a single data center outage impacting certain of its commerce customers was caused by a cyber ransomware incident. Upon such determination, NCR immediately started contacting customers, enacted its cybersecurity protocol and engaged outside experts to contain the incident and begin the recovery process. We believe this incident is limited to specific functionality in Aloha cloud-based services and Counterpoint. At this time, our ongoing investigation also indicates no financial reporting systems were impacted.

We have incurred, and may continue to incur, certain expenses related to this attack, including expenses to respond to, remediate and investigate this matter. While the Company's response to this incident is ongoing, at this time we do not believe such impact of the incident will ultimately have a material adverse effect on our business, results of operations or financial condition; however, we remain subject to risks and uncertainties as a result of the incident. We continue to assess the security event and cannot definitively determine, at this time, the full extent of the impact from such event on our business, results of operations or financial condition or whether such impact will ultimately have a material adverse effect.

**Reclassifications** Certain prior-period amounts have been reclassified in the accompanying Condensed Consolidated Financial Statements and Notes thereto in order to conform to the current period presentation. Reclassifications had no effect on prior year net income or shareholders' equity.

**Other** In the first quarter of 2023, the Company recorded a \$10 million out-of-period adjustment to increase operating expenses and an employee-related liability in order to correct for an understatement of such same balances during the fourth quarter of 2022. The Company evaluated the impact of the error and out-of-period adjustment and concluded it was not material to any previously issued interim or annual consolidated financial statements and the adjustment is not expected to be material to the year ending December 31, 2023.

**Cash, Cash Equivalents, and Restricted Cash** The reconciliation of cash, cash equivalents and restricted cash in the Condensed Consolidated Statements of Cash Flows is as follows:

In millions	Balance Sheet Location	March 31	
		2023	2022
Cash and cash equivalents	Cash and cash equivalents	\$ 519	\$ 412
Short term restricted cash	Restricted cash	8	—
Long term restricted cash	Other assets	4	7
Funds held for client	Restricted cash	—	54
Cash included in settlement processing assets	Restricted cash	249	219
<b>Total cash, cash equivalents and restricted cash</b>		<b>\$ 780</b>	<b>\$ 692</b>

**Contract Assets and Liabilities** The following table presents the net contract liability balances as of March 31, 2023 and December 31, 2022.

In millions	Location in the Condensed Consolidated Balance Sheet	March 31, 2023		December 31, 2022	
Current portion of contract liabilities	Contract liabilities	\$ 631	\$	537	\$
Non-current portion of contract liabilities	Other liabilities	\$ 50	\$	49	\$

**NCR Corporation**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)**

During the three months ended March 31, 2023, the Company recognized \$214 million in revenue that was included in contract liabilities as of December 31, 2022. During the three months ended March 31, 2022, the Company recognized \$228 million in revenue that was included in contract liabilities as of December 31, 2021.

**Remaining Performance Obligations** Remaining performance obligations represent the transaction price of orders for which products have not been delivered or services have not been performed. As of March 31, 2023, the aggregate amount of the transaction price allocated to remaining performance obligations was approximately \$4.0 billion. The Company expects to recognize revenue on approximately three-quarters of the remaining performance obligations over the next 12 months, with the remainder recognized thereafter. The majority of our professional services are expected to be recognized over the next 12 months but this is contingent upon a number of factors, including customers' needs and schedules.

The Company has made three elections that affect the value of remaining performance obligations described above. We do not disclose remaining performance obligations for contracts where variable consideration is directly allocated based on usage or when the original expected duration is one year or less. Additionally, we do not disclose remaining performance obligations for contracts where we recognize revenue from the satisfaction of the performance obligation in accordance with the 'right to invoice' practical expedient.

### **Recent Accounting Pronouncements**

#### *Adoption of New Accounting Pronouncements*

In October 2021, the FASB issued accounting standards update ("ASU") 2021-08, *Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers*, with new guidance for contract assets and contract liabilities acquired in a business combination. The new guidance requires contract assets and contract liabilities, such as deferred revenue, acquired in a business combination to be recognized and measured by the acquirer on the acquisition date in accordance with ASC 606, *Revenue from Contracts with Customers*. Prior to the issuance of this guidance, contract assets and contract liabilities were recognized by the acquirer at fair value on the acquisition date. The accounting standards update is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2022, with early adoption permitted and should be applied prospectively to acquisitions occurring on or after the effective date. The adoption of this accounting standards update did not have a material effect on the Company's net income, cash flows, earnings per share or financial condition.

Although there are other new accounting pronouncements issued by the FASB and adopted by or effective for the Company, the Company does not believe any of these accounting pronouncements had a material impact on its condensed consolidated financial statements.

#### *Accounting Pronouncements Issued But Not Yet Adopted*

Although there are new accounting pronouncements issued by the FASB and not yet adopted by or effective for the Company, the Company does not believe any of these accounting pronouncements will have a material impact on its condensed consolidated financial statements.

## **2. BUSINESS COMBINATIONS**

### **Acquisition of LibertyX (2022)**

On January 5, 2022, NCR completed its acquisition of Moon Inc., dba LibertyX, a leading cryptocurrency software provider, with the goal of enabling NCR to provide a complete digital currency solution, including the ability to buy and sell cryptocurrency, conduct cross-border remittance, and accept digital currency payments across digital and physical channels. The Company purchased all outstanding shares of LibertyX for \$1 million cash consideration and approximately 1.4 million shares of the Company's common stock at a price of \$42.13 per share. The Company also converted approximately 0.2 million outstanding unvested LibertyX option awards into NCR awards pursuant to an exchange ratio as defined in the acquisition agreement. LibertyX stock option awards were converted into NCR stock option awards with an exercise price per share for option awards equal to the exercise price per share of such stock option award immediately prior to the completion of the acquisition divided by the exchange ratio, and vested immediately. The value of the option awards was deemed attributable to services already rendered and was included as a portion of the purchase price. Total purchase consideration for the LibertyX acquisition was approximately \$69 million. As a result of the acquisition, LibertyX became a wholly-owned subsidiary of NCR.

**NCR Corporation**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)**

The fair value of consideration transferred to acquire LibertyX was allocated to the identifiable assets and acquired liabilities assumed based upon their estimated fair values as of the date of acquisition. The allocation of purchase price was finalized as of December 31, 2022.

### 3. GOODWILL AND PURCHASED INTANGIBLE ASSETS

*Goodwill by Segment* The carrying amounts of goodwill by segment as of March 31, 2023 and December 31, 2022 are included in the table below. Foreign currency fluctuations are included within other adjustments.

In millions	December 31, 2022			Additions	Impairment	Other	March 31, 2023		
	Goodwill	Accumulated Impairment	Total				Goodwill	Accumulated Impairment	Total
Retail	\$ 995	\$ (34)	\$ 961	\$ —	\$ —	\$ 1	\$ 996	\$ (34)	\$ 962
Hospitality	288	(23)	265	—	—	1	289	(23)	266
Digital Banking	594	—	594	—	—	—	594	—	594
Payments & Network	1,036	—	1,036	—	—	—	1,036	—	1,036
Self-Service Banking	1,633	(101)	1,532	—	—	—	1,633	(101)	1,532
Other <sup>(1)</sup>	163	(11)	152	—	—	—	163	(11)	152
<b>Total goodwill</b>	<b>\$ 4,709</b>	<b>\$ (169)</b>	<b>\$ 4,540</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 2</b>	<b>\$ 4,711</b>	<b>\$ (169)</b>	<b>\$ 4,542</b>

<sup>(1)</sup> Other segment includes the goodwill associated with our Technology & Telecommunications reporting unit.

*Identifiable Intangible Assets* NCR's purchased intangible assets, reported in Intangibles, net in the Condensed Consolidated Balance Sheets, were specifically identified when acquired, and are deemed to have finite lives. The gross carrying amount and accumulated amortization for NCR's identifiable intangible assets were as set forth in the table below.

In millions	Amortization Period (in Years)	March 31, 2023		December 31, 2022	
		Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
<b>Identifiable intangible assets</b>					
Reseller & customer relationships	1 - 20	\$ 1,103	\$ (482)	\$ 1,103	\$ (463)
Intellectual property	2 - 8	1,030	(577)	1,030	(558)
Customer contracts	8	89	(89)	89	(89)
Tradenames	1 - 10	130	(99)	128	(95)
<b>Total identifiable intangible assets</b>		<b>\$ 2,352</b>	<b>\$ (1,247)</b>	<b>\$ 2,350</b>	<b>\$ (1,205)</b>

Amortization expense related to identifiable intangible assets for the following periods is:

In millions	Three months ended March 31	
	2023	2022
Amortization expense	\$ 42	\$ 41

The estimated aggregate amortization expense for identifiable intangible assets for the following periods is:

In millions	For the years ended December 31					
	Remainder of 2023	2024	2025	2026	2027	2028
Amortization expense	\$ 131	\$ 162	\$ 150	\$ 139	\$ 124	\$ 106

**NCR Corporation**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)**

#### 4. SEGMENT INFORMATION AND CONCENTRATIONS

The Company manages and reports its operations in the following segments:

- *Retail* - We offer software-led solutions to customers in the retail industry, leading with digital to connect retail operations end to end to integrate all aspects of a customer's operations in indoor and outdoor settings from point-of-sale ("POS"), to payments, inventory management, fraud and loss prevention applications, loyalty and consumer engagement. These solutions include retail-oriented technologies such as comprehensive API-point of sale retail software platforms and applications, hardware terminals, self-service kiosks including self-checkout ("SCO"), payment processing and merchant acquiring solutions, and bar-code scanners.
- *Hospitality* - We offer technology solutions to customers in the hospitality industry, including table-service, quick-service and fast casual restaurants of all sizes, that are designed to improve operational efficiency, increase customer satisfaction, streamline order and transaction processing and reduce operating costs. Our solutions include POS hardware and software solutions, payment processing and merchant acquiring services, installation, maintenance, as well as managed and professional services.
- *Digital Banking* - NCR Digital Banking helps financial institutions implement their digital-first platform strategy by providing solutions for account opening, account management, transaction processing, imaging, and branch services to enable financial institutions to offer a compelling customer experience.
- *Payments & Network* - We provide a cost-effective way for financial institutions, fintechs, and neobanks to reach and serve their customers through our network of automated teller machines ("ATMs") and multi-functioning financial services kiosks. We offer credit unions, banks, digital banks, fintechs, stored-value debit card issuers, and other consumer financial services providers access to our Allpoint retail-based ATM network, providing convenient and fee-free cash withdrawal and deposit access to their customers and cardholders as well as the ability to convert a digital value to cash, or vice versa, via NCRPay360. We also provide ATM branding solutions to financial institutions, ATM management and services to retailers and other businesses, as well as payment processing and merchant acquiring services in the retail, hospitality and other industries.
- *Self-Service Banking* - We offer solutions to enable customers in the financial services industry to reduce costs, generate new revenue streams and enhance customer loyalty. These solutions include a comprehensive line of ATM hardware and software, and related installation, maintenance, and managed and professional services. We also offer solutions to manage and run the ATM channel end-to-end for financial institutions that includes back office, cash management, software management and ATM deployment, among others.

Corporate and Other includes income and expenses related to corporate functions that are not specifically attributable to an individual reportable segment along with any immaterial operating segment(s).

Eliminations include revenues from contracts with customers and the related costs that are reported in the Payments & Network segment as well as in the Retail or Hospitality segments, including merchant acquiring services that are monetized via payments.

These segments represent components of the Company for which separate financial information is available that is utilized on a regular basis by the chief operating decision maker in assessing segment performance and in allocating the Company's resources. Management evaluates the performance of the segments based on revenue and Adjusted EBITDA. Adjusted EBITDA is defined as GAAP net income (loss) from continuing operations attributable to NCR plus interest expense, net; plus income tax expense (benefit); plus depreciation and amortization; plus stock-based compensation expense; plus other income (expense); plus pension mark-to-market adjustments, pension settlements, pension curtailments and pension special termination benefits and other special items, including amortization of acquisition-related intangibles, transformation and restructuring charges (which includes integration, severance and other exit and disposal costs), among others. The special items are considered non-operational so are excluded from the Adjusted EBITDA metric utilized by our chief operating decision maker in evaluating segment performance and are separately delineated to reconcile back to total reported GAAP net income (loss) from continuing operations attributable to NCR.

*Special Item Related to Russia* The war in Eastern Europe and related sanctions imposed on Russia and related actors by the United States and other jurisdictions required us to commence the orderly wind down of our operations in Russia in the first quarter of 2022. As of March 31, 2023, we have ceased operations in Russia and are in the process of dissolving our only subsidiary in Russia. As a result, for the three months ended March 31, 2022, our presentation of segment revenue and Adjusted EBITDA exclude the immaterial impact of our operating results in Russia, as well as the impact of impairments taken to write down the carrying value of assets and liabilities, severance charges, and the assessment of collectability on revenue recognition.

**NCR Corporation**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)**

We recognized a pre-tax net loss of \$19 million for the three months ended March 31, 2022 related to these actions, recognized primarily in Cost of products, Cost of services and Selling, general and administrative expenses on the Condensed Consolidated Statement of Operations. No charges have been recognized for the three months ended March 31, 2023. We consider this to be a non-recurring special item and management has reviewed the results of its business segments excluding these impacts.

Assets are not allocated to segments, and thus are not included in the assessment of segment performance. Consequently, we do not disclose total assets by reportable segment. The accounting policies used to determine the results of the operating segments are the same as those utilized for the condensed consolidated financial statements as a whole. Intersegment sales and transfers are not material.

The following table presents revenue and Adjusted EBITDA by segment:

In millions	Three months ended March 31	
	2023	2022
<b>Revenue by segment</b>		
Retail	\$ 552	\$ 546
Hospitality	223	211
Digital Banking	136	136
Payments & Network	323	299
Self-Service Banking	613	611
Other	54	68
Eliminations	(10)	(8)
<b>Total segment revenue</b>	<b>\$ 1,891</b>	<b>\$ 1,863</b>
Other adjustment <sup>(1)</sup>	—	3
<b>Consolidated revenue</b>	<b>\$ 1,891</b>	<b>\$ 1,866</b>
<b>Adjusted EBITDA by segment</b>		
Retail	\$ 97	\$ 67
Hospitality	53	41
Digital Banking	49	56
Payments & Network	83	98
Self-Service Banking	138	112
Corporate and Other	(110)	(97)
Eliminations	(8)	(6)
<b>Total Adjusted EBITDA</b>	<b>\$ 302</b>	<b>\$ 271</b>

<sup>(1)</sup> Other adjustment reflects the revenue attributable to the Company's operations in Russia for the three months ended March 31, 2022 that were excluded from management's measure of revenue due to our previous announcement to suspend sales to Russia and orderly wind down of our operations in Russia beginning in the first quarter of 2022.

**NCR Corporation**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)**

The following table reconciles net income (loss) from continuing operations attributable to NCR to Adjusted EBITDA:

In millions	Three months ended March 31	
	2023	2022
Net income (loss) from continuing operations attributable to NCR	\$ 9	\$ (33)
Transformation and restructuring costs	—	27
Acquisition-related amortization of intangibles	42	41
Acquisition-related costs	—	5
Interest expense	83	63
Interest income	(3)	(1)
Depreciation and amortization (excluding acquisition-related amortization of intangibles)	106	103
Income tax expense (benefit)	14	13
Stock-based compensation expense	32	34
Separation costs	19	—
Russia	—	19
<b>Total Adjusted EBITDA</b>	<b>\$ 302</b>	<b>\$ 271</b>

The following table presents revenue by geography for NCR:

In millions	Three months ended March 31	
	2023	2022
United States	\$ 1,093	\$ 997
Americas (excluding United States)	182	184
Europe, Middle East and Africa	412	466
Asia Pacific	204	219
<b>Total revenue</b>	<b>\$ 1,891</b>	<b>\$ 1,866</b>

The following table presents the recurring revenue for NCR:

In millions	Three months ended March 31	
	2023	2022
Recurring revenue <sup>(1)</sup>	\$ 1,229	\$ 1,179
All other products and services	662	687
<b>Total revenue</b>	<b>\$ 1,891</b>	<b>\$ 1,866</b>

<sup>(1)</sup> Recurring revenue includes all revenue streams from contracts where there is a predictable revenue pattern that will occur at regular intervals with a relatively high degree of certainty. This includes hardware and software maintenance revenue, cloud revenue, payment processing revenue, interchange and network revenue, cryptocurrency-related revenue, and certain professional services arrangements, as well as term-based software license arrangements that include customer termination rights.

**NCR Corporation**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)**

## 5. DEBT OBLIGATIONS

The following table summarizes the Company's short-term borrowings and long-term debt:

In millions, except percentages	March 31, 2023		December 31, 2022	
	Amount	Weighted-Average Interest Rate	Amount	Weighted-Average Interest Rate
<b>Short-Term Borrowings</b>				
Current portion of Senior Secured Credit Facility <sup>(1)</sup>	\$ 101	7.08%	\$ 100	6.54%
Other <sup>(1)</sup>	4	7.13%	4	7.05%
Total short-term borrowings	\$ 105		\$ 104	
<b>Long-Term Debt</b>				
Senior Secured Credit Facility:				
Term loan facility <sup>(1)</sup>	\$ 1,752	7.18%	\$ 1,778	6.69%
Revolving credit facility <sup>(1)</sup>	393	7.07%	523	6.79%
Senior notes:				
5.750% Senior Notes due 2027	500		500	
5.000% Senior Notes due 2028	650		650	
5.125% Senior Notes due 2029	1,200		1,200	
6.125% Senior Notes due 2029	500		500	
5.250% Senior Notes due 2030	450		450	
Deferred financing fees	(47)		(49)	
Other <sup>(1)</sup>	8	7.28%	9	7.1%
Total long-term debt	\$ 5,406		\$ 5,561	

<sup>(1)</sup> Interest rates are weighted-average interest rates as of March 31, 2023 and December 31, 2022.

*Senior Secured Credit Facility* The Company is party to a Senior Secured Credit Facility, as amended, which provides for a senior secured term loan A facility in an aggregate principal amount of \$1.305 billion (the "TLA Facility"), a senior secured term loan B facility in an aggregate principal amount of \$750 million (the "TLB Facility" and together with the TLA Facility, the "Term Loan Facilities"), and a revolving credit facility with commitments in an initial aggregate principal amount of \$1.3 billion (the "Revolving Credit Facility").

As of March 31, 2023, the term loan facilities (the TLA Facility and the TLB Facility) under the Senior Secured Credit Facility have an aggregate principal amount of \$2.055 billion, of which \$1.853 billion remained outstanding. Additionally, as of March 31, 2023, there was \$393 million outstanding under the Revolving Credit Facility. The Revolving Credit Facility also contains a sub-facility to be used for letters of credit, and, as of March 31, 2023, outstanding letters of credit were \$29 million. Our borrowing capacity under our Revolving Credit Facility was \$878 million at March 31, 2023.

The outstanding principal balance of the TLB Facility is required to be repaid in equal quarterly installments of 0.25% of the original aggregate principal amount thereof that began with the fiscal quarter ended December 31, 2019, with the balance being due at maturity on August 28, 2026 (the "TLB Maturity Date").

The outstanding principal balance of the TLA Facility is required to be repaid in equal quarterly installments of 1.875% of the original aggregate principal amount thereof, that began with the fiscal quarter ended September 30, 2021, with the balance being due at maturity on the earlier of (a) June 21, 2026 and (b) unless the loans under TLB Facility have been repaid prior to such date, the date that is 91 days prior to the TLB Maturity Date.

Commitments under the Revolving Credit Facility are scheduled to terminate on the earlier of (a) June 21, 2026 and (b) unless the loans under TLB Facility have been repaid prior to such date, the date that is 91 days prior to the TLB Maturity Date. Loans under the Revolving Credit Facility may be repaid and reborrowed prior to such date, subject to the satisfaction of customary conditions.



**NCR Corporation**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)**

The obligations under the Senior Secured Credit Facility are guaranteed by certain of the Company's domestic material subsidiaries including NCR International, Inc. (the "Guarantor Subsidiary") and certain domestic subsidiaries acquired through the Cardtronics Transaction (collectively, the "Cardtronics Guarantors" and together with the Guarantor Subsidiary, the "Guarantors"). The obligations under the Senior Secured Credit Facility and the above described guarantee are secured by a first priority lien and security interest in certain equity interests owned by the Company and the Guarantors in certain of their respective domestic and foreign subsidiaries, and a first priority lien and security interest in substantially all of the assets of the Company and the Guarantors, subject to certain exclusions. These security interests would be released if the Company achieves an "investment grade" rating and will remain released so long as the Company maintains an "investment grade" rating.

The Senior Secured Credit Facility includes affirmative and negative covenants that restrict or limit the ability of the Company and its subsidiaries to, among other things, incur indebtedness; create liens on assets; engage in certain fundamental corporate changes or changes to the Company's business activities; make investments; sell or otherwise dispose of assets; engage in sale-leaseback or hedging transactions; repurchase stock, pay dividends or make similar distributions; repay other indebtedness; engage in certain affiliate transactions; or enter into agreements that restrict the Company's ability to create liens, pay dividends or make loan repayments. The Senior Secured Credit Facility also includes a financial covenant with respect to the Revolving Credit Facility and the TLA Facility. The financial covenant requires the Company to maintain:

- A consolidated leverage ratio on the last day of any fiscal quarter, not to exceed (i) in the case of any fiscal quarter ending on or prior to December 31, 2021, 5.50 to 1.00, (ii) in the case of any fiscal quarter ending on or prior to September 30, 2022, 5.25 to 1.00, and (iii) in the case of any fiscal quarter ending on or after December 31, 2022, 4.75 to 1.00.

*Senior Unsecured Notes* The Company's senior unsecured notes are guaranteed by certain of the Company's domestic material subsidiaries (including the Guarantor Subsidiary and the Cardtronics Guarantors that joined as guarantors on October 14, 2021), which have guaranteed fully and unconditionally the obligations to pay principal and interest for the Company's senior unsecured notes. The terms of the indentures for the Company's senior unsecured notes limit the ability of the Company and certain of its subsidiaries to, among other things, incur additional debt or issue redeemable preferred stock; pay dividends or make certain other restricted payments or investments; incur liens; sell assets; incur restrictions on the ability of the Company's subsidiaries to pay dividends to the Company; enter into affiliate transactions; engage in sale and leaseback transactions; and consolidate, merge, sell or otherwise dispose of all or substantially all of the Company's or such subsidiaries' assets. These covenants are subject to significant exceptions and qualifications. For example, if these notes are assigned an "investment grade" rating by Moody's or S&P and no default has occurred or is continuing, certain covenants will be terminated.

*Other Debt* In December 2022, the Company entered into a borrowing agreement with Banc of America Leasing & Capital, LLC to direct funds to NCR in exchange for installment repayments and for security interest in ATM equipment in corresponding ATM-as-a-Service ("ATMaaS") contracts. The total amount available under the financing program is \$20 million with repayment terms up to four years. As of March 31, 2023 and December 31, 2022, total debt outstanding under the financing program was \$12 million with a weighted average interest rate of 7.20% and a weighted average term of 3.7 years.

*Fair Value of Debt* The Company utilized Level 2 inputs, as defined in the fair value hierarchy, to measure the fair value of the long-term debt, which, as of March 31, 2023 and December 31, 2022 was \$5.18 billion and \$5.25 billion, respectively. Management's fair value estimates were based on quoted prices for recent trades of NCR's long-term debt, quoted prices for similar instruments, and inquiries with certain investment communities.

## 6. TRADE RECEIVABLES FACILITY

The Company maintains a trade receivables facility (the "T/R Facility") with PNC Bank, National Association ("PNC"), which allows the Company's wholly-owned, bankruptcy remote subsidiary, NCR Receivables LLC (the "U.S. SPE"), to sell certain trade receivables on a revolving basis to PNC and the other unaffiliated purchasers participating in the T/R Facility. The T/R Facility, as amended, became effective September 30, 2021 and has a term of two years, which the Company and the U.S. SPE intend to renew.

Under the T/R Facility, the Company and certain United States and Canadian operating subsidiaries of the Company continuously sell their trade receivables as they are originated to the U.S. SPE and a Canadian bankruptcy-remote special purpose entity (collectively, the "SPEs"), as applicable. None of the assets or credit of either SPE is available to satisfy the

**NCR Corporation**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)**

debts and obligations owed to the creditors of the Company or any other person until the obligations of the SPEs under the T/R Facility have been satisfied. The Company controls and therefore consolidates the SPEs in its condensed consolidated financial statements.

As cash is collected on the trade receivables, the U.S. SPE has the ability to continuously transfer ownership and control of new qualifying receivables to PNC and the other unaffiliated purchasers such that the total outstanding balance of trade receivables sold can be up to \$300 million at any point in time, which is the maximum purchase commitment of PNC and the other unaffiliated purchasers. The future outstanding balance of trade receivables that are sold is expected to vary based on the level of activity and other factors and could be less than the maximum purchase commitment of \$300 million. The total outstanding balance of trade receivables that have been sold and derecognized by the U.S. SPE to PNC and the other unaffiliated purchasers is approximately \$283 million and \$300 million as of March 31, 2023 and December 31, 2022, respectively. Excluding the trade receivables sold to PNC and other unaffiliated purchasers, the SPEs collectively owned \$283 million and \$321 million of trade receivable as of March 31, 2023 and December 31, 2022, respectively, and these amounts are included in Accounts receivable, net in the Company's Condensed Consolidated Balance Sheets.

Continuous cash activity related to the T/R Facility is reflected in Net cash provided by operating activities in the Condensed Consolidated Statements of Cash Flows. During the three months ended March 31, 2023, the Company paid \$23 million to PNC and the other unaffiliated purchasers and received \$23 million as the outstanding balance of receivables sold fluctuated during the quarter. The U.S. SPE incurs fees due and payable to PNC and the other unaffiliated purchasers participating in the T/R Facility. Those fees, which are immaterial, are recorded within Other income (expense), net in the Condensed Consolidated Statements of Operations. In addition, each of the SPEs has provided a full recourse guarantee in favor of PNC and the other unaffiliated purchasers of the full and timely payment of all trade receivables sold to them by the U.S. SPE. The guarantee is collateralized by all the trade receivables owned by each of the SPEs that have not been sold to PNC or the other unaffiliated purchasers. The reserve recognized for this recourse obligation as of March 31, 2023 is not material.

The Company, or in the case of any Canadian trade receivables, NCR Canada Corp., continues to be involved with the trade receivables even after they are transferred to the SPEs (or further transferred to PNC and the other unaffiliated purchasers) by acting as servicer. In addition to any obligations as servicer, the Company and each of its subsidiaries acting as an originator under the T/R Facility provide the SPEs with customary recourse in respect of (i) certain dilutive events with respect to the trade receivables sold to the SPEs that are caused by the Company or another originator and (ii) in the event of certain violations by the Company or another originator of their representations and warranties with respect to the trade receivables sold to the SPEs. These servicing and originator liabilities of the Company and its subsidiaries (other than the SPEs) under the T/R Facility are not expected to be material, given the high quality of the customers underlying the receivables and the anticipated short collection period.

The T/R Facility includes other customary representations and warranties, affirmative and negative covenants and default and termination provisions, which provide for the acceleration of amounts owed to PNC and the other unaffiliated purchasers thereunder in circumstances including, but not limited to, failure to pay capital or yield when due, breach of representation, warranty or covenant, certain insolvency events or failure to maintain the security interest in the trade receivables, and defaults under other material indebtedness.

## **7. INCOME TAXES**

Income tax provisions for interim (quarterly) periods are based on an estimated annual effective income tax rate calculated separately from the effect of significant, infrequent or unusual items. Income tax expense was \$14 million for the three months ended March 31, 2023 compared to income tax expense of \$13 million for the three months ended March 31, 2022. The change was primarily driven by higher income before taxes in the three months ended March 31, 2023, compared to the prior year. The Company did not recognize any material discrete tax expenses or benefits in either period.

The Company engages in continuous discussions and negotiations with taxing authorities regarding tax matters, and the Company has determined that over the next 12 months it expects to resolve certain tax matters related to U.S. and foreign jurisdictions. As a result, as of March 31, 2023, we estimate that it is reasonably possible that gross unrecognized tax benefits may decrease by \$3 million to \$5 million in the next 12 months.

**NCR Corporation**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)**

## 8. STOCK COMPENSATION PLANS

As of March 31, 2023, the Company's stock-based compensation consisted of restricted stock units, employee stock purchase plan and stock options. Stock-based compensation expense for the following periods were:

In millions	Three months ended March 31	
	2023	2022
Restricted stock units	\$ 28	\$ 26
Stock options	2	5
Employee stock purchase plan	2	3
Stock-based compensation expense	32	34
Tax benefit	—	(3)
Stock-based compensation expense (net of tax)	<u>\$ 32</u>	<u>\$ 31</u>

Stock-based compensation expense is recognized in the Condensed Consolidated Financial Statements based upon fair value.

On February 13, 2023, the Company granted market-based restricted stock units vesting on December 31, 2025. The number of awards that vest are subject to the compound annual growth rate ("CAGR") of the Company's stock price from January 1, 2023 to December 31, 2025 (the "performance period"), subject to an alternative level of achievement based on the Company's relative total shareholder return ranking among a comparison group. The fair value of the awards was determined to be \$35.04 per share based on using a Monte-Carlo simulation model and will be recognized over the requisite service period.

Approximately 50% of these market-based restricted stock units granted include an accelerated vesting provision if a Qualified Transaction, as defined in the award agreement, takes place during the performance period (with a minimum vesting period of one year from the grant date). Upon the occurrence of a Qualified Transaction, the number of shares that vest are then based on the Company's 20-day volume-weighted average closing stock price immediately preceding the transaction date. If a qualifying transaction is deemed probable, the award will be recognized over the adjusted requisite service period at a fair value determined using a Monte-Carlo simulation model ranging from \$35.09 to \$41.77 per unit, dependent upon the estimated timing of the transaction. Transactions of this nature are subject to many variables that are highly uncertain, including the receipt of regulatory approvals and market conditions.

The table below details the significant assumptions used in determining the fair value of the market-based restricted stock units granted on February 13, 2023:

Dividend yield	— %
Risk-free interest rate	4.15 %
Expected volatility	55.90 %

Expected volatility for these restricted stock units is calculated as the historical volatility of the Company's stock over a period of approximately three years, as management believes this is the best representation of prospective trends. The risk-free interest rate was determined based on a three year U.S. Treasury yield curve in effect at the time of the grant.

As of March 31, 2023, the total unrecognized compensation cost of \$229 million related to unvested restricted stock grants is expected to be recognized over a weighted average period of approximately 1.2 years. As of March 31, 2023, the total unrecognized compensation cost related to unvested stock option grants was approximately zero.

*Employee Stock Purchase Plan* The Company's Employee Stock Purchase Plan ("ESPP") provides employees a 15% discount on stock purchases using a three-month look-back feature where the discount is applied to the stock price that represents the lower of NCR's closing stock price on either the first day or the last day of each calendar quarter. Participants can contribute between 1% and 10% of their compensation.

For the three months ended March 31, 2023, employees purchased 0.3 million shares, at a discounted price of \$20.05. For the three months ended March 31, 2022, employees purchased 0.3 million shares, at a discounted price of \$34.16.

**NCR Corporation**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)**

**9. EMPLOYEE BENEFIT PLANS**

Components of net periodic benefit cost (income) of the pension plans for the three months ended March 31 were as follows:

In millions	U.S. Pension Benefits		International Pension Benefits		Total Pension Benefits	
	2023	2022	2023	2022	2023	2022
Net service cost	\$ —	\$ —	\$ 1	\$ 1	\$ 1	\$ 1
Interest cost	18	10	7	3	25	13
Expected return on plan assets	(17)	(17)	(8)	(7)	(25)	(24)
Amortization of prior service cost	—	—	—	—	—	—
Net periodic benefit cost (income)	\$ 1	\$ (7)	\$ —	\$ (3)	\$ 1	\$ (10)

Net postretirement benefit was zero for the three months ending March 31, 2023 and 2022.

Components of the net cost of the postemployment plan for the following periods were:

In millions	Three months ended March 31	
	2023	2022
Net service cost	\$ 3	\$ 13
Interest cost	1	1
Amortization of:		
Prior service benefit	—	(1)
Actuarial gain	(1)	—
Net benefit cost	\$ 3	\$ 13

**Employer Contributions**

*Pension* For the three months ended March 31, 2023, NCR contributed \$4 million, to its international pension plans. NCR anticipates contributing an additional \$16 million to its international pension plans for a total of \$20 million in 2023.

*Postretirement* For the three months ended March 31, 2023, NCR made no contributions to its U.S. postretirement plan. NCR anticipates contributing an additional \$2 million to its U.S. postretirement plan for a total of \$2 million in 2023.

*Postemployment* For the three months ended March 31, 2023, NCR contributed \$14 million to its postemployment plan. NCR anticipates contributing an additional \$61 million to its postemployment plan for a total of \$75 million in 2023.

**10. COMMITMENTS AND CONTINGENCIES**

In the normal course of business, NCR is subject to various proceedings, lawsuits, claims and other matters, including, for example, those that relate to the environment and health and safety, labor and employment, employee benefits, import/export compliance, patents or other intellectual property, data privacy and security, product liability, commercial disputes and regulatory compliance, among others. Additionally, NCR is subject to diverse and complex laws and regulations, including those relating to corporate governance, public disclosure and reporting, environmental safety and the discharge of materials into the environment, product safety, import and export compliance, data privacy and security, antitrust and competition, government contracting, anti-corruption, and labor and human resources, which are rapidly changing and subject to many possible changes in the future. Compliance with these laws and regulations, including changes in accounting standards, taxation requirements, and federal securities laws among others, may create a substantial burden on, and substantially increase costs to NCR or could have an impact on NCR's future operating results. The Company has reflected all liabilities when a loss is considered probable and reasonably estimable in the Condensed Consolidated Financial Statements. We do not believe there is a reasonable possibility that losses exceeding amounts already recognized have been incurred, but there can be no assurances that the amounts required to satisfy alleged liabilities from such matters will not impact future operating results. Other than as

**NCR Corporation**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)**

stated below, the Company does not currently expect to incur material capital expenditures related to such matters. However, there can be no assurances that the actual amounts required to satisfy alleged liabilities from various lawsuits, claims, legal proceedings and other matters, including, but not limited to the Kalamazoo River environmental matter and other matters discussed below, and to comply with applicable laws and regulations, will not exceed the amounts reflected in NCR's Condensed Consolidated Financial Statements or will not have a material adverse effect on its consolidated results of operations, capital expenditures, competitive position, financial condition or cash flows.

**Legal Matters** During August 2019, a suit was filed against the Company by Pennsylvania-based CloudfChange LLC alleging willful infringement by NCR for its use of its NCR Silver point-of-sale offering. On October 27, 2022, the court in the Western District of Texas denied the Company's post-trial motion in this matter for judgment as a matter of law or alternatively for a new trial, resulting in a ruling against the Company in an amount of \$13 million. The Company remains committed to its position that NCR Silver does not infringe the CloudfChange LLC patents and will vigorously defend its position on appeal. The Company has already engaged experienced appellate counsel and immediately filed its notice of appeal. The Company evaluated the matter in accordance with ASC 450, *Contingencies*, and concluded that, as of March 31, 2023, a loss of up to \$13 million is reasonably possible, but not probable and, therefore, no accrual has been recorded.

**Environmental Matters** NCR's facilities and operations are subject to a wide range of environmental protection laws, and NCR has investigatory and remedial activities underway at a number of facilities that it currently owns or operates, or formerly owned or operated, to comply, or to determine compliance, with such laws. Also, NCR has been identified, either by a government agency or by a private party seeking contribution to site clean-up costs, as a potentially responsible party ("PRP") at a number of sites pursuant to various state and federal laws, including the Federal Water Pollution Control Act, the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA") and comparable state statutes. Other than the Kalamazoo River matter and the Ebina matter discussed below, we currently do not anticipate material expenses and liabilities from these environmental matters.

Fox River NCR was one of eight entities that was formally notified by governmental and other entities that it was a PRP for environmental claims (under CERCLA and other statutes) arising out of the presence of polychlorinated biphenyls ("PCBs") in sediments in the lower Fox River and in the Bay of Green Bay in Wisconsin. NCR was identified as a PRP because of alleged PCB discharges from two carbonless copy paper manufacturing facilities it previously owned, which were located along the Fox River, and carbonless copy paper "broke" the Company allegedly sold to other mills as raw material. In 2017, the Company entered into a Consent Decree with the federal and state governments for the clean-up of the Fox River, which was approved on August 22, 2017 by the federal district court in Wisconsin presiding over this matter. The Consent Decree resolved the Company's disputes with the enforcement agencies as well as the other PRPs.

All litigation relating to the contribution and enforcement of remediation obligations on the Fox River has been concluded. On October 3, 2022, the Environmental Protection Agency issued the Company a Certificate of Completion certifying that all of the Company's remedial obligations under the Consent Decree have been completed.

The cost of the Fox River remediation has been shared with three parties (the previously reported API having fully satisfied its obligations in 2016, and is now bankrupt): B.A.T. Industries p.l.c. ("BAT") as co-obligor, and AT&T Corp. ("AT&T") and Nokia (as the successor to Lucent Technologies and Alcatel-Lucent USA) as indemnitors. Under a 1998 Cost Sharing Agreement and subsequent 2005 arbitration award (collectively, the "Cost Sharing Agreement"), from 2008 through 2014, BAT paid 60% of the cost of the Fox River clean-up and natural resource damages ("NRD"). Pursuant to a September 30, 2014 Funding Agreement (the "Funding Agreement"), BAT funded 50% of NCR's Fox River remediation costs from October 1, 2014 forward; the Funding Agreement also provides NCR contractual avenues for a future payment of, via direct and third-party sources, (1) the difference between BAT's 60% obligation under the Cost Sharing Agreement on the one hand and their ongoing (since September 2014) 50% payments under the Funding Agreement on the other, as well as (2) the difference between the amount NCR received under the Funding Agreement and the amount owed to it under the Cost Sharing Agreement for the period from April 2012 through September 2014 (collectively, the "Funding Agreement Receivable"). Pursuant to a June 12, 2015 Letter Agreement, NCR's contractual avenue for direct payment by BAT was effectively stayed pending completion of other unrelated lawsuits by BAT against third-parties. As of March 31, 2023 and December 31, 2022, the Funding Agreement Receivable was approximately \$54 million and was included in Other assets in the Condensed Consolidated Balance Sheets. The timing of collection of sums related to the receivable is uncertain, subject and pursuant to the terms of the Funding Agreement and related agreements. This receivable is not taken into account in calculating the Company's Fox River remaining reserve.

Additionally, under a 1996 Divestiture Agreement, AT&T and Nokia have been responsible severally (not jointly) for indemnifying NCR for certain portions of the amounts paid by NCR for the Fox River matter over a defined threshold and subject to certain offsets for insurance recoveries and net tax benefits (the "Divestiture Agreement Offsets"), if any. (The

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Divestiture Agreement governs certain aspects of AT&T's divestiture of NCR and of what was then known as Lucent Technologies.) Those companies have made the payments requested of them by the Company on an ongoing basis.

There could be additional changes to some elements of the Company's remaining obligation over upcoming periods, in view of a final reconciliation of the Funding Agreement Receivable and the Divestiture Agreement Offsets. Thus, there can be no assurance that unexpected expenditures and liabilities will not have a material effect on NCR's capital expenditures, earnings, financial condition, cash flows, or competitive position. As of March 31, 2023 and December 31, 2022, we have no remaining liability for remedial obligations for the Fox River matter. As of March 31, 2023 and December 31, 2022, the liability subject to final reconciliation with indemnitors under the Divestiture Agreement was approximately \$22 million.

*Kalamazoo River* In November 2010, The United States Environmental Protection Agency ("USEPA") issued a "general notice letter" to NCR with respect to the Allied Paper, Inc./Portage Creek/Kalamazoo River Superfund Site ("Kalamazoo River site") in Michigan. Three other companies - International Paper, Mead Corporation, and Consumers Energy - also received general notice letters at or about the same time. USEPA asserts that the site is contaminated by various substances, primarily PCBs, as a result of discharges by various paper mills located along the river. USEPA does not claim that the Company made direct discharges into the Kalamazoo River, and NCR never had facilities at or near the Kalamazoo River site, but USEPA indicated that "NCR may be liable under Section 107 of CERCLA ... as an arranger, who by contract or agreement, arranged for the disposal, treatment and/or transportation of hazardous substances at the Site." USEPA stated that it "may issue special notice letters to [NCR] and other PRPs for future RI/FS [remedial investigation / feasibility studies] and RD/RA [remedial design / remedial action] negotiations."

In connection with the Kalamazoo River site, in December 2010 the Company, along with two other defendants, was sued in federal court by three GP affiliate corporations in a private-party contribution and cost recovery action for alleged pollution. The suit, pending in Michigan, asks that the Company and other defendants pay a "fair portion" of these companies' costs. Various removal and remedial actions remain to be decided upon and performed at the Kalamazoo River site, the total costs for which generally remain undetermined; in 2017, Records of Decisions were issued for two parts of the river, and in 2018 such a decision was issued for another part of the river, but such decisions for the majority of the work are expected to be made only over the next several years. The suit alleges that the Company is liable to the GP entities as an "arranger" under CERCLA. The initial phase of the case was tried in a Michigan federal court in February 2013; on September 26, 2013 the court issued a decision that held NCR was liable as an "arranger" as of at least March 1969. (PCB-containing carbonless copy paper was produced from approximately 1954 to April 1971, and the majority of contamination at the Kalamazoo River site had occurred prior to 1969). NCR preserved its right to appeal the September 2013 decision.

In the 2013 decision the Court did not determine NCR's share of the overall liability. Relative shares of liability for the four companies were tried to the court in a subsequent phase of the case in December 2015. In a ruling issued on March 29, 2018, the court addressed responsibility for the costs that GP had incurred in the past, totaling to approximately \$50 million (GP had sought approximately \$105 million, but \$55 million of those claims were removed by the court upon motions filed by the Company and other parties); NCR and GP were each assigned a 40% share of those costs, and the other two companies were assigned 15% and 5% as their allocations. The court entered a judgment in the case on June 19, 2018, in which it indicated that it would not allocate future costs, but would enter a declaratory judgment that the four companies together had responsibility for future costs, in amounts and shares to be determined. Cross-proceedings have been commenced to obtain recoveries from the other parties pursuant to the judgment; those proceedings were stayed pending the appeal referenced below.

In July 2018, the Company appealed to the United States Court of Appeals for the Sixth Circuit both the 2013 court decision, which it believes is in conflict with a decision from the Fox River trial court as to Operable Unit 1 of that site and an affirmance of that decision from the Court of Appeals for the Seventh Circuit, and the 2018 court decision, on various legal grounds. The Company filed a bond to stay any execution of the judgment pending the appeal, and its application for a stay was approved by the court and remains stayed until the Company filed its dismissal of the appeal on December 31, 2020 pursuant to a Consent Decree, noted below.

During the pendency of the Sixth Circuit stay, the Company negotiated a settlement of the Kalamazoo River matter with the USEPA and other government agencies having oversight over the river. On December 5, 2019, the Company entered into a Consent Decree, filed with the District Court on December 11, 2019, and on December 2, 2020, the District Court approved the Consent Decree, which has now resolved all litigation associated with the river clean-up, including the Sixth Circuit appeal. The Consent Decree requires the Company to pay GP its 40% share of past costs, to pay the USEPA and state agencies their past and future administrative costs, and to dismiss its Sixth Circuit appeal. The Consent Decree further requires the Company to take responsibility for the remediation of a portion, but not all, of the Kalamazoo River. The Consent Decree further provides



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the Company protection from other PRPs, including GP, seeking contribution for their costs associated with the clean-up anywhere on the river, thereby resolving the allocation of future costs left unresolved by the June 19, 2019 judgment.

The Company believes it has meritorious claims against BAT under the Cost Sharing Agreement, discussed above, for the Kalamazoo River remediation expenses as a so-called “future site.” To date, BAT has denied that the Kalamazoo River is a “future site.” On February 10, 2023, the Company filed an action against BAT in the Southern District of New York seeking a declaration that the Kalamazoo River is indeed a future site under the Cost Sharing Agreement. The Company will also have indemnity or reimbursement claims against AT&T and Nokia under the arrangement discussed above in connection with the Fox River matter after expenses have met a contractual threshold set out in the 1996 Divestiture Agreement referenced above in the Fox River discussion. The Company believes that contractual threshold was, or was nearly, met in December 2022.

As of March 31, 2023 and December 31, 2022, the total reserve for Kalamazoo was \$86 million and \$90 million, respectively. The reserve is reported on a basis that is net of expected contributions from the Company's co-obligors and indemnitors, subject to when the applicable threshold is reached. While the Company believes its co-obligors' and indemnitors' obligations are as previously reported, the reserve reflects changes in positions taken by some of those co-obligors and indemnitors with respect to the Kalamazoo River. The contributions from its co-obligors and indemnitors are expected to range from \$70 million to \$155 million and the Company will continue to pursue such contribution.

As many aspects of the costs of remediation will not be determined for several years (and thus the high end of a range of possible costs for many areas of the site cannot be quantified at this time), the Company has made what it considers to be reasonable estimates of the low end of a range for such costs where remedies are identified, and/or of the costs of investigations and studies for areas of the river where remedies have not yet been determined, and the reserve is informed by those estimates. The extent of NCR's potential liability remains subject to many uncertainties, notwithstanding the settlement of this matter and related Consent Decree noted above, particularly in as much as remedy decisions and cost estimates will not be generated until times in the future and as most of the work to be performed will take place through the 2030s. Under other assumptions or estimates for possible costs of remediation, which the Company does not at this point consider to be reasonably estimable or verifiable, it is possible that the reserve the Company has taken to discontinued operations reflected in this paragraph could more than approximately double the reflected reserve.

*Ebina* The Company is engaged in cooperative regulatory compliance activities with the government of Japan in connection with certain environmental contaminants generated in its past operations in that country. The Company has quantities of PCB and other wastes primarily from its former plant at Oiso, Japan, including capsulated undiluted solutions manufactured in the past, capacitors, light ballasts and PCB-affected soil from the Oiso plant that was excavated and placed in steel drums. These wastes are stored in a facility at Ebina, Japan in accordance with Japanese regulations governing such materials. Over the past several years Japan has enacted and amended legislation governing such wastes, and has set a current deadline for treating and disposing of (at government-constructed disposal facilities) the highest-concentration wastes by 2027. Lower-concentration wastes can be and have been disposed of via private contractors, and as of March 31, 2023, NCR had disposed of approximately 96% of its lower-concentration wastes and approximately 67% of its higher-concentration wastes.

The Company and its consultants have met and communicated regularly with the Japanese agency charged with administration of the law, and are working with that agency on a program to manage disposal of the high-concentration wastes, including tests of technologies to make the disposal more efficient. The government has given its final approvals, and the Company started to dispose of the high-concentration wastes in 2021, with final deadlines for various of the government-constructed disposal sites currently set for 2023 and later. Low-concentration wastes are required to be contracted for disposal by 2027, a timetable that the Company expects to meet. In September 2019, the Company's environmental consultants, following a series of communications and meetings with the Japanese agency, at the Company's request prepared an estimate of remaining disposal costs over the coming several years. While the estimate is subject to a range of assumptions and uncertainties, including prospects of cost reduction in coordination with the agency as certain field testing to separate high-concentration and low-concentration waste progresses over the coming years, the Company adjusted its existing reserve for the matter to take into account this cost estimate. The reserve as of March 31, 2023 and December 31, 2022 is \$7 million. The Japan environmental waste issue is treated as a compliance matter and not as litigation or enforcement, and the Company has received no threats of litigation or enforcement.

*Environmental-Related Insurance Recoveries* In connection with the Fox River and other environmental sites, through March 31, 2023, NCR has received a combined gross total of approximately \$212 million in settlements reached with various of its insurance carriers. Portions of many of these settlements agreed in the 2010 through 2013 timeframe are payable to a law firm that litigated the claims on the Company's behalf. Some of the settlements cover not only the Fox River but also other environmental sites; some are limited to either the Fox River or the Kalamazoo River site. Some of the settlements are directed

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to defense costs and some are directed to indemnity; some settlements cover both defense costs and indemnity. The Company does not anticipate that further material insurance recoveries specific to Kalamazoo River remediation costs will be available to it, but it has recovered some amounts as a result of settlement discussions with certain carriers. Claims with respect to Kalamazoo River defense costs have now been settled, with the amounts of those settlements included in the sum reported above.

*Environmental Remediation Estimates* It is difficult to estimate the future financial impact of environmental laws, including potential liabilities. NCR records environmental provisions when it is probable that a liability has been incurred and the amount or range of the liability is reasonably estimable; in accordance with accounting guidance, where liabilities are not expected to be quantifiable or estimable for a period of years, the estimated costs of investigating those liabilities are recorded as a component of the reserve for that particular site. Provisions for estimated losses from environmental restoration and remediation are, depending on the site, based generally on internal and third-party environmental studies, estimates as to the number and participation level of other PRPs, the extent of contamination, estimated amounts for attorney and other fees, and the nature of required clean-up and restoration actions. Reserves are adjusted as further information develops or circumstances change. Management expects that the amounts reserved from time to time will be paid out over the period of investigation, negotiation, remediation and restoration for the applicable sites. The amounts provided for environmental matters in NCR's Condensed Consolidated Financial Statements are the estimated gross undiscounted amounts of such liabilities, without deductions for indemnity insurance, third-party indemnity claims or recoveries from other PRPs, except as qualified in the following sentences. In those cases where insurance carriers or third-party indemnitors have agreed to pay any amounts and management believes that collectability of such amounts is probable, the amounts are recorded in the Condensed Consolidated Financial Statements. For the Fox River and Kalamazoo River sites, as described above, assets relating to the AT&T and Nokia indemnities and to the BAT obligations are recorded as payment is supported by contractual agreements, public filings and/or payment history.

**Guarantees and Product Warranties** In the ordinary course of business, NCR may issue performance guarantees on behalf of its subsidiaries to certain of its customers and other parties. Some of those guarantees may be backed by standby letters of credit, surety bonds, or similar instruments. In general, under the guarantees, NCR would be obligated to perform, or cause performance, over the term of the underlying contract in the event of an unexcused, uncured breach by its subsidiary, or some other specified triggering event, in each case as defined by the applicable guarantee. NCR believes the likelihood of having to perform under any such guarantee is remote. As of March 31, 2023 and December 31, 2022, NCR had no material obligations related to such guarantees, and therefore its Condensed Consolidated Financial Statements do not have any associated liability balance.

NCR provides its customers a standard manufacturer's warranty and records, at the time of the sale, a corresponding estimated liability for potential warranty costs. Estimated future obligations due to warranty claims are based upon historical factors, such as labor rates, average repair time, travel time, number of service calls per machine and cost of replacement parts. When a sale is consummated, the total customer revenue is recognized, provided that all revenue recognition criteria are otherwise satisfied, and the associated warranty liability is recorded using pre-established warranty percentages for the respective product classes. Warranty reserve liabilities are presented in Other current liabilities and Other liabilities in the Condensed Consolidated Balance Sheets.

From time to time, product design or quality corrections are accomplished through modification programs. When identified, associated costs of labor and parts for such programs are estimated and accrued as part of the warranty reserve.

The Company recorded the activity related to the warranty reserve for the three months ended March 31 as follows:

In millions	2023	2022
<b>Warranty reserve liability</b>		
Beginning balance as of January 1	\$ 13	\$ 19
Accruals for warranties issued	4	5
Settlements (in cash or in kind)	(5)	(7)
Ending balance as of March 31	<u>\$ 12</u>	<u>\$ 17</u>

In addition, NCR provides its customers with certain indemnification rights. In general, NCR agrees to indemnify the customer if a third-party asserts patent or other infringement on the part of its customers for its use of the Company's products subject to certain conditions that are generally standard within the Company's industries. On limited occasions the Company will undertake additional indemnification obligations for business reasons. From time to time, NCR also enters into agreements in



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connection with its acquisition and divestiture activities that include indemnification obligations by the Company. The fair value of these indemnification obligations is not readily determinable due to the conditional nature of the Company's potential obligations and the specific facts and circumstances involved with each particular agreement. The Company has not recorded a liability in connection with these indemnifications, and no current indemnification instance is material to the Company's financial position. Historically, payments made by the Company under these types of agreements have not had a material effect on the Company's consolidated financial condition, results of operations or cash flows.

**Purchase Commitments** The Company has purchase commitments for materials, supplies, services, and property, plant and equipment as part of the normal course of business. This includes a long-term service agreement with Accenture, under which many of NCR's key transaction processing activities and functions are performed.

### **11. SERIES A CONVERTIBLE PREFERRED STOCK**

Holders of Series A Convertible Preferred Stock are entitled to a cumulative dividend at the rate of 5.5% per annum, payable quarterly in arrears. Beginning in the first quarter of 2020, dividends are payable in cash or in-kind at the option of the Company. If the Company does not declare and pay a dividend, the dividend rate will increase to 8.0% per annum until all accrued but unpaid dividends have been paid in full. During the three months ended March 31, 2023 and 2022, the Company paid cash dividends of \$4 million.

The Series A Convertible Preferred Stock is convertible at the option of the holders at any time into shares of common stock at a conversion price of \$30.00 per share, or a conversion rate of 33.333 shares of common stock per share of Series A Convertible Preferred Stock. As of March 31, 2023 and December 31, 2022, the maximum number of common shares that could be required to be issued upon conversion of the outstanding shares of Series A Convertible Preferred Stock was 9.2 million shares.

### **12. EARNINGS PER SHARE**

Basic earnings per share ("EPS") is calculated by dividing net income or loss attributable to NCR, less any dividends (declared or cumulative undeclared), deemed dividends, accretion or decrction, redemption or induced conversion on our Series A Convertible Preferred Stock, by the weighted average number of shares outstanding during the period.

In computing diluted EPS, we evaluate and reflect the maximum potential dilution, for each issue or series of issues of potential common shares in sequence from the most dilutive to the least dilutive. We adjust the numerator used in the basic EPS computation, subject to anti-dilution requirements, to add back the dividends (declared or cumulative undeclared) applicable to the Series A Convertible Preferred Stock. Such add-back would also include any adjustments to equity in the period to accrete the Series A Convertible Preferred Stock to its redemption price, or recorded upon a redemption or induced conversion. We adjust the denominator used in the basic EPS computation, subject to anti-dilution requirements, to include the dilution from potential shares resulting from the issuance of the Series A Convertible Preferred Stock, restricted stock units, and stock options.

The holders of Series A Convertible Preferred Stock, unvested restricted stock units and stock options do not have non-forfeitable rights to common stock dividends or common stock dividend equivalents. Accordingly, the Series A Convertible Preferred Stock, unvested restricted stock units and stock options do not qualify as participating securities. See Note 8, "Stock Compensation Plans", for share information on NCR's stock compensation plans.

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The components of basic earnings per share are as follows:

In millions, except per share amounts	Three months ended March 31	
	2023	2022
<b>Numerator:</b>		
Income (loss) from continuing operations	\$ 9	\$ (33)
Dividends on Series A Convertible Preferred Stock	(4)	(4)
<b>Income (loss) from continuing operations attributable to NCR common stockholders</b>	<b>5</b>	<b>(37)</b>
Income (loss) from discontinued operations, net of tax	—	(1)
<b>Net income (loss) attributable to NCR common stockholders</b>	<b>\$ 5</b>	<b>\$ (38)</b>
<b>Denominator:</b>		
Basic weighted average number of shares outstanding	139.6	135.7
<b>Basic earnings per share:</b>		
From continuing operations	\$ 0.04	\$ (0.27)
From discontinued operations	—	(0.01)
Total basic earnings per share	<b>\$ 0.04</b>	<b>\$ (0.28)</b>

The components of diluted earnings per share are as follows:

In millions, except per share amounts	Three months ended March 31	
	2023	2022
<b>Numerator:</b>		
Income (loss) from continuing operations	\$ 9	\$ (33)
Dividends on Series A Convertible Preferred Stock	(4)	(4)
<b>Income (loss) from continuing operations attributable to NCR common stockholders</b>	<b>5</b>	<b>(37)</b>
Income from discontinued operations, net of tax	—	(1)
<b>Net income (loss) attributable to NCR common stockholders</b>	<b>\$ 5</b>	<b>\$ (38)</b>
<b>Denominator:</b>		
Basic weighted average number of shares outstanding	139.6	135.7
Dilutive effect of restricted stock units and stock options	2.1	—
<b>Weighted average diluted shares</b>	<b>141.7</b>	<b>135.7</b>
<b>Diluted earnings per share:</b>		
From continuing operations	\$ 0.04	\$ (0.27)
From discontinued operations	—	(0.01)
Total diluted earnings per share	<b>\$ 0.04</b>	<b>\$ (0.28)</b>

For the three months ended March 31, 2023, shares related to the as-if converted Series A Convertible Preferred Stock of 9.2 million were excluded from the diluted share count because their effect would have been anti-dilutive. Additionally, weighted

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average restricted stock units and stock options of 12.9 million were excluded from the diluted share count because their effect would have been anti-dilutive.

For the three months ended March 31, 2022, due to the net loss attributable to NCR common stockholders, potential common shares that would cause dilution, such as Series A Convertible Preferred Stock, restricted stock units and stock options, have been excluded from the diluted share count because their effect would have been anti-dilutive. The weighted average outstanding shares of common stock were not adjusted by 9.2 million for the as-if converted Series A Convertible Preferred Stock because the effect would be anti-dilutive. Additionally, weighted average restricted stock units and stock options of 11.2 million were excluded from the diluted share count because their effect would have been anti-dilutive.

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### 13. DERIVATIVES AND HEDGING INSTRUMENTS

NCR is exposed to certain risks arising from both our business operations and economic conditions. We principally manage exposures to a wide variety of business and operational risk through management of core business activities. We manage interest rate risk associated with our vault cash rental obligations and floating rate-debt by managing the amount, sources, and duration of debt funding and the use of derivative financial instruments. The Company uses interest rate cap agreements or interest rate swap contracts (“Interest Rate Derivatives”) to manage differences in the amount, timing and duration of known or expected cash payments related to our existing TLA Facility and vault cash agreements.

Further, a substantial portion of our operations and revenue occur outside the United States and, as such, NCR has exposure to approximately 45 functional currencies. Our results can be significantly impacted, both positively and negatively, by changes in foreign currency exchange rates. The Company seeks to mitigate such impact by hedging its foreign currency transaction exposure using foreign currency forward and option contracts. We do not enter into hedges for speculative purposes.

#### *Foreign Currency Exchange Risk*

The accounting guidance for derivatives and hedging requires companies to recognize all derivative instruments as either assets or liabilities at fair value in the Condensed Consolidated Balance Sheets. The Company designates foreign exchange contracts as cash flow hedges of forecasted transactions when they are determined to be highly effective at inception.

Our risk management strategy includes hedging, on behalf of certain subsidiaries, a portion of our forecasted, non-functional currency denominated cash flows for a period of up to 15 months. As a result, some of the impact of currency fluctuations on non-functional currency denominated transactions (and hence on subsidiary operating income, as stated in the functional currency), is mitigated in the near term. In the longer term (greater than 15 months), the subsidiaries are still subject to the effect of translating the functional currency results to United States Dollars. To manage our exposures and mitigate the impact of currency fluctuations on the operations of our foreign subsidiaries, we hedge our main transactional exposures through the use of foreign exchange forward and option contracts. This is primarily done through the hedging of foreign currency denominated inter-company inventory purchases by NCR’s marketing units and the foreign currency denominated inputs to our manufacturing units. If the hedge is designated as a highly effective cash flow hedge, the gains or losses are deferred into accumulated other comprehensive income (“AOCI”). The gains or losses from derivative contracts that are designated as highly effective cash flow hedges related to inventory purchases are recorded in cost of products when the inventory is sold to an unrelated third party. Otherwise, they are recorded in earnings when the exchange rates change. As of March 31, 2023 and December 31, 2022, the balance in AOCI related to foreign exchange derivative transactions was zero.

We also utilize foreign exchange contracts to hedge our exposure of assets and liabilities denominated in non-functional currencies. We recognize the gains and losses on these types of hedges in earnings as exchange rates change.

**Interest Rate Risk** The Company designates Interest Rate Derivative contracts as cash flow hedges of forecasted transactions when they are determined to be highly effective at inception.

We utilize interest rate swap contracts or interest rate cap agreements to add stability to interest cost and to manage exposure to interest rate movements as part of our interest rate risk management strategy. Payments and receipts related to Interest Rate Derivatives are included in cash flows from operating activities in the Condensed Consolidated Statements of Cash Flows.

In June 2022, the Company executed \$2.4 billion aggregate notional amount interest rate swap contracts effective June 1, 2022 and terminating on April 1, 2025. These interest rate swap contracts have fixed rates ranging from 2.790% to 3.251%, and have been designated as cash flow hedges of the floating rate interest associated with the Company’s U.S. Dollar and U.K. Pound Sterling vault cash agreements.

At March 31, 2023, each of our outstanding Interest Rate Derivative agreements were determined to be highly effective. Amounts reported in Accumulated other comprehensive income related to these derivatives will be reclassified to Cost of services as payments are made on the Company’s vault cash rental obligations. Unrealized gains on terminated interest rate swap and cap agreements reported in Accumulated other comprehensive income will be reclassified to Interest expense and Cost of services ratably over terms corresponding to the original agreements. As of March 31, 2023 and December 31, 2022, the balance in AOCI related to Interest Rate Derivatives was \$86 million and \$109 million, respectively.

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The following tables provide information on the location and amounts of derivative fair values in the Condensed Consolidated Balance Sheets:

In millions	Fair Values of Derivative Instruments					
	March 31, 2023					
	Balance Sheet Location	Notional Amount	Fair Value	Balance Sheet Location	Notional Amount	Fair Value
<b>Derivatives designated as hedging instruments</b>						
Interest rate swap contracts	Prepaid and other current assets		\$ 33	Other current liabilities		\$ —
Interest rate swap contracts	Other Assets		11	Other liabilities		—
<b>Total derivatives designated as hedging instruments</b>		<b>\$ 2,431</b>	<b>\$ 44</b>		<b>\$ —</b>	<b>\$ —</b>
<b>Derivatives not designated as hedging instruments</b>						
Foreign exchange contracts	Prepaid and other current assets		\$ 1	Other current liabilities		\$ (1)
<b>Total derivatives not designated as hedging instruments</b>		<b>\$ 268</b>	<b>\$ 1</b>		<b>\$ 482</b>	<b>\$ (1)</b>
<b>Total derivatives</b>			<b>\$ 45</b>			<b>\$ (1)</b>

In millions	Fair Values of Derivative Instruments					
	December 31, 2022					
	Balance Sheet Location	Notional Amount	Fair Value	Balance Sheet Location	Notional Amount	Fair Value
<b>Derivatives designated as hedging instruments</b>						
Interest rate swap contracts	Prepaid and other current assets		\$ 36	Other current liabilities		\$ —
Interest rate swap contracts	Other Assets		27	Other liabilities		—
<b>Total derivatives designated as hedging instruments</b>		<b>\$ 2,423</b>	<b>\$ 63</b>		<b>\$ —</b>	<b>\$ —</b>
<b>Derivatives not designated as hedging instruments</b>						
Foreign exchange contracts	Prepaid and other current assets		\$ 1	Other current liabilities		\$ (2)
<b>Total derivatives not designated as hedging instruments</b>		<b>\$ 376</b>	<b>\$ 1</b>		<b>\$ 373</b>	<b>\$ (2)</b>
<b>Total derivatives</b>			<b>\$ 64</b>			<b>\$ (2)</b>

The effects of derivative instruments on the Condensed Consolidated Statements of Operations and Condensed Consolidated Statements of Comprehensive Income for the three months ended March 31, 2023 and 2022 were as follows:

In millions	Amount of Gain (Loss) Recognized in Other Comprehensive Income (OCI) on Derivative Contracts			Location of (Gain) Loss Reclassified from AOCI into the Condensed Consolidated Statement of Operations	Amount of (Gain) Loss Reclassified from AOCI into the Condensed Consolidated Statement of Operations	
	For the three months ended March 31, 2023	For the three months ended March 31, 2022	For the three months ended March 31, 2023		For the three months ended March 31, 2022	
	<b>Derivatives in Cash Flow Hedging Relationships</b>					
Interest rate contracts	\$ (11)	\$ 32	Cost of services	\$ (15)	\$ 1	
Interest rate contracts	\$ —	\$ 25	Interest expense	\$ (4)	\$ —	

**NCR Corporation**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)**

In millions	Location of Gain (Loss) Recognized in the Condensed Consolidated Statement of Operations	Amount of Gain (Loss) Recognized in the Condensed Consolidated Statement of Operations	
		Three months ended March 31	
		2023	2022
<b>Derivatives not Designated as Hedging Instruments</b>			
Foreign exchange contracts	Other income (expense), net	\$ (5)	\$ (6)

The following tables show the impact of the Company's cash flow hedge accounting relationships on the Condensed Consolidated Statement of Operations for the three months ended March 31, 2023 and 2022.

In millions	Location and Amount of (Gain) Loss Recognized in Income on Cash Flow Hedging Relationships for the quarters ended March 31:			
	Cost of Services		Interest Expense	
	2023	2022	2023	2022
Total amount of expense presented in the Condensed Consolidated Statements of Operations in which the effects of cash flow hedges are recorded	\$ 969	\$ 963	\$ 83	\$ 63
Amount of (gain) loss reclassified from Accumulated other comprehensive loss, net of expense	\$ (15)	\$ 1	\$ (4)	\$ —

As of March 31, 2023, the Company expects to reclassify \$45 million of net derivative-related gains contained in Accumulated other comprehensive loss into earnings during the next twelve months.

Refer to Note 14, "Fair Value of Assets and Liabilities", for further information on derivative assets and liabilities recorded at fair value on a recurring basis.

**Concentration of Credit Risk**

NCR is potentially subject to concentrations of credit risk on accounts receivable and financial instruments such as hedging instruments and cash and cash equivalents. Credit risk includes the risk of nonperformance by counterparties. The maximum potential loss may exceed the amount recognized on the Condensed Consolidated Balance Sheets. Exposure to credit risk is managed through credit approvals, credit limits, selecting major international financial institutions as counterparties to hedging transactions and monitoring procedures. NCR's business often involves large transactions with customers, and if one or more of those customers were to default on its obligations under applicable contractual arrangements, the Company could be exposed to potentially significant losses. However, management believes that the reserves for potential losses are adequate. As of March 31, 2023 and December 31, 2022, we did not have any major concentration of credit risk related to financial instruments.

**NCR Corporation**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)**

**14. FAIR VALUE OF ASSETS AND LIABILITIES**

**Assets and Liabilities Measured at Fair Value on a Recurring Basis**

Assets and liabilities recorded at fair value on a recurring basis as of March 31, 2023 and December 31, 2022 are set forth as follows:

		March 31, 2023			
In millions	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
<b>Assets:</b>					
Deposits held in money market mutual funds <sup>(1)</sup>	\$ 12	\$ 12	\$ —	\$ —	\$ —
Foreign exchange contracts <sup>(2)</sup>	1	—	1	—	—
Interest rate swap agreements <sup>(3)</sup>	44	—	44	—	—
<b>Total</b>	<b>\$ 57</b>	<b>\$ 12</b>	<b>\$ 45</b>	<b>\$ —</b>	<b>\$ —</b>
<b>Liabilities:</b>					
Foreign exchange contracts <sup>(4)</sup>	1	—	1	—	—
<b>Total</b>	<b>\$ 1</b>	<b>\$ —</b>	<b>\$ 1</b>	<b>\$ —</b>	<b>\$ —</b>
		December 31, 2022			
In millions	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
<b>Assets:</b>					
Deposits held in money market mutual funds <sup>(1)</sup>	\$ 16	\$ 16	\$ —	\$ —	\$ —
Foreign exchange contracts <sup>(2)</sup>	1	—	1	—	—
Interest rate swap and cap agreements <sup>(3)</sup>	63	—	63	—	—
<b>Total</b>	<b>\$ 80</b>	<b>\$ 16</b>	<b>\$ 64</b>	<b>\$ —</b>	<b>\$ —</b>
<b>Liabilities:</b>					
Foreign exchange contracts <sup>(4)</sup>	2	—	2	—	—
<b>Total</b>	<b>\$ 2</b>	<b>\$ —</b>	<b>\$ 2</b>	<b>\$ —</b>	<b>\$ —</b>

<sup>(1)</sup> Included in Cash and cash equivalents in the Condensed Consolidated Balance Sheets.

<sup>(2)</sup> Included in Prepaid and other current assets in the Condensed Consolidated Balance Sheets.

<sup>(3)</sup> Included in Prepaid and other current assets and Other assets in the Condensed Consolidated Balance Sheets.

<sup>(4)</sup> Included in Other current liabilities in the Condensed Consolidated Balance Sheets.

**Deposits Held in Money Market Mutual Funds** A portion of the Company's excess cash is held in money market mutual funds that generate interest income based on prevailing market rates. Money market mutual fund holdings are measured at fair value using quoted market prices and are classified within Level 1 of the valuation hierarchy.

**Foreign Exchange Contracts** As a result of our global operating activities, we are exposed to risks from changes in foreign currency exchange rates, which may adversely affect our financial condition. To manage our exposures and mitigate the impact of currency fluctuations on our financial results, we hedge our primary transactional exposures through the use of foreign exchange forward and option contracts. The foreign exchange contracts are valued using the market approach based on observable market transactions of forward rates and are classified within Level 2 of the valuation hierarchy.

**Interest Rate Swap and Cap Agreements** In order to add stability to interest expense and operating costs and to manage exposure to interest rate movements the Company utilizes interest rate swap contracts and interest rate cap agreements as part of its interest rate risk management strategy. The interest rate cap agreements are valued using the market standard methodology of discounting the future expected cash receipts that would occur if variable interest rates rise above the strike rate of the caps. The variable interest rates used in the calculation of projected receipts on the cap are based on an expectation of future interest rates derived from observable market interest rate curves and volatilities. The interest rate swap contracts are valued using an income model based on disparity between variable and fixed interest rates, the scheduled balance of underlying principal

**NCR Corporation**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)**

outstanding, yield curves, and other information readily available in the market. As such, the interest rate swap contracts and interest rate cap agreements are classified in Level 2 of the fair value hierarchy.

We incorporate credit valuation adjustments to appropriately reflect both our own nonperformance risk and the respective counterparty's nonperformance risk in the fair value measurements. In adjusting the fair value of our derivative contracts for the effect of nonperformance risk, we consider the impact of netting and any applicable credit enhancements. We measure the credit risk of our derivative financial instruments that are subject to master netting agreements on a net basis by counterparty portfolio.

Although we have determined that the majority of the inputs used to value our derivatives fall within Level 2 of the fair value hierarchy, the credit valuation adjustments utilize Level 3 inputs to evaluate the likelihood of both our own default and counterparty default. As of March 31, 2023, we determined that the credit valuation adjustments are not significant to the overall valuation of our derivatives and therefore, the valuations are classified in Level 2 of the fair value hierarchy.

***Assets Measured at Fair Value on a Non-recurring Basis***

From time to time, certain assets are measured at fair value on a nonrecurring basis using significant unobservable inputs (Level 3). NCR reviews the carrying values of investments when events and circumstances warrant and considers all available evidence in evaluating when declines in fair value are other-than-temporary declines. There were no material impairment charges or non-recurring fair value adjustments recorded during the three months ended March 31, 2023 and 2022.



**NCR Corporation**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)**

**15. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)**

**Changes in Accumulated Other Comprehensive Income (“AOCI”) by Component**

In millions	Currency Translation Adjustments	Changes in Employee Benefit Plans	Changes in Fair Value of Effective Cash Flow Hedges	Total
Balance as of December 31, 2022	\$ (404)	\$ (5)	\$ 109	\$ (300)
Other comprehensive income (loss) before reclassifications	5	—	(9)	(4)
Amounts reclassified from AOCI	—	(1)	(14)	(15)
Net current period other comprehensive (loss) income	5	(1)	(23)	(19)
Balance as of March 31, 2023	\$ (399)	\$ (6)	\$ 86	\$ (319)

**Reclassifications Out of AOCI**

In millions	For the three months ended March 31, 2023			
	Employee Benefit Plans			Total
	Amortization of Actuarial Loss (Gain)	Amortization of Prior Service Benefit	Effective Cash Flow Hedge Loss (Gain)	
Affected line in Condensed Consolidated Statement of Operations:				
Cost of products	\$ —	\$ —	\$ —	\$ —
Cost of services	(1)	—	(15)	(16)
Selling, general and administrative expenses	—	—	—	—
Research and development expenses	—	—	—	—
Interest expense	—	—	(4)	(4)
Total before tax	\$ (1)	\$ —	\$ (19)	\$ (20)
Tax expense				5
Total reclassifications, net of tax				\$ (15)

In millions	For the three months ended March 31, 2022			
	Employee Benefit Plans			Total
	Amortization of Actuarial Loss (Gain)	Amortization of Prior Service Benefit	Effective Cash Flow Hedge Loss (Gain)	
Affected line in Condensed Consolidated Statement of Operations:				
Cost of products	\$ —	\$ —	\$ —	\$ —
Cost of services	—	(1)	1	—
Selling, general and administrative expenses	—	—	—	—
Research and development expenses	—	—	—	—
Interest expense	—	—	—	—
Total before tax	\$ —	\$ (1)	\$ 1	\$ —
Tax expense				—
Total reclassifications, net of tax				\$ —

**NCR Corporation**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)**

**16. SUPPLEMENTAL FINANCIAL INFORMATION**

The components of accounts receivable are summarized as follows:

In millions	March 31, 2023	December 31, 2022
<b>Accounts receivable</b>		
Trade	\$ 984	\$ 1,056
Other	62	61
Accounts receivable, gross	1,046	1,117
Less: allowance for credit losses	(37)	(34)
<b>Total accounts receivable, net</b>	<b>\$ 1,009</b>	<b>\$ 1,083</b>

Our allowance for credit losses as of March 31, 2023 and December 31, 2022 was \$37 million and \$34 million, respectively. We continue to evaluate our reserves in light of the age and quality of our outstanding accounts receivable as well as risks to specific industries or countries and adjust the reserves accordingly. The impact to our allowance for credit losses for the three months ended March 31, 2023 was an expense of \$4 million. The impact to our allowance for credit losses for the the three months ended March 31, 2022 was an expense of \$4 million. The Company recorded write-offs against the reserve for the three months ended March 31, 2023 and 2022 of \$1 million and \$2 million, respectively.

The components of inventory are summarized as follows:

In millions	March 31, 2023	December 31, 2022
<b>Inventories</b>		
Work in process and raw materials	\$ 115	\$ 107
Finished goods	256	252
Service parts	421	413
<b>Total inventories</b>	<b>\$ 792</b>	<b>\$ 772</b>

## Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS ("MD&A")

The following discussion should be read in conjunction with the Condensed Consolidated Financial Statements and notes thereto included under Item 1. Financial Statements of this Form 10-Q and our Consolidated Financial Statements and notes thereto and related Management's Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10-K for the year ended December 31, 2022 (the "2022 Form 10-K").

Our discussion within MD&A is organized as follows:

- *Overview.* This section contains background information on our company, summary of significant themes and events during the quarter as well as strategic initiatives and trends in order to provide context for management's discussion and analysis of our financial condition and results of operations.
- *Results of operations.* This section contains an analysis of our results of operations presented in the accompanying condensed consolidated statements of income by comparing the results for the three months ended March 31, 2023 to the results for the three months ended March 31, 2022.
- *Liquidity and capital resources.* This section provides an analysis of our cash flows and a discussion of our contractual obligations at March 31, 2023.

## OVERVIEW

### BUSINESS OVERVIEW

NCR Corporation ("NCR", the "Company", "we" or "us") was originally incorporated in 1884 and is a software- and services-led enterprise technology provider that runs stores, restaurants and self-directed banking for our customers, which includes businesses of all sizes. NCR is a global company that is headquartered in Atlanta, Georgia. Our software platform, which runs in the cloud and includes microservices and APIs that integrate with our customers' systems, and our NCR-as-a-Service solutions bring together all of the capabilities and competencies of NCR to power the technology to run our customers' operations. Our portfolio includes digital first software and services offerings for banking, retailers and restaurants, as well as payments processing and networks, multi-vendor connected device services, automated teller machines ("ATMs"), self-checkout ("SCO") kiosks and related technologies, point of sale ("POS") terminals and other self-service technologies. We also resell third-party networking products and provide related service offerings in the telecommunications and technology sector. Our solutions are designed to support our transition to becoming a software platform and payments company.

We manage our operations in the following segments: Retail, Hospitality, Digital Banking, Payments & Network, and Self-Service Banking.

- *Retail* - We offer software-led solutions to customers in the retail industry, leading with digital to connect retail operations end to end to integrate all aspects of a customer's operations in indoor and outdoor settings from POS, to payments, inventory management, fraud and loss prevention applications, loyalty and consumer engagement. These solutions include retail-oriented technologies such as comprehensive API-point of sale retail software platforms and applications, hardware terminals, self-service kiosks including SCO, payment processing and merchant acquiring solutions, and bar-code scanners.
- *Hospitality* - We offer technology solutions to customers in the hospitality industry, including table-service, quick-service and fast casual restaurants of all sizes, that are designed to improve operational efficiency, increase customer satisfaction, streamline order and transaction processing and reduce operating costs. Our solutions include POS hardware and software solutions, payment processing and merchant acquiring services, installation, maintenance, as well as managed and professional services.
- *Digital Banking* - NCR Digital Banking helps financial institutions implement their digital-first platform strategy by providing solutions for account opening, account management, transaction processing, imaging, and branch services to enable financial institutions to offer a compelling customer experience.

- *Payments & Network* - We provide a cost-effective way for financial institutions, fintechs, and neobanks to reach and serve their customers through our network of ATMs and multi-functioning financial services kiosks. We offer credit unions, banks, digital banks, fintechs, stored-value debit card issuers, and other consumer financial services providers access to our Allpoint retail-based ATM network, providing convenient and fee-free cash withdrawal and deposit access to their customers and cardholders as well as the ability to convert a digital value to cash, or vice versa, via NCRPay360. We also provide ATM branding solutions to financial institutions, ATM management and services to retailers and other businesses, as well as payment processing and merchant acquiring services in the retail, hospitality and other industries.
- *Self-Service Banking* - We offer solutions to enable customers in the financial services industry to reduce costs, generate new revenue streams and enhance customer loyalty. These solutions include a comprehensive line of ATM hardware and software, and related installation, maintenance, and managed and professional services. We also offer solutions to manage and run the ATM channel end-to-end for financial institutions that includes back office, cash management, software management and ATM deployment, among others.

Corporate and Other includes income and expenses related to corporate functions that are not specifically attributable to an individual reportable segment along with any immaterial operating segment(s).

Eliminations include revenues from contracts with customers and the related costs that are reported in the Payments & Network segment as well as in the Retail or Hospitality segments, including merchant acquiring services that are monetized via payments.

NCR's reputation is founded upon over 139 years of providing quality products, services and solutions to our customers. At the heart of our customer and other business relationships is a commitment to acting responsibly, ethically and with the highest level of integrity. This commitment is reflected in NCR's Code of Conduct, which is available on the Corporate Governance page of our website.

#### **SIGNIFICANT THEMES AND EVENTS**

As more fully discussed in later sections of this MD&A, the following were significant themes and events for the first quarter of 2023.

- Revenue of \$1,891 million, up 1% compared to the prior year period, and up 4% excluding foreign currency impacts
  - Recurring revenue increased 4% from the prior year and comprised 65% of total consolidated revenue
- Continued strength in strategic initiatives
- Planned separation of NCR into two independent, publicly traded companies announced on September 15, 2022 continues

#### **STRATEGIC INITIATIVES AND TRENDS**

In order to provide long-term value to all our stakeholders, we set complementary business goals and financial strategies. NCR is continuing its transition to become a software platform and payments company with a shift to a higher level of recurring revenue. Our business goal is to be a leading enterprise technology provider that runs stores, restaurants and self-directed banking through our software platform and our NCR-as-a-Service solutions. Execution of our goals and strategy is driven by the following key pillars: (i) focus on our customers; (ii) take care of our employees; (iii) bring high-quality, innovative products to market; and (iv) leverage our brand. We also plan to continue to improve our execution to drive solid returns and to transform our business to enhance value for all shareholders.

On September 15, 2022, NCR announced a plan to separate into two independent, publicly traded companies – one focused on digital commerce, the other on ATMs. The commerce company is expected to be a growth business positioned to leverage NCR's software-led model to continue transforming, connecting and running global retail, hospitality and digital banking. We believe it will enhance common solutions to drive innovation and boost operational efficiency. The commerce company is expected to also reinvest in the business to accelerate growth and recurring revenue.

The ATM company is expected to be a cash-generative business positioned to focus on delivering ATM-as-a-Service to a large, installed customer base across banks and retailers. We believe it will build on NCR's leadership in self-service banking and ATM networks to meet global demand for ATM access and leverage new ATM transaction types, including digital currency

solutions, to drive market growth. The ATM company is expected to also continue shifting to a highly recurring revenue model to drive stable cash flow and capital returns to shareholders.

The separation is intended to be structured in a tax-free manner. The separation transaction will follow the satisfaction of customary conditions, including effectiveness of appropriate filings with the U.S. Securities and Exchange Commission, and the completion of audited financial statements. The current target is to complete the separation in the fourth quarter of 2023.

Should alternative options become available in the future that could deliver superior value to our shareholders than the planned separation, such as a whole or partial company sale of NCR, the Board remains open to considering alternative scenarios.

#### *Cybersecurity Risk Management*

Similar to most companies, NCR and its customers are subject to more frequent and increasingly sophisticated cybersecurity attacks (including the ransomware incident announced April 17, 2023). The Company maintains cybersecurity risk management policies and procedures including disclosure controls, which it regularly evaluates for updates, for handling and responding to cybersecurity events. These policies and procedures include internal notifications and engagements and, as necessary, cooperation with law enforcement. Personnel involved in handling and responding to cybersecurity events periodically undertake tabletop exercises to simulate an event. Our internal notification procedures include notifying the applicable Company attorneys, which, depending on the level of severity assigned to the event, may include direct notice to, among others, the Company's General Counsel, Ethics & Compliance Officer, and Chief Privacy Officer. Company attorneys support efforts to evaluate the materiality of any incidents, determine whether notice to third parties such as customers or vendors is required, determine whether any prohibition on insider trading is appropriate, and assess whether disclosure to stockholders or governmental filings, including with the SEC, are required. Our internal notification procedures also include notifying various NCR Information Technology Services managers, subject matter experts in the Company's software department and Company leadership, depending on the level of severity assigned to the event.

For further information on potential risks and uncertainties, see Part 1, Item 1A "Risk Factors," of the 2022 Form 10-K and Part II, Item 1A "Risk Factors," of this Form 10-Q, as applicable.

#### ***Impacts from Geopolitical and Macroeconomic Challenges***

We continue to be exposed to macroeconomic pressures as a result of supply chain challenges, foreign currency fluctuations, and spikes in interest rates, commodity and energy prices as a result of geopolitical challenges. We continue to navigate through these challenges with a sharp focus on and goal of safeguarding our employees, helping our customers and managing impacts on our supply chain. Despite the rapidly changing environment, our teams are executing at a high level and we are advancing our strategy.

We expect that these factors will continue to negatively impact our business at least in the short-term. The ultimate impact on our overall financial condition and operating results will depend on the duration and severity of these geopolitical and other macroeconomic pressures and any governmental and public actions taken in response. We continue to evaluate the long-term impact that these may have on our business model, however, there can be no assurance that the measures we have taken or will take will completely offset the negative impact.

For further information on the risks posed to our business from the COVID-19 pandemic and other geopolitical and macroeconomic factors, refer to Part I, Item 1A, "Risk Factors", of the Company's 2022 Form 10-K. For further information on exposures to foreign exchange risk, refer to Item 3, "Quantitative and Qualitative Disclosures about Market Risk", in this Form 10-Q.

## Results from Operations

For the three months ended March 31, 2023 compared to the three months ended March 31, 2022

### Consolidated Results

The following tables show our results for the three months ended March 31, the relative percentage that those amounts represent to revenue, and the change in those amounts year-over-year.

In millions	Three months ended March 31		Percentage of Revenue <sup>(1)</sup>		Increase (Decrease)
	2023	2022	2023	2022	2023 v 2022
Product revenue	\$ 521	\$ 516	27.6 %	27.7 %	1 %
Service revenue	1,370	1,350	72.4 %	72.3 %	1 %
<b>Total revenue</b>	<b>1,891</b>	<b>1,866</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>1 %</b>
Product gross margin	65	24	12.5 %	4.7 %	171 %
Service gross margin	401	387	29.3 %	28.7 %	4 %
<b>Total gross margin</b>	<b>466</b>	<b>411</b>	<b>24.6 %</b>	<b>22.0 %</b>	<b>13 %</b>
Selling, general and administrative expenses	292	313	15.4 %	16.8 %	(7)%
Research and development expenses	64	65	3.4 %	3.5 %	(2)%
<b>Income from operations</b>	<b>\$ 110</b>	<b>\$ 33</b>	<b>5.8 %</b>	<b>1.8 %</b>	<b>233 %</b>

<sup>(1)</sup> The percentage of revenue is calculated for each line item divided by total revenue, except for product gross margin and service gross margin, which are divided by the related component of revenue.

### Key Strategic Financial Metrics

The following tables show our key strategic financial metrics for the three months ended March 31, the relative percentage that those amounts represent to total revenue, and the change in those amounts year-over-year.

#### Recurring revenue as a percentage of total revenue

In millions	Three months ended March 31		Percentage of Total Revenue		Increase (Decrease)
	2023	2022	2023	2022	2023 v 2022
Recurring revenue <sup>(1)</sup>	\$ 1,229	\$ 1,179	65.0 %	63.2 %	4 %
All other products and services	662	687	35.0 %	36.8 %	(4)%
<b>Total Revenue</b>	<b>\$ 1,891</b>	<b>\$ 1,866</b>	<b>100 %</b>	<b>100 %</b>	<b>1 %</b>

<sup>(1)</sup> Recurring revenue includes all revenue streams from contracts where there is a predictable revenue pattern that will occur at regular intervals with a relatively high degree of certainty. This includes hardware and software maintenance revenue, cloud revenue, payment processing revenue, interchange and network revenue, cryptocurrency-related revenue, and certain professional services arrangements as well as term-based software license arrangements that include customer termination rights.

#### Net income (loss) from continuing operations attributable to NCR and Adjusted EBITDA<sup>(2)</sup> as a percentage of total revenue

In millions	Three months ended March 31		Percentage of Total Revenue		Increase (Decrease)
	2023	2022	2023	2022	2023 v 2022
Net income (loss) from continuing operations attributable to NCR	\$ 9	\$ (33)	0.5 %	(1.8)%	127 %
Adjusted EBITDA	\$ 302	\$ 271	16.0 %	14.5 %	11 %

<sup>(2)</sup> Refer to our definition of Adjusted EBITDA in the section entitled "Non-GAAP Financial Measures and Use of Certain Terms."

### **Non-GAAP Financial Measures and Use of Certain Terms:**

*Constant Currency* NCR presents certain financial measures, such as period-over-period revenue growth, on a constant currency basis, which excludes the effects of foreign currency translation by translating prior period results at current period monthly average exchange rates. Due to the overall variability of foreign exchange rates from period to period, NCR's management uses constant currency measures to evaluate period-over-period operating performance on a more consistent and comparable basis. NCR's management believes that presentation of financial measures without this result may contribute to an understanding of the Company's period-over-period operating performance and provides additional insight into historical and/or future performance, which may be helpful for investors.

*Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA")* NCR's management uses the non-GAAP measure Adjusted EBITDA because it provides useful information to investors as an indicator of strength and performance of the Company's ongoing business operations, including funding discretionary spending such as capital expenditures, strategic acquisitions, and other investments. NCR determines Adjusted EBITDA based on GAAP net income (loss) from continuing operations attributable to NCR plus interest expense, net; plus income tax expense (benefit); plus depreciation and amortization; plus stock-based compensation expense; plus other income (expense); plus pension mark-to-market adjustments, pension settlements, pension curtailments and pension special termination benefits and other special items, including amortization of acquisition-related intangibles and transformation and restructuring charges (which includes integration, severance and other exit and disposal costs), among others. The special items are considered non-operational so are excluded from the Adjusted EBITDA metric utilized by our chief operating decision maker in evaluating segment performance and are separately delineated to reconcile back to total reported income (loss) from continuing operations attributable to NCR. This format is useful to investors because it allows analysis and comparability of operating trends. It also includes the same information that is used by NCR management to make decisions regarding the segments and to assess our financial performance. Refer to the table below for the reconciliations of net income (loss) from continuing operations attributable to NCR (GAAP) to Adjusted EBITDA (non-GAAP).

*Special Item Related to Russia* The war in Eastern Europe and related sanctions imposed on Russia and related actors by the United States and other jurisdictions required us to commence the orderly wind down of our operations in Russia in the first quarter of 2022. As of March 31, 2023, we have ceased operations in Russia and are in the process of dissolving our only subsidiary in Russia. As a result, for the three months ended March 31, 2022, our presentation of segment revenue and Adjusted EBITDA exclude the immaterial impact of our operating results in Russia, as well as the impact of impairments taken to write down the carrying value of assets and liabilities, severance charges, and the assessment of collectability on revenue recognition. No charges have been recognized for the three months ended March 31, 2023. We consider this to be a non-recurring special item and management has reviewed the results of its business segments excluding these impacts.

NCR's definitions and calculations of these non-GAAP measures may differ from similarly-titled measures reported by other companies and cannot, therefore, be compared with similarly-titled measures of other companies. These non-GAAP measures should not be considered as substitutes for, or superior to, results determined in accordance with GAAP.

In millions	Three months ended March 31	
	2023	2022
<b>Net income (loss) from continuing operations attributable to NCR (GAAP)</b>	<b>\$ 9</b>	<b>\$ (33)</b>
Transformation and restructuring costs	—	27
Acquisition-related amortization of intangibles	42	41
Acquisition-related costs	—	5
Interest expense	83	63
Interest income	(3)	(1)
Depreciation and amortization (excluding acquisition-related amortization of intangibles)	106	103
Income taxes	14	13
Stock-based compensation expense	32	34
Separation Costs	19	—
Russia	—	19
<b>Adjusted EBITDA (non-GAAP)</b>	<b>\$ 302</b>	<b>\$ 271</b>

## Revenue

In millions	Three months ended March 31		Percentage of Total Revenue		Increase (Decrease)
	2023	2022	2023	2022	2023 v 2022
Product revenue	\$ 521	\$ 516	27.6 %	27.7 %	1 %
Service revenue	1,370	1,350	72.4 %	72.3 %	1 %
<b>Total revenue</b>	<b>\$ 1,891</b>	<b>\$ 1,866</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>1 %</b>

Product revenue includes our hardware and software license revenue streams as well as cryptocurrency-related revenues. Service revenue includes hardware and software maintenance revenue, implementation services revenue, cloud revenue, payments processing revenue, interchange and network revenue, as well as professional services revenue.

*For the three months ended March 31, 2023 compared to the three months ended March 31, 2022*

Total revenue increased 1% for the three months ended March 31, 2023 compared to the three months ended March 31, 2022. Product revenue for the three months ended March 31, 2023 increased 1% compared to the three months ended March 31, 2022 due to growth in POS, ATM and cryptocurrency-related revenues, partially offset by a decline in SCO hardware and software license revenue. Service revenue for the three months ended March 31, 2023 increased 1% due to growth in payments processing, software maintenance, and other software related services, partially offset by a decline in hardware maintenance revenue. Foreign currency fluctuations had an unfavorable impact of 3% on the revenue comparison, primarily in hardware maintenance, hardware product sales and payments processing.

## Gross Margin

In millions	Three months ended March 31		Percentage of Revenue <sup>(1)</sup>		Increase (Decrease)
	2023	2022	2023	2022	2023 v 2022
Product gross margin	\$ 65	\$ 24	12.5 %	4.7 %	171 %
Service gross margin	401	387	29.3 %	28.7 %	4 %
<b>Total gross margin</b>	<b>\$ 466</b>	<b>\$ 411</b>	<b>24.6 %</b>	<b>22.0 %</b>	<b>13 %</b>

<sup>(1)</sup> The percentage of revenue is calculated for each line item divided by the related component of revenue.

*For the three months ended March 31, 2023 compared to the three months ended March 31, 2022*

Gross margin as a percentage of revenue in the three months ended March 31, 2023 was 24.6% compared to 22.0% in the three months ended March 31, 2022. Gross margin in the three months ended March 31, 2023 included \$4 million of stock-based compensation expense and \$26 million of amortization of acquisition-related intangible assets. Gross margin for the three months ended March 31, 2022 included \$5 million of transformation and restructuring costs, \$4 million of stock-based compensation expense, \$19 million of amortization of acquisition-related intangible assets and \$14 million related to operating losses, impairments and other actions taken with respect to our operations in Russia. Excluding these items, gross margin as a percentage of revenue increased from 24.3% to 26.2% due to reductions in fuel, shipping costs and component parts compared to prior year, the impact of cost mitigation actions implemented, and an increase in the favorable higher margin software and services revenue. These improvements were partially offset by increased interest rates driving higher cost on vault cash rental agreements.



## Selling, General and Administrative Expenses

In millions	Three months ended March 31		Percentage of Total Revenue		Increase (Decrease)
	2023	2022	2023	2022	2023 v 2022
Selling, general and administrative expenses	\$ 292	\$ 313	15.4 %	16.8 %	(7)%

For the three months ended March 31, 2023 compared to the three months ended March 31, 2022

Selling, general, and administrative expenses were \$292 million in the three months ended March 31, 2023, compared to \$313 million in the same period of 2022. As a percentage of revenue, selling, general and administrative expenses were 15.4% in the three months ended March 31, 2023 compared to 16.8% in the same period of 2022. In the three months ended March 31, 2023, selling, general and administrative expenses included \$3 million of transformation and restructuring costs, \$25 million of stock-based compensation expense, \$16 million of amortization of acquisition-related intangible assets, and \$19 million of separation-related costs. In the three months ended March 31, 2022, selling, general and administrative expenses included \$21 million of transformation and restructuring costs, \$27 million of stock-based compensation expense, \$22 million of amortization of acquisition-related intangible assets, \$5 million of acquisition-related costs and \$4 million of costs related to actions taken with respect to our operations in Russia. Excluding these items, selling, general and administrative expenses decreased slightly as a percentage of revenue from 12.5% to 12.1% primarily due to cost mitigation actions implemented.

## Research and Development Expenses

In millions	Three months ended March 31		Percentage of Total Revenue		Increase (Decrease)
	2023	2022	2023	2022	2023 v 2022
Research and development expenses	\$ 64	\$ 65	3.4 %	3.5 %	(2)%

For the three months ended March 31, 2023 compared to the three months ended March 31, 2022

Research and development expenses were \$64 million in the three months ended March 31, 2023, compared to \$65 million in the same period of 2022. As a percentage of revenue, research and development costs were 3.4% and 3.5% in the three months ended March 31, 2023 and 2022, respectively. In the three months ended March 31, 2023, research and development costs included \$3 million of stock-based compensation expense. In the three months ended March 31, 2022, research and development costs included \$1 million of transformation costs and \$3 million of stock-based compensation expense. Excluding these items, research and development expenses decreased slightly as a percentage of revenue from 3.3% to 3.2%.

## Interest Expense

In millions	Three months ended March 31		Increase (Decrease)
	2023	2022	2023 v 2022
Interest expense	\$ 83	\$ 63	32 %

For the three months ended March 31, 2023 compared to the three months ended March 31, 2022

Interest expense was \$83 million in the three months ended March 31, 2023 compared to \$63 million in the same period of 2022. Interest expense is primarily related to the Company's senior unsecured notes and borrowings under the Company's Senior Secured Credit Facility. The increase in interest expense was primarily due to the significant increase in variable interest rates on the Senior Secured Credit Facility.

**Other Income (Expense), net**

Other income (expense), net was expense of \$3 million and income of \$9 million in the three months ended March 31, 2023 and 2022, respectively, with the components reflected in the following table:

In millions	Three months ended March 31	
	2023	2022
Interest income	\$ 3	\$ 1
Foreign currency fluctuations and foreign exchange contracts	—	—
Bank-related fees	(5)	(2)
Employee benefit plans	—	11
Other, net	(1)	(1)
<b>Other income (expense), net</b>	<b>\$ (3)</b>	<b>\$ 9</b>

**Income Taxes**

In millions	Three months ended March 31	
	2023	2022
Income tax expense (benefit)	\$ 14	\$ 13

*For the three months ended March 31, 2023 compared to the three months ended March 31, 2022*

Income tax provisions for interim (quarterly) periods are based on an estimated annual effective income tax rate calculated separately from the effect of significant, infrequent or unusual items. Income tax expense was \$14 million for the three months ended March 31, 2023 compared to \$13 million for the three months ended March 31, 2022. The change was primarily driven by higher income before taxes in the three months ended March 31, 2023, compared to the prior year. Additionally, the company did not recognize any material discrete tax expenses or benefits in either period.

The Company is subject to numerous federal, state and foreign tax audits. While we believe that appropriate reserves exist for issues that might arise from these audits, should these audits be settled, the resulting tax effect could impact the tax provision and cash flows in 2023 or future periods.

**Income (Loss) from Discontinued Operations**

In the three months ended March 31, 2023, there was no activity related to discontinued operations. The Company recognized loss from discontinued operations, net of tax, of \$1 million in the three months ended March 31, 2022. The loss from discontinued operations, net of tax, was primarily driven by immaterial updates to various environmental remediation matters.

**Revenue and Adjusted EBITDA by Segment**

The Company manages and reports its businesses in the following segments: Retail, Hospitality, Digital Banking, Payments & Network, and Self-Service Banking. Corporate and Other includes income and expenses related to corporate functions that are not specifically attributable to an individual reportable segment along with any immaterial operating segment(s).

Segments are measured for profitability by the Company's chief operating decision maker based on revenue and segment Adjusted EBITDA. Refer to our definition of Adjusted EBITDA in the section entitled "Non-GAAP Financial Measures and Use of Certain Terms."

The following tables show our segment revenue and Adjusted EBITDA for the three months ended March 31, the relative percentage that those amounts represent to segment revenue, and the change in those amounts year-over-year.

In millions	Three months ended March 31		Percentage of Revenue <sup>(1)</sup>		Increase (Decrease)	Increase (Decrease)
	2023	2022	2023	2022	2023 v 2022	Constant Currency 2023 v 2022
<b>Revenue</b>						
Retail	\$ 552	\$ 546	29.2 %	29.3 %	1 %	4 %
Hospitality	223	211	11.8 %	11.3 %	6 %	7 %
Digital Banking	136	136	7.2 %	7.3 %	— %	— %
Payments & Network	323	299	17.1 %	16.0 %	8 %	11 %
Self-Service Banking	613	611	32.4 %	32.8 %	— %	4 %
Other	54	68	2.8 %	3.7 %	(21)%	(18)%
Eliminations <sup>(2)</sup>	(10)	(8)	(0.5)%	(0.4)%	25 %	25 %
<b>Total segment revenue</b>	<b>\$ 1,891</b>	<b>\$ 1,863</b>	<b>100.0 %</b>	<b>100 %</b>	<b>2 %</b>	<b>4 %</b>
Other Adjustment <sup>(3)</sup>		3				
<b>Total revenue</b>	<b>\$ 1,891</b>	<b>\$ 1,866</b>			<b>1 %</b>	<b>4 %</b>
<b>Adjusted EBITDA by Segment</b>						
Retail	\$ 97	\$ 67	17.6 %	12.3 %	45 %	
Hospitality	53	41	23.8 %	19.4 %	29 %	
Digital Banking	49	56	36.0 %	41.2 %	(13)%	
Payments & Network	83	98	25.7 %	32.8 %	(15)%	
Self-Service Banking	138	112	22.5 %	18.3 %	23 %	
Corporate and Other	(110)	(97)	(203.7)%	(142.6)%	13 %	
Eliminations <sup>(2)</sup>	(8)	(6)	80.0 %	75.0 %	33 %	
<b>Total Adjusted EBITDA</b>	<b>\$ 302</b>	<b>\$ 271</b>	<b>16.0 %</b>	<b>14.5 %</b>	<b>11 %</b>	

<sup>(1)</sup> The percentage of revenue is calculated for each line item divided by total revenue, except for Adjusted EBITDA, which are divided by the related component of revenue.

<sup>(2)</sup> Eliminations include revenues from contracts with customers and the related costs that are reported in the Payments & Network segment as well as in the Retail or Hospitality segments, including merchant acquiring services that are monetized via payments.

<sup>(3)</sup> Other adjustment reflects the revenue attributable to the Company's operations in Russia for the three months ended March 31, 2022 that were excluded from management's measure of revenue due to our previous announcement to suspend sales to Russia and orderly wind down of our operations in Russia beginning in the first quarter of 2022.

The following table provides a reconciliation of segment and total revenue percentage growth (GAAP) to revenue percentage growth constant currency (non-GAAP) for the three months ended March 31, 2023.

\$ in millions	Three months ended March 31, 2023		
	Revenue Growth % (GAAP)	Favorable (Unfavorable) FX Impact	Revenue Growth % Constant Currency (non-GAAP)
Retail	1 %	(3) %	4 %
Hospitality	6 %	(1) %	7 %
Digital Banking	— %	— %	— %
Payments & Network	8 %	(3) %	11 %
Self-Service Banking	— %	(4) %	4 %
Other	(21) %	(3) %	(18) %
Eliminations	25 %	— %	25 %
<b>Total segment revenue</b>	<b>2 %</b>	<b>(2) %</b>	<b>4 %</b>
<b>Total revenue</b>	<b>1 %</b>	<b>(3) %</b>	<b>4 %</b>

### Segment Revenue

*For the three months ended March 31, 2023 compared to the three months ended March 31, 2022*

Retail revenue increased 1% for the three months ended March 31, 2023 compared to the prior year period. Foreign currency fluctuations had an unfavorable impact of 3% on the revenue comparison. Revenue results for the quarter-to-date period were primarily due to higher revenue from services and point-of-sale solutions partially offset by a decrease in self-checkout related revenue.

Hospitality revenue increased 6% for the three months ended March 31, 2023 compared to the prior year period, driven primarily by an increase in services and software revenues, including growth in cloud services and payment processing.

Digital Banking revenue was flat for the three months ended March 31, 2023 compared to the prior year period, due to an increase in recurring cloud services revenue fully offset by a decrease in upfront non-recurring revenue.

Payments & Network revenue increased 8% for the three months ended March 31, 2023 compared to the prior year period due to an increase in payment processing and cryptocurrency-related revenue driven by an increase in ATM transactions and merchant acquiring services.

Self-Service Banking revenue growth was flat for the three months ended March 31, 2023 compared to the prior year period. Foreign currency fluctuations had an unfavorable impact of 4% on the revenue comparison. Results for the quarter-to-date period are primarily due to increases in recurring services revenue. Software and services revenue as a percent of total Self-Service Banking segment revenue was 72% in the first quarter of 2023 and 2022.

For the operations grouped as Other, revenue decreased 21% for the three months ended March 31, 2023 compared to the prior year period, primarily due to a decrease in one-time parts sales in the telecommunications and technology business.

### Segment Adjusted EBITDA

*For the three months ended March 31, 2023 compared to the three months ended March 31, 2022*

Retail Adjusted EBITDA increased 45% for the three months ended March 31, 2023 compared to the prior year period, primarily due to improvements in component, labor and freight costs as well as other cost mitigation and pricing actions taken in the latter part of 2022 and 2023. These improvements were partially offset by an increase in employee benefit-related costs.

Hospitality Adjusted EBITDA increased 29% for the three months ended March 31, 2023 compared to the prior year period, primarily driven by pricing and cost mitigation actions taken in the latter part of 2022 and 2023 as well as improvements in component and fuel costs. These improvements were partially offset by an increase in employee benefit-related costs.

Digital Banking Adjusted EBITDA decreased 13% for the three months ended March 31, 2023 compared to the prior year period, driven by an increase in employee benefit-related costs.

Payments & Network Adjusted EBITDA decreased 15% for the three months ended March 31, 2023 compared to the prior year period, primarily due to significantly higher interest rates, which increases the cost of our vault cash rental obligations, as well as higher cash-in-transit costs driven by the higher volume of cash dispensed in the period, and an increase in employee benefit-related costs.

Self-Service Banking Adjusted EBITDA increased 23% for the three months ended March 31, 2023 compared to the prior year period. The increase was primarily due to improvement in component and fuel costs, particularly in ATM hardware, as well as an increase in higher margin recurring revenue streams. These improvements were partially offset by an increase in employee benefit-related costs.

Corporate and Other Adjusted EBITDA loss increased 13% for the three months ended March 31, 2023 compared to the prior year period, primarily due to unfavorable fluctuations in bank-related fees and employee benefit plan related costs.

### Financial Condition, Liquidity, and Capital Resources

Cash provided by operating activities was \$317 million in the three months ended March 31, 2023 compared to cash provided by operating activities of \$38 million in the three months ended March 31, 2022. The increase in cash provided by operating activities in the three months ended March 31, 2023 was driven by higher operating income and the favorable movement in net working capital accounts.

NCR's management uses a non-GAAP measure called "free cash flow" to assess the financial performance of the Company. We define free cash flow as net cash provided by (used in) operating activities less capital expenditures for property, plant and equipment, less additions to capitalized software, plus/minus restricted cash settlement activity, plus acquisition-related items, and plus pension contributions and settlements. We believe free cash flow information is useful for investors because it relates the operating cash flows from the Company's continuing and discontinued operations to the capital that is spent to continue and improve business operations. In particular, free cash flow indicates the amount of cash available after capital expenditures for, among other things, investments in the Company's existing businesses, strategic acquisitions, repurchases of NCR stock and repayment of debt obligations. Free cash flow does not represent the residual cash flow available for discretionary expenditures, since there may be other non-discretionary expenditures that are not deducted from the measure. Free cash flow does not have a uniform definition under GAAP, and therefore NCR's definition may differ from other companies' definitions of this measure. This non-GAAP measure should not be considered a substitute for, or superior to, cash flows from operating activities under GAAP.

The table below reconciles net cash provided by operating activities to NCR's non-GAAP measure of free cash flow for the three months ended March 31:

In millions	Three months ended March 31	
	2023	2022
Net cash provided by operating activities	\$ 317	\$ 38
Expenditures for property, plant and equipment	(19)	(15)
Additions to capitalized software	(64)	(65)
Restricted cash settlement activity	(29)	28
Pension contributions	4	4
Free cash flow (non-GAAP)	\$ 209	\$ (10)

Financing activities and certain other investing activities are not included in our calculation of free cash flow. Other investing activities primarily include business acquisitions, divestitures and investments, which were not significant in the three months ended March 31, 2023 and March 31, 2022.

Our financing activities include borrowings and repayments of credit facilities and notes. Financing activities during the three months ended March 31, 2023 also included dividends paid on the Series A preferred stock of \$4 million, proceeds from employee stock plans of \$6 million as well as tax withholding payments on behalf of employees for stock based awards that vested of \$16 million. Financing activities during the three months ended March 31, 2022 included dividends paid on the Series A preferred stock of \$4 million, proceeds from stock employee plans of \$6 million, and tax withholding payments on behalf of employees for stock based awards that vested of \$36 million.

**Long Term Borrowings** The Senior Secured Credit Facility consists of term loan facilities in an aggregate principal amount of \$2.055 billion, of which \$1.85 billion was outstanding as of March 31, 2023. Additionally, the Senior Secured Credit Facility provides for a five-year Revolving Credit Facility with an aggregate principal amount of \$1.3 billion, of which \$393 million was outstanding as of March 31, 2023. The Revolving Credit Facility also contains a sub-facility to be used for letters of credit, and as of March 31, 2023, there were \$29 million letters of credit outstanding.

As of March 31, 2023, we had outstanding \$1.2 billion in aggregate principal balance of 5.125% senior unsecured notes due in 2029, \$500 million in aggregate principal balance of 5.750% senior unsecured notes due in 2027, \$650 million aggregate principal balance of 5.000% senior unsecured notes due in 2028, \$500 million in aggregate principal balance of 6.125% senior unsecured notes due in 2029, and \$450 million in aggregate principal balance of 5.250% senior unsecured notes due in 2030.

See Note 5, "Debt Obligations", of the Notes to Condensed Consolidated Financial Statements included in Item 1 of this Report for further information on the Senior Secured Credit Facility.

**Employee Benefit Plans** In 2023, we expect to make contributions of \$20 million to our international pension plans, \$75 million to our postemployment plan and \$2 million to our postretirement plan. For additional information, refer to Note 9, "Employee Benefit Plans", of the Notes to Condensed Consolidated Financial Statements.

**Series A Convertible Preferred Stock** As of March 31, 2023, the redemption value of the Series A Preferred Stock was approximately \$276 million. Holders of Series A Convertible Preferred Stock are entitled to a cumulative dividend at the rate of 5.5% per annum, payable quarterly in arrears. Beginning in the first quarter of 2020, dividends are payable in cash or in-kind at the option of the Company. During the three months ended March 31, 2023 and 2022, the Company paid cash dividends of \$4 million, respectively.

The Series A Convertible Preferred Stock is convertible at the option of the holders at any time into shares of common stock at a conversion price of \$30.00 per share, or a conversion rate of 33.333 shares of common stock per share of Series A Convertible Preferred Stock. As of March 31, 2023 and December 31, 2022, the maximum number of common shares that could be required to be issued upon conversion of the outstanding shares of the Series A Convertible Preferred Stock was 9.2 million shares.

**Cash and Cash Equivalents Held by Foreign Subsidiaries** Cash and cash equivalents held by the Company's foreign subsidiaries at March 31, 2023 and December 31, 2022 were \$427 million and \$419 million, respectively. Under current tax laws and regulations, if cash and cash equivalents and short-term investments held outside the U.S. are distributed to the U.S. in the form of dividends or otherwise, we may be subject to additional U.S. income taxes and foreign withholding taxes, which could be significant.

**Summary** As of March 31, 2023, our cash and cash equivalents totaled \$519 million and our total debt was \$5.56 billion, excluding deferred fees. As of March 31, 2023, our borrowing capacity under the Revolving Credit Facility was approximately \$878 million. Our ability to generate positive cash flows from operations is dependent on general economic conditions, the competitive environment in our industry, and is subject to the business and other risk factors described in Item 1A of Part I of the Company's 2022 Annual Report on Form 10-K and Item 1A of Part II of this Quarterly Report on Form 10-Q (as applicable). If we are unable to generate sufficient cash flows from operations, or otherwise comply with the terms of our credit facilities, we may be required to seek additional financing alternatives.

We believe that we have sufficient liquidity based on our current cash position, cash flows from operations and existing financing to meet our expected pension, postemployment, and postretirement plan contributions, remediation payments related to environmental matters, debt servicing obligations, payments related to separation, transformation and restructuring initiatives, and in the long-term (i.e., beyond March 31, 2024) to meet our material cash requirements.

*Material Cash Requirements from Contractual and Other Obligations*

There have been no significant changes in our contractual and other commercial obligations as described in our Form 10-K for the year ended December 31, 2022.

*Critical Accounting Policies and Estimates*

Critical accounting policies are those that are most important to the portrayal of our financial position and results of operations. These policies require highly subjective or complex judgments, often employing the use of estimates about the effect of matters that are inherently uncertain. Our most critical accounting estimates pertain to revenue recognition, inventory valuation, goodwill and intangible assets, pension, postretirement and postemployment benefits, environmental and legal contingencies, and income taxes, which are described in Item 7. of our 2022 Form 10-K.

*New Accounting Pronouncements*

See discussion in Note 1, “Basis of Presentation and Summary of Significant Accounting Policies”, of the Notes to Condensed Consolidated Financial Statements for new accounting pronouncements.

### Forward-Looking Statements

This quarterly report on Form 10-Q contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended, pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 (the “Act”). Forward-looking statements use words such as “expect,” “anticipate,” “outlook,” “intend,” “plan,” “confident,” “believe,” “will,” “should,” “would,” “potential,” “positioning,” “proposed,” “planned,” “objective,” “likely,” “could,” “may,” and words of similar meaning, as well as other words or expressions referencing future events, conditions or circumstances. We intend these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Act. Statements that describe or relate to NCR’s plans, goals, intentions, strategies, or financial outlook, and statements that do not relate to historical or current fact, are examples of forward-looking statements. Examples of forward-looking statements in this Form 10-Q include, without limitation, statements regarding: our expectations of demand for our solutions and execution and the impact thereof on our financial results in 2023; NCR’s focus on advancing our strategic growth initiatives and transforming NCR into a software-led as-a-service company with a higher mix of recurring revenue streams; our expectations of NCR’s ability to deliver increased value to customers and stockholders; and statements regarding the planned separation of NCR into two separate companies, including, but not limited to, statements regarding the anticipated timing and structure of such planned transaction, the future commercial or financial performance of the digital commerce company or the ATM company following such planned transaction, value creation and ability to innovate and drive growth generally as a result of such transaction, and the expected capital structure, net debt and pension obligations of the companies at the time of and following the transaction. Forward-looking statements are based on our current beliefs, expectations and assumptions, which may not prove to be accurate, and involve a number of known and unknown risks and uncertainties, many of which are out of NCR’s control. Forward-looking statements are not guarantees of future performance, and there are a number of important factors that could cause actual outcomes and results to differ materially from the results contemplated by such forward-looking statements, including those factors relating to:

- Strategy and Technology: transforming our business model; development and introduction of new solutions; competition in the technology industry; integration of acquisitions and management of alliance activities; and our multinational operations;
- Business Operations: domestic and global economic and credit conditions; risks and uncertainties from the payments-related business and industry; disruptions in our data center hosting and public cloud facilities; retention and attraction of key employees; defects, errors, installation difficulties or development delays; failure of third-party suppliers; a major natural disaster or catastrophic event, including the impact of the coronavirus (COVID-19) pandemic and geopolitical and macroeconomic challenges; environmental exposures from historical and ongoing manufacturing activities; and climate change;
- Data Privacy & Security: impact of data protection, cybersecurity and data privacy including any related issues, including the April 2023 ransomware incident;
- Finance and Accounting: our level of indebtedness; the terms governing our indebtedness; incurrence of additional debt or similar liabilities or obligations; access or renewal of financing sources; our cash flow sufficiency to service our indebtedness; interest rate risks; the terms governing our trade receivables facility; the impact of certain changes in control relating to acceleration of our indebtedness, our obligations under other financing arrangements, or required repurchase of our senior unsecured notes; any lowering or withdrawal of the ratings assigned to our debt securities by rating agencies; our pension liabilities; and write down of the value of certain significant assets;
- Law and Compliance: allegations or claims by third parties that our products or services infringe on intellectual property rights of others, including claims against our customers and claims by our customers to defend and indemnify them with respect to such claims; protection of our intellectual property; changes to our tax rates and additional income tax liabilities; uncertainties regarding regulations, lawsuits and other related matters; and changes to cryptocurrency regulations;
- Governance: impact of the terms of our Series A Convertible Preferred (“Series A”) Stock relating to voting power, share dilution and market price of our common stock; rights, preferences and privileges of Series A stockholders compared to the rights of our common stockholders; and actions or proposals from stockholders that do not align with our business strategies or the interests of our other stockholders;
- Planned Separation: an unexpected failure to complete, or unexpected delays in completing, the necessary actions for the planned separation, or to obtain the necessary approvals or third party consents to complete these actions; that the potential strategic benefits, synergies or opportunities expected from the separation may not be realized or may take longer to realize than expected; costs of implementation of the separation and any changes to the configuration of businesses included in the separation if implemented; the potential inability to access or reduced access to the capital markets or increased cost of borrowings, including as a result of a credit rating downgrade; the potential adverse reactions to the planned separation by customers, suppliers, strategic partners or key personnel and potential difficulties in maintaining relationships with such persons and risks associated with third party contracts containing consent and/or other provisions that may be triggered by the planned separation; the risk that any newly formed entity



to house the digital commerce or ATM business would have no credit rating and may not have access to the capital markets on acceptable terms; unforeseen tax liabilities or changes in tax law; requests or requirements of governmental authorities related to certain existing liabilities; and the ability to obtain or consummate financing or refinancing related to the transaction upon acceptable terms or at all.

Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those set forth in the forward-looking statements. There can be no guarantee that the planned separation will be completed in the expected form or within the expected time frame or at all. Nor can there be any guarantee that the digital commerce business and ATM business after a separation will be able to realize any of the potential strategic benefits, synergies or opportunities as a result of these actions. Neither can there be any guarantee that shareholders will achieve any particular level of shareholder returns. Nor can there be any guarantee that the planned separation will enhance value for shareholders, or that NCR or any of its divisions, or separate digital commerce and ATM business, will be commercially successful in the future, or achieve any particular credit rating or financial results. Additional information concerning these and other factors can be found in the Company's filings with the U.S. Securities and Exchange Commission, including the Company's most recent annual report on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K. Any forward-looking statement speaks only as of the date on which it is made. The Company does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

#### Information About NCR

NCR encourages investors to visit its web site (<http://www.ncr.com>), which is updated regularly with financial and other important information about NCR. The contents of the Company's web site are not incorporated into this quarterly report or the Company's other filings with the U.S. Securities and Exchange Commission.

### Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

#### *Market Risk*

We are exposed to market risks primarily from changes in foreign currency exchange rates and interest rates. It is our policy to manage our foreign exchange exposure and debt structure in order to manage capital costs, control financial risks and maintain financial flexibility over the long term. In managing market risks, we employ derivatives according to documented policies and procedures, including foreign currency contracts and interest rate swaps. We do not use derivatives for trading or speculative purposes.

#### *Foreign Exchange Risk*

Since a substantial portion of our operations and revenue occur outside the United States, and in currencies other than the U.S. Dollar, our results can be significantly impacted by changes in foreign currency exchange rates. We have exposure to approximately 45 functional currencies and are exposed to foreign currency exchange risk with respect to our sales, profits and assets and liabilities denominated in currencies other than the U.S. Dollar. Although we use financial instruments to hedge certain foreign currency risks, we are not fully protected against foreign currency fluctuations and our reported results of operations could be affected by changes in foreign currency exchange rates. To manage our exposures and mitigate the impact of currency fluctuations on the operations of our foreign subsidiaries, we hedge our main transactional exposures through the use of foreign exchange forward and option contracts. This is primarily done through the hedging of foreign currency denominated inter-company inventory purchases by the marketing units and the foreign currency denominated inputs to our manufacturing units. All of these transactions are forecasted. If these contracts are designated as highly effective cash flow hedges, the gains or losses are deferred into accumulated other comprehensive income ("AOCI"). The gains or losses from derivative contracts that are designated as highly effective cash flow hedges related to inventory purchases are recorded in cost of products when the inventory is sold to an unrelated third party. Otherwise, the gains or losses from these contracts are recognized in earnings as exchange rates change. We also use derivatives not designated as hedging instruments consisting primarily of forward contracts to hedge foreign currency denominated balance sheet exposures. For these derivatives we recognize gains and losses in the same period as the remeasurement losses and gains of the related foreign currency-denominated exposures.

We utilize non-exchange traded financial instruments, such as foreign exchange forward and option contracts, that we purchase exclusively from highly rated financial institutions. We record these contracts on our balance sheet at fair market value based upon market price quotations from the financial institutions. We do not enter into non-exchange traded contracts that require the use of fair value estimation techniques, but if we did, they could have a material impact on our financial results.

For purposes of analyzing potential risk, we use sensitivity analysis to quantify potential impacts that market rate changes may have on the fair values of our hedge portfolio related to firmly committed or forecasted transactions. The sensitivity analysis represents the hypothetical changes in value of the hedge position and does not reflect the related gain or loss on the forecasted underlying transaction. A 10% appreciation in the value of the U.S. Dollar against foreign currencies from the prevailing market rates would have resulted in a corresponding decrease in the fair value of the hedge portfolio of \$7 million as of March 31, 2023. A 10% depreciation in the value of the U.S. Dollar against foreign currencies from the prevailing market rates would have resulted in a corresponding increase in the fair value of the hedge portfolio of \$7 million as of March 31, 2023. The Company expects that any increase or decrease in the fair value of the portfolio would be substantially offset by increases or decreases in the underlying exposures being hedged.

The U.S. Dollar was stronger in the first quarter of 2023 compared to the first quarter of 2022 based on comparable weighted averages for our functional currencies. This excludes the effects of our hedging activities and, therefore, does not reflect the actual impact of fluctuations in exchange rates on our operating income.

#### *Interest Rate Risk*

We are subject to interest rate risk principally in relation to variable-rate debt. Approximately 59% of our borrowings were on a fixed rate basis as of March 31, 2023. The increase in pre-tax interest expense for the three months ended March 31, 2023 from a hypothetical 100 basis point increase in variable interest rates would be approximately \$6 million. As of March 31, 2023, we do not have any outstanding interest rate derivative contracts related to our variable rate debt.

Additionally, as our ATM vault cash rental expense is based on market rates of interest, it is sensitive to changes in applicable interest rates in the respective countries in which we operate. We pay a monthly fee on the average outstanding vault cash balances in our ATMs under floating rate formulas based on a spread above various interbank offered rates. The increase in vault cash rental expense for the three months ended March 31, 2023 from a hypothetical 100 basis point increase in variable interest rates would be approximately \$10 million, excluding the impact from outstanding interest rate swap agreements.

We utilize interest rate swap contracts and interest rate cap agreements to add stability to interest expense and to manage exposure to interest rate movements as part of our interest rate risk management strategy. Payments and receipts related to interest rate cap agreements and interest rate swap contracts are included in cash flows from operating activities in the Condensed Consolidated Statements of Cash Flows. Refer to Note 13, "Derivatives and Hedging Instruments", for further information on our interest rate derivative contracts in effect as of March 31, 2023.

#### *Concentrations of Credit Risk*

We are potentially subject to concentrations of credit risk on accounts receivable and financial instruments, such as hedging instruments and cash and cash equivalents. Credit risk includes the risk of nonperformance by counterparties. The maximum potential loss may exceed the amount recognized on the balance sheet. Exposure to credit risk is managed through credit approvals, credit limits, selecting major international financial institutions as counterparties to hedging transactions, and monitoring procedures. Our business often involves large transactions with customers for which we do not require collateral. If one or more of those customers were to default in its obligations under applicable contractual arrangements, we could be exposed to potentially significant losses. Moreover, a prolonged downturn in the global economy could have an adverse impact on the ability of our customers to pay their obligations on a timely basis. We believe that the reserves for potential losses are adequate. As of March 31, 2023, we did not have any significant concentration of credit risk related to financial instruments.

### **Item 4. CONTROLS AND PROCEDURES**

#### *Evaluation of Disclosure Controls and Procedures*

NCR has established disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934 (the Exchange Act)) to provide reasonable assurance that information required to be disclosed by NCR in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to provide reasonable assurance that information required to be disclosed by NCR in the reports that it files or submits under the Exchange Act is accumulated and communicated to NCR's management, including its Chief Executive and Chief Financial Officers, as appropriate to allow timely decisions regarding required disclosure. Based on their evaluation as of the end of the first quarter of 2023, conducted under their supervision and with the participation of management, the Company's Chief Executive and Chief Financial Officers have concluded that NCR's disclosure controls and procedures are effective to meet such objectives and that NCR's disclosure controls and procedures adequately alert them on a timely basis to material information relating to the Company (including its consolidated subsidiaries) required to be included in NCR's Exchange Act filings.

#### *Changes in Internal Control over Financial Reporting*

There have been no changes in our internal control over financial reporting that occurred during the three months ended March 31, 2023 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## Part II. Other Information

### Item 1. LEGAL PROCEEDINGS

The information required by this item is included in Note 10, “Commitments and Contingencies”, of the Notes to Condensed Consolidated Financial Statements in this quarterly report and is incorporated herein by reference.

### Item 1A. RISK FACTORS

The following information supplements the disclosure set forth under Part I, Item IA (“Risk Factors”) of the Company’s 2022 Annual Report on Form 10-K (“Form 10-K”). Additional risks and uncertainties not presently known to us or that are currently not believed to be significant to our business may also affect our actual results and could harm our business, financial conditions and results of operations. If any additional risks and uncertainties actually occur, our business, results of operations and financial condition could be materially and adversely affected.

**Data protection, cybersecurity and data privacy issues could negatively impact our business.** Our products and services, including our cloud and hosted solutions as well as our payments and networking solutions, facilitate financial and other transactions for the customers in the industries we serve. As a result, we collect, use, transmit and store certain of the transaction, cryptocurrency, private keys, and personal data of our customers and end-users. We also have access to transaction and personal data of our customers and their customers through or in the course of servicing our products or third-party products. Additionally, we collect, use and store personal data of our employees and the personnel of our business partners, such as resellers, suppliers and contractors, in the ordinary course of business. While we have programs and measures in place designed to protect and safeguard this data, and while we have implemented access controls designed to limit the risk of unauthorized use or disclosure by employees and contractors, the techniques used to obtain unauthorized access to this data are complex and changing, as are the underlying objectives of the attacker, like targeted business disruption, financial impact, intellectual property theft, political motives, or sophisticated nation-state sponsored and organized cyber-criminal activity, and may be difficult to detect for long periods of time. An attack, disruption, intrusion, denial of service, theft or other breach, or an inadvertent act by an employee or contractor, could result in unauthorized access to, or disclosure of, this data, resulting in claims, costs and reputational harm that could negatively affect our operating results. We may also detect, or may receive notice from third parties (including governmental agencies) regarding, potential vulnerabilities in our information technology systems, our products, or third-party products used in conjunction with our products or our business. In the course of our business activities, NCR contracts with numerous suppliers, vendors and resellers who may experience a cybersecurity, data protection or privacy issue that could negatively affect our operating results. Even if these potential vulnerabilities do not result in a data breach, their existence can adversely affect marketplace confidence and reputation. To the extent such vulnerabilities require remediation, such remedial measures could require significant resources and may not be implemented before such vulnerabilities are exploited. As the landscape evolves, we may also find it necessary to make significant further investments to protect information and infrastructure.

Like most companies, NCR is regularly the subject of attempted cyberattacks, which may involve personal data. Most attempted cyberattacks are detected and prevented by the Company’s various information technology and data protections, including but not limited to firewalls, intrusion prevention systems, denial of service detection, anomaly based detection, anti-virus/anti-malware, endpoint encryption and detection and response software, Security Information and Event Management (“SIEM”) system, identity management technology, security analytics, multi-factor authentication and encryption. There can be no assurance that our protections will always be successful.

For example, on April 13, 2023, NCR determined that a single data center outage impacting certain of its commerce customers was caused by a cyber ransomware incident. Upon such determination, NCR immediately started contacting customers, enacted its cybersecurity protocol and engaged outside experts to contain the incident and begin the recovery process. We believe this incident is limited to specific functionality in Aloha cloud-based services and Counterpoint. Affected customers had reduced capabilities on specific Aloha cloud-based and Counterpoint functionality. NCR is conducting concurrent efforts to establish alternative functionality for customers, fully restore impacted data and applications, and to enhance its cyber security protections.

The investigation into this incident includes NCR experts, external forensic cybersecurity experts and federal law enforcement. It is possible that this cyber ransomware incident could result in legal liability or negative publicity, or require costly remediation efforts, any of which could materially and adversely impact our business, financial condition or results of operations. We continue to assess the cyber ransomware incident to determine the full extent of the impact from such event on our business, results of operations or financial condition and whether or not those impacts are material. With regard to this cyber ransomware incident, factors that could cause actual results to differ materially from those expressed or implied include (i) the ongoing assessment of the cyber ransomware incident, (ii) legal, reputational and financial risks resulting from the cyber ransomware incident, (iii) the effectiveness of business continuity plans and cybersecurity risk management policies during the cyber ransomware incident, (iv) the possibility that our investigation will produce materially adverse findings not known to us

on the date hereof, (v) that any future, or still undetected, cybersecurity related incident, whether an attack, disruption, intrusion, denial of service, theft or other breach could result in unauthorized access to, or disclosure of, data, resulting in claims, costs and reputational harm that could negatively affect our operating or financial results.

The Company has established relationships with cybersecurity firms and internal cybersecurity experts, which it engages in connection with certain suspected incidents. The costs arising from those engagements, which depending on the incident may include both investigatory and remedial efforts, have not to date been material to the Company. The Company also regularly undergoes evaluation of its protections against incidents, including both self-assessments and expert third-party assessments, and it regularly enhances those protections, both in response to specific threats and as part of the Company's efforts to stay current with advances in cybersecurity defense. When the Company experiences a confirmed cybersecurity incident (including the ransomware incident announced April 17, 2023) it generally performs root cause analyses and in appropriate instances will implement additional controls based on those analyses. In 2022, Company spending on cybersecurity efforts represented approximately 10% of its overall IT spend. There can be no assurance that the Company or its cybersecurity consultants will be able to prevent or remediate all future incidents or that the cost associated with responding to any such incident will not be significant.

The personal information and other data that we process and store also are subject to data security and data privacy obligations and laws of many jurisdictions, which are growing in complexity and sophistication as data becomes more enriched and technology and the global data protection landscape evolves. These laws may provide a private right of action for individuals alleging a breach of privacy rights, including for example the Illinois Biometric Information Privacy Act ("BIPA"). These laws may also conflict with one another, and many of them are subject to frequent modification and differing interpretations. The laws impose a significant compliance burden and include, for example, the European Union's ("EU") General Data Protection Regulation ("GDPR"), the California Consumer Privacy Act and the Brazilian General Data Protection Law. Complying with these evolving and varying standards could require significant expense and effort, and could require us to change our business practices or the functionality of our products and services in a manner adverse to our customers and our business. In addition, violations of these laws can result in significant fines, penalties, claims by regulators or other third-party lawsuits alleging significant damages, and damage to our brand and business. The GDPR, for example, includes fines of up to €20 million or up to 4% of the annual global revenues of the infringer for failure to comply, and grants corrective powers to supervisory authorities including the ability to impose a limit on processing of personal data. The laws also cover the transfer of personal, financial and business information, including transfers of employee information between us and our subsidiaries, across international borders. As another example, the Illinois BIPA provides aggrieved plaintiffs the ability to recover \$1,000 for each unauthorized scan of biometric data, and \$5,000 for each scan found to be in willful disregard of the statute.

**Disruptions in our data center hosting and public cloud facilities could adversely affect our business.** Our software products are increasingly being offered and provided on a cloud or other hosted basis through data centers operated by the Company or third parties in the United States and other countries. In addition, certain applications and data that we use in our services offerings and our operations may be hosted or stored at such facilities. These facilities may be vulnerable to natural disasters, including those exacerbated by the effects of climate change, telecommunications failures and similar events, or to intentional acts of misconduct, such as security breaches (including the ransomware incident announced April 17, 2023) or interference (including by disgruntled employees, former employees or contractors). The occurrence of these events or acts, or any other unanticipated problems, at these facilities could result in damage to or the unavailability of these cloud hosting facilities. Such damage or unavailability could, despite existing disaster recovery and business continuity arrangements, interrupt the availability of our cloud offerings for our customers. We have experienced such interruptions and damage or unavailability could interrupt the availability of applications or data necessary to provide services or conduct critical operations. Interruptions in the availability of our cloud offerings or our ability to service our customers could result in the failure to meet contracted up-time or service levels, which could cause us to issue credits or pay penalties or cause customers to terminate or not renew subscriptions. Interruptions could also expose us to liability claims, negative publicity and the need to engage in costly remediation efforts, any of which could impact our business and reduce our revenue.

## **Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**

On October 19, 2016, the Board approved a share repurchase program, with no expiration from the date of authorization, for the systematic repurchase of the Company's common stock to offset the dilutive effects of the Company's employee stock purchase plan, equity awards and in-kind dividends on the Company's Series A Convertible Preferred Stock. Availability under this program accrues quarterly based on the average value of dilutive issuances during the quarter.

On March 12, 2017, the Board approved a second share repurchase program, with no expiration from the date of authorization, that provides for the repurchase of up to \$300 million of the Company's common stock. On July 25, 2018, the Board authorized an incremental \$200 million of share repurchases under this program.

As of March 31, 2023, \$153 million was available for repurchases under the March 2017 program, and approximately \$860 million was available for repurchases under the October 2016 dilution offset program. The timing and amount of repurchases under these programs depend upon market conditions and may be made from time to time in open market purchases, privately negotiated transactions, accelerated stock repurchase programs, issuer self-tender offers or otherwise. The repurchases will be made in compliance with applicable securities laws and may be discontinued at any time.

The Company occasionally purchases vested restricted stock or exercised stock options at the current market price to cover withholding taxes. For the three months ended March 31, 2023, less than 0.6 million shares were purchased at an average price of \$26.40 per share.

The Company's ability to repurchase its common stock is restricted under the Company's Senior Secured Credit Facility and terms of the indentures for the Company's senior unsecured notes, which prohibit certain share repurchases, including during the occurrence of an event of default, and establish limits on the amount that the Company is permitted to allocate to share repurchases and other restricted payments. The limitations are calculated using formulas based generally on 50% of the Company's consolidated net income for the period beginning in the third quarter of 2012 through the end of the most recently ended fiscal quarter, subject to certain other adjustments and deductions, with certain prescribed minimums. These formulas are described in greater detail in the Company's Senior Secured Credit Facility and the indentures for the Company's senior unsecured notes, each of which is filed with the SEC.

**Item 6. EXHIBITS**

- [10.1](#) Form of CEO Qualified Transaction 2023 Performance-Based Restricted Stock Unit Award Agreement (with Relative TSR Metric) under the NCR Corporation 2017 Stock Incentive Plan.\*
- [10.2](#) Form of CEO 2023 Performance-Based Restricted Stock Unit Award Agreement (with Relative TSR Metric) under the NCR Corporation 2017 Stock Incentive Plan.\*
- [31.1](#) Certification pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934.
- [31.2](#) Certification pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934.
- [32](#) Certification pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 101 The following materials from NCR Corporation's Quarterly Report on Form 10-Q for the quarter ended March 31, 2023, formatted in iXBRL (Inline Extensible Business Reporting Language): (i) our condensed consolidated statements of operations for the three months ended March 31, 2023 and 2022; (ii) our condensed consolidated statements of comprehensive income for the three months ended March 31, 2023 and 2022; (iii) our condensed consolidated balance sheets as of March 31, 2023 and December 31, 2022; (iv) our condensed consolidated statements of cash flows for the three months ended March 31, 2023 and 2022; (v) our condensed consolidated statements of changes in stockholder's equity for the three months ended March 31, 2023 and 2022; and (vi) the notes to our condensed consolidated financial statements.
- 104 Cover Page Interactive Data File, formatted in Inline XBRL and contained in Exhibit 101.

\* Management contracts or compensatory plans/arrangements.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NCR CORPORATION

Date: May 4, 2023

By: \_\_\_\_\_ /s/ Timothy C. Oliver  
Timothy C. Oliver  
Senior Executive Vice President and Chief Financial Officer



**Senior Executive Team  
Qualified Transaction  
2023 Performance-Based Restricted Stock Unit Award Agreement**

**NCR Corporation 2017 Stock Incentive Plan**

Congratulations on your award of performance-based restricted stock units of NCR Common Stock as part of NCR's 2023 compensation program. The Compensation and Human Resources Committee of our Board of Directors (the "Committee") approved your award in anticipation of your future contributions to the success of NCR. The award also recognizes your past performance and upholds our commitment to rewarding our higher performers. This award is an opportunity to celebrate your achievements and to continue to expand your ownership stake in NCR.

Your performance-based restricted stock units ("Stock Units") are awarded (the "Award") by NCR Corporation ("NCR" or the "Company") under the NCR 2023 Long-Term Incentive (LTI) Program and the NCR Corporation 2017 Stock Incentive Plan as in effect on the date of this Agreement (the "Plan"). See the stock page at [www.netbenefits.fidelity.com](http://www.netbenefits.fidelity.com) for (i) the number of Stock Units granted to you, your date of grant (the "Grant Date"), and other Award details, and (ii) additional important information about the Award, the Plan and NCR stock in the Prospectus dated November 2, 2020 (and the prior Plan Prospectus dated May 1, 2017 as applicable) which is also available on such stock page (a paper copy of the Prospectus is also available without charge upon request to [stock.administration@ncr.com](mailto:stock.administration@ncr.com)). Your Award is subject to the terms of this Senior Executive Team Qualified Transaction 2023 Performance-Based RSU Award Agreement (this "Agreement") and the Plan. Capitalized terms not defined in this Agreement have the meanings provided under the Plan.

**1. Grant of Stock Units.** Subject to potential adjustment as set forth in Section 2 and further subject to the other terms and conditions of this Agreement, the number of Stock Units determined under Section 2 (the "Earned Units") will become vested and non-forfeitable on December 31, 2025 (the "Vesting Date"), provided that (i) the Committee has certified that NCR has achieved the performance goals set forth on Schedule A to this Agreement (the "Performance Goals") for the performance period set forth on Schedule A to this Agreement (the "Performance Period"), and (ii) you are continuously employed by an Employer through and until the Vesting Date, unless otherwise set forth in this Agreement. The Stock Units are referred to in this Agreement as "Vested" at the time they become vested and non-forfeitable pursuant to this Section or Section 2 or Section 4 below.

**2. Performance Vesting.** The number of Stock Units awarded to you (the "Target Award Number") may be adjusted upward or downward (including to zero) depending on whether the Performance Goals are attained for the Performance Period ("NCR Performance"), as determined in accordance with this Agreement. NCR Performance will be measured in the manner determined by the Committee, and will be subject to any adjustments approved by the Committee in accordance with Schedule A to this Agreement. You may receive from 0% up to 200% of the Target Award Number based on NCR Performance. The number of Stock Units that you will receive under this Agreement, after giving effect to any adjustment, is referred to as the "Earned Units."

The Earned Units represent the right to receive a number of Stock Units equal to the number of Earned Units, subject to the vesting requirements and distribution provisions of this Agreement and the terms of the Plan. All information summarized or otherwise shown on the website of the TPA shall be subject to the determinations of the Committee, the Plan and this Agreement.

**3. Settlement of Stock Units.** Except as may be otherwise provided in Section 4 or 20, or Section 14.12 of the Plan or pursuant to an election under Section 14.11 of the Plan, Vested Stock Units will be paid to you as soon as reasonably practicable after the earliest of: (a) the Vesting Date, (b) a Qualified Transaction (or the first anniversary of the Grant Date, if such Qualified Transaction occurs prior thereto), (c) your Termination of Employment if such Termination of Employment results in vesting pursuant to Section 4 below, including a Termination of Employment in connection with a Change in Control or a Qualified Transaction, or (d) the Change in Control date if vesting occurs in connection with a Change in Control without a Termination of Employment as determined under Section 4 below. In all events, the settlement date shall be no later than March 15 of the year following the year in which the earliest of such events occurs; except that, notwithstanding any other provision hereof: (i) the settlement date in the event of vesting in connection with a Change in Control or a Qualified Transaction as described below shall be no later than 30 days after your Termination Date or the Change in Control date or the date of the Qualified Transaction (or the first anniversary of the Grant Date, if such Qualified Transaction occurs prior thereto), as applicable, and (ii) to the

extent required in order to avoid accelerated taxation and/or tax penalties under Code Section 409A, the settlement date shall be no later than 30 days after the Vesting Date or the Termination Date, as applicable. Such Vested Stock Units will be paid to you in shares of Common Stock (such that one Stock Unit equals one share of Common Stock) or, in NCR's sole discretion in an amount of cash equal to the Fair Market Value of such number of shares of Common Stock on date that immediately precedes the Vesting Date (or such earlier date upon which the Stock Units have become Vested pursuant to Section 4 of this Agreement), or a combination thereof (the date of such payment shall be referred to herein as the "Settlement Date").

**4. Accelerated Vesting and Forfeiture Events.** Your Stock Units will vest earlier than the Vesting Date, or remain outstanding and eligible to vest on the Vesting Date, or be forfeited and cancelled before vesting, in each case to the extent provided below. Except as otherwise provided in this Agreement, in the event of your Termination of Employment before the Vesting Date for any reason, all unvested Stock Units will automatically be forfeited and cancelled, and no Shares or cash will be issued or paid.

Event	Treatment of Stock Units
Death or Disability	<u>Vesting:</u> Your unvested Stock Units will become fully Vested on your Termination Date based on the greater of: (i) Target performance, or (ii) actual level of achievement of the Performance Goals pursuant to <u>Schedule A</u> of this Agreement as of your Termination Date as determined and certified by the Committee in accordance with Sections 1 and 2 hereof and assuming for this purpose that the Performance Period ended on your Termination Date
Involuntary Termination (other than for Cause)	<u>Vesting:</u> Your unvested Stock Units will vest pro rata effective on the Vesting Date for your Award determined under Section 1, and will be determined as follows: (a) the total number of shares that you would have received pursuant to <u>Schedule A</u> of this Agreement as if your NCR employment had not terminated prior to the Vesting Date will be multiplied by (b) a fraction, the numerator of which is your Work Period and the denominator of which is your Vesting Period.
Voluntary Termination or Termination for Cause	Unvested Stock Units will be forfeited and cancelled on your Termination Date, except in the case of a Voluntary Termination satisfying the Qualified Retirement requirements.
Qualified Retirement	<u>Vesting:</u> If (a) you have a Qualified Retirement on or after the date that is eighteen (18) months following the Grant Date, and (b) you continue to comply with this Agreement (including Section 9 hereof), then your unvested Stock Units, if any, shall remain outstanding and will continue to vest pursuant to the terms of this Agreement as if you had remained actively employed.

**Definitions:** For purposes of this Agreement, the following definitions apply:

**"Change In Control Termination"** means, where this Award is assumed, converted or replaced by a publicly traded continuing entity or publicly traded successor, your Termination of Employment by the Employer or such continuing entity or such successor within twenty-four (24) months following a Change in Control other than for "Cause" (as defined in the CIC Severance Plan if you participate therein as of the Change in Control; otherwise, as defined in the Plan). Notwithstanding anything herein to the contrary, a termination due to Disability shall not be treated as a Termination for "Cause" for any purpose under this Agreement.

**"CIC Severance Plan"** means the Amended and Restated NCR Change in Control Severance Plan.

**"Disability"** means, except as otherwise provided herein, your qualifying for benefits under your Employer's long-term disability plan.

**"Employer"** means NCR Corporation (the Company) or any Subsidiary or Affiliate of NCR Corporation by which you are or have been employed.

**“Good Reason Termination”** means, where this Award is assumed, converted or replaced by a publicly traded continuing entity or a publicly traded successor, your Termination of Employment with the Employer or such continuing entity or such successor within twenty-four (24) months following a Change in Control for “Good Reason” (as defined in the CIC Severance Plan to the extent you are a Participant in the CIC Severance Plan as of the Change in Control, provided that if you are not a Participant in the CIC Severance Plan as of the Change in Control, the provisions set forth in this Agreement with respect to “Good Reason Termination” following a Change in Control shall not apply to you).

**“Include”, “Includes,” and “Including”** mean, respectively, include without limitation, includes without limitation, and including without limitation.

**“Involuntary Termination (other than for Cause)”** means your Termination of Employment by the Employer for any reason other than for “Cause” (as defined in the Plan), excluding: (i) any Termination of Employment due to Disability, and (ii) any Termination of Employment by the Employer or publicly traded continuing entity or publicly traded successor during the twenty-four (24) months following a Change in Control.

**“Qualified Retirement”** means your Termination of Employment at age sixty (60) or older with at least five (5) years of continuous service with an Employer through your Termination Date (excluding service with acquired entities before the acquisition).

**“Qualified Transaction”** means a (i) a spin-off, split-off, or sale of the Commerce or Banking segment or a segment of the Company that is at least as large in size to either the Commerce or Banking segment, (ii) a sale of more than fifty percent (50%) of the assets of the Company, (iii) a Change in Control or (iv) a transaction of a similar nature deemed to be a Qualified Transaction by the Committee.

**“Qualified Transaction Good Reason Termination”** means your Termination of Employment with the Employer or the continuing entity or successor within twenty-four (24) months following a Qualified Transaction, which does not qualify as a Change in Control, for “Good Reason” (as defined in the CIC Severance Plan, regardless of whether you participate therein on your Termination Date, except that references in such definition to the occurrence of a “Change in Control” shall be replaced with the date of the Qualified Transaction).

**“Termination Date”** means the date of your Termination of Employment for any reason.

**“TPA”** means the third party administrator for the Plan.

**“Vesting Period”** means the number of days in the period starting on the Grant Date and ending on the Vesting Date.

**“Work Period”** means the number of days in the period starting on the Grant Date and ending on your Termination Date.

**Qualified Transaction Provisions (including a Change in Control):**

In the event of a Qualified Transaction, your Target Award Number (the “Qualified Transaction Stock Units”) will be eligible to become Earned Units on the later of (i) the date of a Qualified Transaction, or (ii) the first anniversary of the Grant Date, subject to your continuous employment by the Employer through such later date, except as provided in this Agreement. The number of Stock Units that become Earned Units upon a Qualified Transaction (or the first anniversary of the Grant Date, if such Qualified Transaction occurs prior thereto) will be determined in accordance with Schedule B to this Agreement. For avoidance of doubt, if you were employed on the date of the Qualified Transaction, then in the event of your termination of employment after the Qualified Transaction but before the first anniversary of the Grant Date due to death, Disability, Change in Control Termination, Involuntary Termination (other than for Cause), a Good Reason Termination or a Qualified Transaction Good Reason Termination, your unvested Stock Units shall become fully vested on your Termination Date with the number of Earned Units determined as of the date of the Qualifying Transaction in accordance with Schedule B to this Agreement.

5. **Compensation.** Your Plan participation is voluntary. The value of your Award is an extraordinary item of income, is not part of your normal or expected compensation and will not be considered in calculating any severance, redundancy, end of service payments, bonus, long-service awards, pension, retirement or other benefits or similar payments. The Plan is discretionary in nature. The Award is a one-time benefit that creates no contractual or other right to further awards or other future benefits. Future grants (if any) and their terms are at the sole discretion of NCR.

6. **Nontransferability.** At all times before the Vesting Date, unvested Stock Units may not be sold, transferred, pledged, assigned or otherwise alienated, except by beneficiary designation, by will or by the laws of descent and distribution upon your death. As soon as practicable after the Vesting Date (or such other date as Stock Units become payable in accordance with Section 4), if Stock Units that Vested on such Vesting Date are to be paid in the form of Shares, NCR will instruct its transfer agent and/or its TPA to record on your account the number of such Shares underlying the number of such Stock Units, and such Shares will be freely transferable.

7. **Dividends.** Any cash dividends declared before the Vesting Date on the Shares underlying unvested Stock Units shall not be paid currently, but shall be converted into additional unvested Stock Units, and any cash dividends declared after the Vesting Date but before the Settlement Date on the Shares underlying Vested Stock Units shall not be paid currently, but shall be converted into additional Vested Stock Units and settled pursuant to Section 3 at the same time as the underlying Vested Stock Units. Any Stock Units resulting from such conversion (the "Dividend Units") will be considered Stock Units for purposes of this Agreement and will be subject to all of the terms, conditions and restrictions set forth herein that apply to the underlying Stock Units that generated the Dividend Units. As of each date that NCR would otherwise pay the declared dividend on the Shares underlying the Stock Units (the "Dividend Payment Date") in the absence of the reinvestment requirements of this Section, the number of Dividend Units will be determined by dividing the amount of dividends otherwise attributable to the Stock Units but not paid on the Dividend Payment Date by the Fair Market Value of NCR's Common Stock on the Dividend Payment Date.

8. **Withholding.** Before tax and withholding events, as a condition of your receiving Shares in respect of the Stock Units, you agree to make arrangements satisfactory to the Employer and Plan Administrator to satisfy all income tax, social insurance tax, payroll tax, fringe benefits tax and other Federal, state or local and non-U.S. tax payment or withholding requirements or other tax related items (collectively, "Tax-Related Items") determined by the Plan Administrator in its sole discretion in connection with the Award or your participation in the Plan, including paying NCR, in its sole discretion, through payroll withholding or other Plan Administrator-required method, the amount of Tax-Related Items required to be paid or withheld with respect to the Stock Units. Such payment of Tax-Related Items will be made by NCR withholding Shares issuable upon settlement of the Stock Units equal to the amount required to be withheld or paid as determined by NCR, except to the extent that: (i) the Chief Human Resources Officer permits payment for such Tax-Related Items in cash by an employee other than an executive officer of NCR ("Executive Officer") subject to Section 16 of the Securities Exchange Act of 1934, as amended (the "Act"), or (ii) you are an Executive Officer and you elect to make payment for such Tax-Related Items in cash or by instructing NCR and any brokerage firm approved by NCR to sell on your behalf the Shares underlying the Stock Units that NCR determines will satisfy such Tax-Related Items. Any withholding of Shares or sale or cash payment pursuant to this Section will occur when the requirement to withhold or pay taxes arises, or as soon as practicable afterwards if permitted by NCR. If you are an Executive Officer who instructs a brokerage firm sale permitted by this Section, you will be responsible for, and will indemnify and hold NCR and the Employer harmless with respect to, any and all losses, costs, damages or other expenses (including brokerage fees and other similar costs related directly to any such sale of Common Stock) arising in connection with, or related to, any such sale. You acknowledge that if, at the time any Shares of Common Stock are sold to satisfy requirements relating to Tax-Related Items pursuant to this Section, you are an Executive Officer as defined above, any such sale of Common Stock must be made pursuant to an exemption from the requirements under Section 16(b) of the Act.

You agree that the ultimate liability for all Tax-Related Items remains your responsibility and may exceed the amount withheld. Depending on the withholding method, NCR may withhold or account for Tax-Related Items by considering such statutory withholding rates as may be determined applicable in the discretion of the Plan Administrator that will not result in an adverse accounting consequence or cost.

**9. Non-Competition, Non-Solicitation and Non-Recruit/Hire.**

- a. Pursuant to your employment with NCR, you have or will have access to, and knowledge of, certain

NCR Confidential Information (as defined in Section 14 below). You acknowledge that any unauthorized use (including use for your own benefit or to the benefit of others), transfer, or disclosure by you of NCR Confidential Information can place NCR at a competitive disadvantage and cause damage, financial and otherwise, to its business. You further acknowledge that, because of the knowledge of and access to NCR Confidential Information that you have acquired or will have acquired during your employment, you will be in a position to compete unfairly with NCR following the termination of your employment

b. **Post-Employment Restrictive Covenants.** Therefore, for the purpose of protecting NCR's business interests, including NCR Confidential Information, goodwill and stable trained workforce of NCR, and in exchange for the benefits and consideration provided to you under this Agreement (including the potential future vesting of Stock Units), you agree that, for a 12-month period after the termination of your NCR employment (or the maximum period allowed by applicable law if less than 12 months) (the "**Restricted Period**"), regardless of the reason for termination, you will not, without the prior written consent of the Chief Executive Officer of NCR Corporation:

(1). **Non-Recruit/Hire** - Directly or indirectly (including assisting third parties) recruit, hire or solicit, or attempt to recruit, hire or solicit any employee of NCR, induce or attempt to induce any employee of NCR to terminate his or her employment with NCR, or refer any such employee to anyone outside of NCR for the purpose of that employee seeking, obtaining, or entering into an employment relationship or agreement to provide services;

(2). **Non-Solicitation** - Directly or indirectly (including assisting others), solicit or attempt to solicit the business of any NCR customers or prospective customers with which you had Material Contact (as defined in Section 9(c)(i) below) during the last 2 years of your NCR employment for purposes of providing products or services that are competitive with those provided by NCR;

(3). **Non-Competition** - Perform services, directly or indirectly, in any capacity (including as an employee, consultant, contractor, owner or member of a board of directors): (i) of the type conducted, authorized, offered, or provided by you on behalf of NCR during the 2 years prior to termination of your NCR employment; (ii) in connection with NCR Competing Products/Services (as defined in Section 9(c)(ii)) that are similar to or serve substantially the same functions as those with respect to which you worked during the 2 years prior to termination of your NCR employment or about which you obtained trade secret or other NCR Confidential Information; (iii) within the geographic territories (including countries and regions, if applicable, or types, classes or tiers of customers if no geographic territory was assigned to you) where or for which you performed, were assigned, or had responsibilities for such services during the 2 years preceding your termination; and (iv) on behalf of a Competing Organization (as defined in Section 9(c)(iii)).

c. For purposes of Section 9 of this Agreement, the following definitions shall apply:

(i) "**Material Contact**" means the contact between you and each customer or prospective customer (a) with which you dealt on behalf of NCR, (b) whose dealings with NCR were coordinated or supervised by you, (c) about whom you obtained confidential information in the ordinary course of business as a result of your association with NCR, or (d) who receives products or services authorized by NCR, the sale or provision of which results, resulted or, with regard to prospective customers, would have resulted in compensation, commissions, or earnings for you within the 2 years prior to the date of your termination;

(ii) "**Competing Products/Services**" are any products, services, solutions, platforms, or activities that compete, directly or indirectly, in whole or in part, with one or more of the products, services or activities produced, provided or engaged in by NCR (including products, services or activities in the planning or development stage during your NCR employment) at the time of your separation from NCR and during the 2 years prior to termination of your NCR employment;

(iii) A "**Competing Organization**" is any person, business or organization that sells, researches, develops, manufactures, markets, consults with respect to, distributes and/or provides referrals with regard to one or more Competing Products/Services and includes all entities on the Competing Organization List;

(iv) The "**Competing Organization List**," which NCR updates from time to time, provides examples of companies that, as of the date of the List's publication, meet the definition of Competing Organization under Section 9(c)(iii) above. However, the Competing Organization List is not comprehensive and, in the event of a

conflict between Section 9(c)(iii) and the Competing Organization List, Section 9(c)(iii) controls. The most recent version of the Competing Organization List in effect at the time of the termination of your NCR employment, which is available on the NCR HR intranet, or from the NCR Law Department or HR upon request, is the version to consult for relevant examples of Competing Organizations for purposes of this Agreement. As of the Grant Date, the companies listed in this Section (and the subsidiaries and affiliates of each) constitute NCR's Competing Organization List for 2023 (with designations such as "Inc." and "Corp." omitted from company names). This list will remain in effect until an updated list is approved/posted. You understand that the non-competition provisions in this Agreement are not limited to those on the list below, that other companies may qualify as competitors under this Agreement, and that you may be restricted from accepting employment or other work from such other companies, subject to the terms of this Agreement.

ACI Worldwide	GK Software	PAR Technology
Acuative	Global Payments	Q2
Agilysys	HP, Inc.	Qu
Alkami Technology	Infor	Revel Systems
Altametrics	Hyosung TNS	SAP
Aptos	Instacart	SpotOn Transact
Auriga	Jack Henry & Assoc.	Square
Diebold Nixdorf	Korala Associates Ltd.	Temenos AG (includes Kony)
Dimension Data/NTT	Lavu Inc.	Tillster
Euronet Worldwide	Lightspeed Commerce (Includes Upserve, Breadcrumb, Shopkeep)	Toast
FIS (Includes Zenmatics)	LOC Software	Toshiba TEC (includes Toshiba Global Commerce Solutions)
Fiserv (Includes First Data and Clover)	NSC Global	Unisys
Flooid	The ODP Corporation (Compucom)	Westcon-Comstor
Fujitsu	OLO	
Gilbarco Veeder-Root	Oracle	

(v) All references to "NCR" in this Section 9 refer to NCR and any other Employer, including any company the stock or substantially all the assets of which NCR or any other Employer has acquired during the period applicable to the 2-year look back for the restrictive covenants referred to herein.

d. **Consideration.** You acknowledge that (i) you would not have received the benefits and consideration provided under this Agreement, including the potential future vesting of equity awards, but for your consent to abide by the Post-Employment Restricted Covenants contained in Section 9(b); (ii) you must abide Section 9(b) regardless of whether any stock units or other equity has vested or been distributed as of the time of any violation of its terms; and (iii) your agreement to Section 9(b) is a material component of the consideration for this Agreement.

e. **Remedies.** You agree that, if you breach any of the provisions of this Agreement:  
(i) NCR shall be entitled to all of its remedies at law or in equity, including money damages and injunctive relief; (ii) in the event of such breach, in addition to NCR's other remedies, any unvested Stock Units will be immediately forfeited and deemed canceled, and you agree to pay immediately to NCR the Fair Market Value of any Stock Units that vested during the 18 months prior to the date of your termination of employment (or if applicable law mandates a

maximum time that is shorter than 18 months, then for a period of time equal to the shorter maximum period), without regard to whether you continue to own the Shares associated with such Stock Units; and (iii) NCR shall also be entitled to an accounting and repayment from you of all profits, compensation, commissions, remuneration or benefits that you (and/or the applicable Competing Organization) directly or indirectly have realized or may realize as a result of or in connection with any breach of these covenants, and such remedy shall be in addition to and not in limitation of any injunctive relief or other rights or remedies to which NCR may be entitled at law or in equity.

f. **Subsequent Employment.** You agree that, while employed by NCR and for 1 year thereafter, you will communicate the contents of this Section 9 of this Agreement to any person, firm, association, partnership, corporation or other entity which you intend to become employed by, contract for, associated with or represent, prior to accepting and engaging in such employment, contract, association and/or representation.

g. **Tolling.** [FOR US EMPLOYEES ONLY:] You agree that the Restricted Period will be tolled and suspended during the pendency of any legal proceedings to enforce any of the covenants set forth in this Section 9 and that no time that is part of or subject to such tolling and suspension will be counted toward the 12-month duration of the Restricted Period.

h. **Reasonable and Necessary.** You agree that the Post-Employment Restrictive Covenants set forth in Section 9(b) are reasonable and necessary for the protection of NCR's legitimate business interests, that they do not impose a greater restraint than is necessary to protect the goodwill or other business interests of NCR, that they contain reasonable limitations as to time and scope of activity to be restrained, that they do not unduly restrict your ability to earn a living, and that they are not unduly burdensome to you.

i. **Severability.** Each clause of this Agreement and Section constitutes an entirely separate and independent restriction and the duration, extent and application of each of the restrictions are no greater than is necessary for the protection of NCR's interests. If any part or clause of this Section 9 is held unenforceable, it shall be severed and shall not affect any other part of Section 9 and this Agreement.

j. **Amendment for California Employees Only.** Section 9(b)'s Non-Competition, Non-Solicitation, and Non-Recruit/Hire restrictions do not apply to you if, following the termination of your NCR employment, you continue to reside or work in California or any other jurisdiction that prohibits the application thereof. Notwithstanding the foregoing, you are and shall continue to be prohibited from any unauthorized use, transfer, or disclosure of NCR Confidential Information, including trade secrets, pursuant to the California Trade Secrets Act, the U.S. Defend Trade Secrets Act of 2016, your confidentiality and non-disclosure agreements with NCR, and any other applicable federal, state and common law protections afforded proprietary business and trade secret information.

k. **Non-U.S. Country-Specific Amendments.** The restrictions contained in Section 9(b)(2) and/or (3) do not apply to you if, following the termination of your NCR employment, you continue to reside or work in a country that mandates, as a non-waiveable condition, continued pay during the Restricted Period, unless NCR advises you it will tender such pay, which shall be in the minimum amount required by local law. Section 9(b)(2) and/or (3) do not apply to you if you are terminated without cause (as this term or concept is defined by applicable law) and you reside in a country that requires termination for cause in order to enforce post-employment non-competition and/or non-solicitation restrictions. [FOR EMPLOYEES IN ARGENTINA, BELGIUM, China, Czech Republic, Israel, Serbia ONLY:] The restrictions set forth in Section 9(b)(2) and/or (3), as the case may be, shall have the additional consideration of a monthly payment from NCR during the term of the Agreement in such amount as is minimally required by law ("**Non-Competition Compensation**"); however, NCR may at any time, and at its sole discretion, waive the obligations and duties set forth in Section 9(b)(2) and/or (3), which shall release NCR from the obligation of making Non-Competition Compensation payments. Subject to the foregoing and local law, Non-Competition Compensation, if calculated based on monthly salary, will exclude any bonus, commissions, ex gratia payments, payments under any share option or incentive plan, benefits, "thirteenth-month" salary, or any payment in respect of any vacation entitlement accrued or that would have accrued during the period of the Agreement, and the payment of Non-Competition Compensation shall be made in monthly installments starting 1-month after the start of the Restricted Period (or, if applicable law mandates a maximum time that is shorter than 1 month, then for a period of time equal to that shorter maximum period) ("**Payment Period**"). If NCR does not commence the Non-Competition Compensation payments within the Payment Period, this shall affect a mutual release of Section 9(b)(2) and (3) obligations and no separate waiver need be provided by NCR. In such circumstances, you will not be subject to any ongoing non-competition or non-solicitation obligations, nor will NCR have any obligation to pay the Non-Competition Compensation; however, this release does not extend to the obligations under Section 9(b)(1), which

will continue to apply. [FOR EMPLOYEES IN DENMARK, FRANCE, GERMANY ONLY:] Section 9(b)(2) and (3) of this Section do not apply to you if, following the termination of your NCR employment, you continue to reside or work in Denmark, France, or Germany; however, Section 9(b)(1) shall continue to apply. [FOR EMPLOYEES IN UAE ONLY:] In the event that you breach the Section 9(b)(3) Non-Competition restrictive covenant, you acknowledge that NCR will suffer irreparable damage, and you promise to pay NCR on demand damages in a sum equal to the amount of 6 months of your salary that was in effect when your NCR employment ended. You acknowledge that this sum represents a reasonable estimate of damages that NCR will suffer, and that, where local law allows, NCR may seek additional compensatory damages.

**10. Arbitration, and Class, Collective, and Representative Action Waiver.** [FOR U.S. EMPLOYEES ONLY:] You and NCR (collectively, the “Parties”) agree that any controversy or claim arising out of or related to this Agreement and/or with respect to your employment with NCR and any other Employer shall be resolved by binding arbitration; the obligation to arbitrate shall also extend to and encompass any claims that you may have or assert against any NCR employees, officers, directors or agents. Notwithstanding the foregoing, the following disputes and claims are not covered by this Arbitration provision and shall therefore be resolved in any appropriate forum as required by the laws then in effect: claims for workers’ compensation benefits, unemployment insurance, or state or federal disability insurance; claims for temporary or preliminary injunctive relief (including a temporary restraining order) in aid of arbitration or to maintain the status quo pending arbitration; and any other dispute or claim that has been expressly excluded from arbitration by statute. The Parties further agree that in the event of a breach of this Agreement, NCR or you may, in addition to any other available remedies, bring an action in a Court of competent jurisdiction for equitable relief pending appointment of an arbitrator and completion of an arbitration; and, in such instance, shall not be required to post a bond. If any portion of this Arbitration provision is held unenforceable, it shall be severed and shall not affect the duty to arbitrate nor any other part of this Section. In addition:

(a) The Parties agree that any demand for arbitration shall be filed within the statute of limitations applicable to the claim or claims upon which arbitration is sought or required, or the claim shall be barred. Arbitration shall be conducted in accordance with the Employment Arbitration Rules and Mediation Procedures of the American Arbitration Association (available at [www.ADR.org](http://www.ADR.org)) to the extent not inconsistent with the terms of this Agreement. The arbitrator shall allow discovery in the form of: (1) the mutual exchange of documents (as defined under the Federal Rules of Civil Procedure) pertaining to the claim being arbitrated and for which there is a direct and demonstrable need; and (2) up to three depositions by each party. However, notwithstanding these general limitations, upon good cause shown, in a personal or telephonic hearing, the arbitrator may allow additional, non-burdensome discovery. The arbitrator shall balance the likely importance of the requested materials with the cost and burden of the discovery sought, and when disproportionate, the arbitrator may deny the request(s) or require that the requesting party advance the reasonable cost of production to the other side. Issues of arbitrability shall be determined in accordance with the U.S. federal substantive and procedural laws relating to arbitration; in all other respects, this Agreement shall be governed by the laws of the State of Georgia in the United States, without regard to its conflict-of-laws principles, and the arbitration shall be held in the metropolitan Atlanta, Georgia area, with the exception of employees who primarily reside and work in California or Washington, for whom arbitration shall be held in California and Washington respectively, and with respect to controversies arising in California, to which California law shall apply. The arbitration shall be held before a single arbitrator who is an attorney having at least five years of experience in employment law. The arbitrator’s decision and award shall be written, final and binding and may be entered in any court having jurisdiction. The Parties agree that nothing in this Agreement relieves them from any obligation they may have to exhaust certain administrative remedies before arbitrating any claims or disputes under this Agreement. NCR shall be responsible for the cost of any filing fees to initiate arbitration and any other expenses of arbitration required by applicable law to be borne by the employer in an employment dispute. Each party shall bear its own attorney fees associated with the arbitration; other costs, and expenses of the arbitration, shall be borne as provided by the rules of the American Arbitration Association.

(b) **Class, Collective and/or Representative Action Waiver.** To the maximum extent permitted by law: (1) all covered claims under this Agreement must be brought in your individual capacity, and not as a plaintiff or class member in any purported class, collective or representative proceeding; (2) no claims may be brought or maintained on a class, collective or representative basis either in Court or in arbitration, notwithstanding the rules of the arbitral body; (3) such claims will be decided on an individual basis in arbitration pursuant to this Agreement; and (4) the Parties expressly waive any right with respect to any covered claims to submit, initiate, or participate as a plaintiff, claimant or member in a class action or collective action, regardless of whether the action is filed in arbitration or in court. Claims may not be joined or consolidated in arbitration with disputes brought by or against



other individual(s), unless agreed to in writing by the Parties (you, NCR, and the other individual(s)). Any issue concerning the validity of this class, collective or representative action waiver, and whether an action may proceed as a class, collective or representative action, must be decided by a Court, and an arbitrator shall not have authority to consider the issue of the validity of this waiver or whether the action may proceed as a class, collective or representative action. If, for any reason, this class, collective and/or representative action waiver is determined to be unenforceable, then the class, collective or representative claim may proceed only in a Court of competent jurisdiction in Atlanta, Georgia and may not be arbitrated. No arbitration award or decision will have any preclusive or estoppel effect as to issues or claims in any future dispute.

(c) **Waiver of Jury Trial.** By signing this Agreement and consenting to Arbitration, both I and NCR are knowingly and voluntarily waiving any right to a jury trial.

**11. Compensation Recovery Policy.** By accepting the Stock Units, you agree that, to the extent the Stock Units constitute “Covered Incentive Compensation” under NCR’s Compensation Recovery Policy as amended from time to time (the “Recovery Policy”), then notwithstanding any provision of this Agreement, you may forfeit the Stock Units or be required to repay the Shares or Stock Units or the proceeds received from disposing of Shares or Stock Units under the Recovery Policy. You agree that NCR may, to the extent permitted or required by law or regulation (including the Dodd-Frank Act), enforce any repayment obligation under the Recovery Policy by reducing any amounts that may be owing from time to time by NCR to you, whether in the form of wages, severance, vacation pay or any other benefit or for any other reason, or enforce any other recoupment permitted by applicable law or regulation.

**12. Beneficiaries.** Beneficiaries may be designated (and designations may be changed or revoked), in the manner required by the Plan Administrator, to receive all or part of Stock Units in case of your death. In the event of your death, any portion of the Stock Units subject to such a designation that has not been superseded, modified or revoked in accordance with such procedures will be distributed to such beneficiary or beneficiaries in accordance with this Agreement. Any other portion of the Stock Units not designated by you will be distributable to your estate. If there is any question as to the legal right of any beneficiary to receive a distribution hereunder (as determined by NCR in its sole discretion), the Shares underlying the Stock Units in question may be purchased by and distributed to your estate, in which event NCR shall have no further liability to anyone with respect to such Shares. For information about TPA beneficiary procedures, or to revoke or change a beneficiary designation, call Fidelity at 1-800-544-9354 (U.S. grantees) or 1-800-544-0275 (non-U.S. grantees). Non-U.S. employees may access the toll-free number at: <https://www.fidelity.com/customer-service/phone-numbers/overview>.

**13. Data Privacy.** By entering into this Agreement, you understand and acknowledge that your personal data may be processed, in electronic or other form as described in the NCR Employee Privacy Notice applicable to your jurisdiction.

**14. Non-Disclosure of Confidential Information.** You acknowledge and agree that your employment with NCR or another Employer created a relationship of trust and confidence between you and the Employer with respect to, and that your position and its job duties exposed and/or will expose you to a broad variety of, NCR Confidential Information. As used in this Agreement, “NCR Confidential Information” means any information: of or held by NCR or any of its subsidiaries or affiliates that is not generally known or readily ascertainable by the public; or provided to NCR or any of its subsidiaries or affiliates by any person or entity subject to confidentiality obligations. NCR Confidential Information includes financial records, projections and forecasts, creations, discoveries, inventions, innovations, research, development, software, technology, works of authorship and the subject matter of intellectual property rights, company strategies, reports, plans, prospects and opportunities, employee information, market and sales information and plans (such as pricing, proposals and product introductions), and information about current and prospective customers (including their preferences and needs) and trade secrets. This Agreement, including its terms and conditions, shall be considered NCR Confidential Information. You agree, and represent and warrant, that you will not disclose or use and have not disclosed or used, in whole or in part, any NCR Confidential Information other than to the extent necessary in the ordinary course of performing your duties at and for your Employer and in accordance with NCR’s and the Employer’s policies, without the prior written consent of NCR, which may be granted or withheld in NCR’s sole discretion, for any reason or no reason.

Notwithstanding anything to the contrary in this Agreement:

a. In response to a valid subpoena, valid court, governmental or administrative order, or valid and mandatory discovery request (“Disclosure Request”), you may disclose, to the extent required thereby, requested NCR Confidential Information, or truthful testimony or information about NCR or your Employer (if different), provided, to the extent permitted by law, you provide NCR as much advance notice as practicable so as to enable NCR to seek to limit, condition, or quash such disclosure, as appropriate, including to obtain a protective order. Should you receive a Disclosure Request, you may reach out to NCR’s General Counsel or its law department for assistance, but you are not required to do so.

b. [US EMPLOYEES ONLY:] An individual will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (i) is made (1) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney, and (2) solely for the purpose of reporting or investigating a suspected violation of the law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

c. You are not prohibited from reporting possible violations of the law to, or filing a charge or complaint with any federal, state or local governmental agency or commission (“Government Agencies”), including the Equal Employment Opportunity Commission, the Securities and Exchange Commission, the Department of Justice, or from making disclosures to Government Agencies that are protected by law (such as providing testimony and information during a government investigation), and you are not required to notify NCR that you have made any such reports or disclosures.

d. [US EMPLOYEES ONLY:] This Agreement does not prohibit, nor shall it be interpreted as restraining or interfering with, employee rights under Section 7 of the National Labor Relations Act.

e. (i) you may disclose this Agreement or any of its terms and conditions to your spouse, domestic partner, tax advisor, or attorney; and (ii) you may disclose the non-disclosure, non-competition, non-solicitation, and non-recruit/hire covenants herein to a prospective employer provided that you agree that you will, as applicable, require any persons or entities to whom disclosure is made as permitted in (i) or (ii) to keep such information confidential and not disclose it to others.

**15. No Advice Regarding Grant.** NCR is not (a) providing any tax, legal or financial advice, or (b) making any recommendations about your Plan participation, or any transaction relating to your Stock Units or the underlying Shares. You should consult with your own personal tax, legal and financial advisors before taking any Plan-related action.

**16. Electronic Documents and TPA Information.** This Agreement, including Section 9, is executed electronically, and is immediately binding upon your electronic acceptance. If you reside in a country that requires original ink signatures on paper, you waive this requirement to the extent permitted by law. You agree to receive all Award related documents electronically, and to participate in the Plan online through the TPA electronic system. Summaries and other information shown on the TPA website, which may be updated from time to time, shall be subject to the determinations of the Committee and the Plan Administrator, the Plan and this Agreement. The determinations of the Committee and the Plan Administrator, the Plan and this Agreement will govern in the event of any conflict with such TPA website summaries and other information.

**17. Severability, Waiver and Conflicting Terms.** The provisions of this Agreement are severable. If a court or other tribunal of competent jurisdiction holds any provision unenforceable or invalid, such provision will be severed and will not affect any other part hereof, which will be enforced as permitted by law; except that to the extent such invalid provision can be rendered valid by modification, you agree that the court or tribunal shall so modify such provision to render it valid and enforceable to the fullest extent permitted by law. You acknowledge that a waiver by NCR of breach of any provision of this Agreement will not operate or be construed as a waiver of any other provision of this Agreement or any subsequent breach of this Agreement. If this Agreement conflicts with the Plan in any respect, the Plan terms will prevail, except that Section 10 of this Agreement will prevail with respect to the law governing this Agreement and all claims relating to this Agreement.

**18. Amendment.** The NCR Board of Directors or the Committee or any delegate may amend your Award terms in this Agreement, except that no such amendment will be made that would materially impair your rights hereunder

without your consent, except such an amendment made to comply with applicable law, including Code Section 409A, stock exchange rules or accounting rules.

**19. Rules for Participants in Non-U.S. Jurisdictions.** Notwithstanding anything herein or in the Plan to the contrary, if you are or become subject to the laws of a non-U.S. jurisdiction, your Award will be subject to (i) the special rules in Appendix A to this Agreement for your country and the laws and requirements of such non-U.S. jurisdiction to the extent so determined in the sole discretion of the Plan Administrator for legal or administrative reasons, and (ii) this Agreement's terms and conditions are deemed modified to the extent determined in the sole discretion of the Plan Administrator for legal or administrative reasons. Subject to Section 18, the Committee or the Plan Administrator may amend this Agreement before or after an Award is made and take any other action deemed appropriate in its sole discretion to obtain approval or comply with any necessary local governmental regulatory requirements or exemptions.

**20. Code of Conduct Certification; Compliance with Insider Trading Laws and NCR Insider Trading Policy; Code Section 409A Compliance.** Notwithstanding anything herein to the contrary, this Award of Stock Units and your right to receive payment of any Vested Stock Units are expressly conditioned upon your timely annual certification to the NCR Code of Conduct. If you do not timely provide any certification required by the Employer before vesting of any portion of the Stock Units, that portion of the Stock Units will be forfeited, except that no such forfeiture will occur unless you are provided written notice (which notice may be provided by email) of the impending forfeiture, and you do not provide your certification to NCR's Code of Conduct within thirty days following such notice.

With respect to any Shares distributed under this agreement, you understand and agree that you are responsible for reviewing, understanding and complying with Insider Trading laws and NCR's Insider Trading Policy (available on the internet or by request from the NCR Law Department), and that you may not trade in NCR securities except in compliance with the NCR Insider Trading Policy (as may be amended from time to time), which is incorporated herein by reference. You should consult an attorney if you have questions concerning such matters.

The parties intend that payments under this Agreement comply with Code Section 409A or are exempt therefrom, and this Agreement shall be interpreted, administered and governed in accordance with such intent. Notwithstanding anything contained herein to the contrary, you shall not be considered to have terminated employment with the Employer for purposes of any payments under this Agreement which are subject to Code Section 409A until you would be considered to have incurred a "separation from service" from the Employer within the meaning of Code Section 409A. Each amount to be paid under this Agreement shall be construed as a separate identified payment for purposes of Code Section 409A. Without limiting the foregoing and notwithstanding anything contained herein to the contrary, to the extent required in order to avoid accelerated taxation and/or tax penalties under Code Section 409A: (A) amounts that would otherwise be payable and benefits that would otherwise be provided pursuant to this Agreement or any other arrangement between you and the Employer during the six (6) month period immediately following your separation from service shall instead be paid on the first business day after the date that is six (6) months following your separation from service (or, if earlier, your death), (B) for purposes of this Agreement, "Disability" shall have the meaning set forth in Treas. Reg. 1.409A-3(i)(4)(i), and (C) a Change in Control shall be deemed to have occurred only if a change in the ownership or effective control of NCR or a change in ownership of a substantial portion of the assets of NCR shall also be deemed to have occurred under Code Section 409A. Notwithstanding anything contained herein to the contrary, no payment shall be made pursuant to this Agreement prior to the earliest time that will not result in accelerated taxation and/or tax penalties under Code Section 409A. In addition, the Committee shall have the sole authority to make any accelerated payments permissible under Treas. Reg. Section 1.409A-3(j)(4) to you with respect to any deferred amounts, provided that such payments meet the requirements of Treas. Reg. Section 1.409A-3(j)(4). NCR makes no representation that any or all of the payments described in this Agreement will be exempt from or comply with Code Section 409A and makes no undertaking to preclude Code Section 409A from applying to any such payment.

**21. No Employment Modification.** The Plan and this Agreement do not constitute a contract of employment or impose on you or any Employer any obligation to retain you as an employee, to change the status of your employment, or to change the Employer's policies regarding termination of employment. For U.S. employees, employment with the Employer is at will, which means that you or the Employer may terminate the employment relationship at any time, with or without cause, unless otherwise provided in a valid, formal written employment agreement signed by you and an officer of the Employer.

**22. Execution and Validity of Agreement.** This Agreement shall be binding and effective upon NCR on the Grant Date. However, you will forfeit your Award and this Agreement shall have no force and effect if you do not duly execute it electronically on the TPA website at [www.netbenefits.fidelity.com](http://www.netbenefits.fidelity.com), in the form required by the Plan Administrator, within ninety (90) days after the Grant Date (or by other date required by the Plan Administrator).

**23. Notices.** All notices required hereunder shall be in writing and shall be deemed given upon the following business day if delivered personally (provided receipt of which is confirmed) or by courier service promising overnight delivery (with delivery confirmation) or five (5) business days after deposit in the U.S. Mail, certified with return receipt requested. All notices shall be addressed as follows: (a) If to NCR: **NCR Corporation** 864 Spring Street NW Atlanta GA 30308 Attn: General Counsel, with a copy via electronic mail to: [law.notices@ncr.com](mailto:law.notices@ncr.com), (b) if to you: your last known address shown in the personnel records of NCR, or (c) to such other address as either party will have furnished to the other in writing.

**SCHEDULE A**

**Senior Executive Team  
Qualified Transaction  
2023 Performance-Based Restricted Stock Unit Award Agreement**

**SCHEDULE B**

**Senior Executive Team  
Qualified Transaction  
2023 Performance-Based Restricted Stock Unit Award Agreement**

## APPENDIX A

### PROVISIONS FOR NON-U.S. PARTICIPANTS Senior Executive Team Qualified Transaction

#### 2023 Performance-Based Restricted Stock Unit Award Agreement

##### Article I. Provisions for All Non-U.S. Participants

The following terms and conditions set forth in this Article I of Appendix A apply to Participants residing outside the United States or otherwise subject to the laws of a non-U.S. country. In general, the terms and conditions in this Appendix A supplement the provisions of the Agreement, unless otherwise indicated herein.

**1. Nature of Grant.** In accepting the grant, you acknowledge, understand and agree that: (a) the Stock Units and the Shares of Common Stock subject to the Stock Units are not intended to replace any pension rights or compensation; (b) the Stock Units and the Shares of Common Stock subject to the Stock Units and the income and value of same, are not part of normal or expected compensation for any purpose; (c) the future value of the underlying Shares of Common Stock is unknown, indeterminable and cannot be predicted with certainty; (d) no claim or entitlement to compensation or damages shall arise from forfeiture of the Stock Units resulting from your Termination of Employment (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any), and in consideration of the grant of Stock Units to which you are otherwise not entitled, you irrevocably agree never to institute any claim against NCR, any of its Subsidiaries or Affiliates or the Employer, waive your ability, if any, to bring any such claim, and release NCR, its Subsidiaries and Affiliates, and the Employer from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, you shall be deemed irrevocably to have agreed not to pursue such claim and agree to execute any and all documents necessary to request dismissal or withdrawal of such claim; (e) for purposes of the Stock Units, your employment or service relationship will be considered terminated as of the date you are no longer actively providing services to NCR or the Employer (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any) and unless otherwise expressly provided in this Agreement or determined by NCR, your right to vest in the Stock Units under the Plan, if any, will terminate as of such date and will not be extended by any notice period (for example, your period of service would not include any contractual notice period or any period of “garden leave” or similar period mandated under employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any); the Committee shall have the exclusive discretion to determine when you are no longer actively providing services for purposes of your Award (including whether you may still be considered to be providing services while on a leave of absence); (f) unless otherwise provided in the Plan or by the Company in its discretion, the Award and the benefits evidenced by this Agreement do not create any entitlement to have the Award or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares of the Company; and (g) neither NCR, the Employer nor any Subsidiary or Affiliate shall be liable for any foreign exchange rate fluctuation between your local currency and the United States Dollar that may affect the value of the Stock Units or of any amounts due to you pursuant to the settlement of the Stock Units or the subsequent sale of any Shares of Common Stock acquired upon settlement.

**2. Language.** If you received this Agreement or any Plan related document translated into a non-English language, the English versions will control in the event of conflict. You acknowledge that it is your express wish that this Agreement, as well as all documents, notices, and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English. By accepting your Award, you confirm having read and understood the Plan and this Agreement, including all terms and conditions of each, which were provided in English. You accept the terms of those documents accordingly.

**3. Conditions for Issuance.** Notwithstanding any other provision of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the Shares, the Company shall not be required to deliver any Shares issuable upon settlement of the Stock Units prior to the completion of any registration or qualification of the Shares under any local, state, federal or foreign securities or exchange control law or under rulings or regulations of the U.S. Securities and Exchange Commission (“SEC”) or of any other governmental regulatory body, or prior to obtaining any approval or other clearance from any local, state,

federal or foreign governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. You understand that the Company is under no obligation to register or qualify the Shares with the SEC or any state or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the Shares. The grant of Stock Units is not intended to be a public offering of securities in your country, and the Company has not submitted any registration statement, prospectus or other filings with the local securities authorities in connection with this grant, and the grant of the Stock Units is not subject to the supervision of the local securities authorities.

**4. Repatriation and Other Non-U.S. Compliance Requirements.** As a condition of the grant of your Stock Units, you agree to repatriate all payments attributable to the Shares of NCR Common Stock and/or cash acquired under the Plan (including dividends and dividend equivalents) in accordance with local foreign exchange rules and regulations in your country of residence (and your country of employment, if different). In addition, you also agree to take any and all actions, and consent to any and all actions taken by the Company, its Subsidiaries and Affiliates, as may be required to allow the Company, its Subsidiaries and Affiliates to comply with local laws, rules and regulations in your country of residence (and your country of employment, if different). Finally, you agree to take any and all actions as may be required to comply with your personal legal and tax obligations under local tax, exchange control, insider trading and other laws, rules and regulations in your country of residence (and your country of employment, if different) with respect to the Stock Units and the NCR Common Stock issued with respect thereto.

**5. Insider Trading Restrictions/Market Abuse Laws.** You acknowledge that your country of residence may subject you to insider trading and/or market abuse laws, which may restrict your ability to acquire or sell Shares or rights to such Shares (e.g., Stock Units) under the Plan during times you are considered to have “inside information” about NCR (as defined by your country’s laws). Such restrictions apply in addition to any NCR insider trading policy restrictions. You acknowledge that it is your responsibility to comply with any applicable restrictions. You should consult with your personal advisor on these matters.

## **Article II. Country-Specific Provisions for Non-U.S. Participants**

This Article II of Appendix A includes special terms and conditions that apply if you reside in the below countries. These terms and conditions are in addition to (or, if indicated, in place of) those set forth in the Agreement. Capitalized terms used but not defined in this Article II have Agreement definitions (or if none, the Plan definitions). This Article II also includes information relating to exchange control and other issues that you should be aware with respect to Plan participation. The information is based on the exchange control, securities and other laws in effect in the respective countries as of the Grant Date. Such laws are often complex and change frequently. As a result, NCR strongly recommends that you do not rely on the information herein as the only source of information relating to the consequences of participation in the Plan because the information may be out of date at the time the Stock Units are Vested or Shares acquired under the Plan are sold. In addition, the information is general in nature and may not apply to your particular situation and NCR is not in a position to assure you of any particular result. Accordingly, you are advised to seek appropriate professional advice as to how the relevant laws in your country may apply to your situation. Finally, if you are a citizen or resident of a country other than the one in which you are currently working, are considered a citizen or resident of another country for local law purposes, or transfer employment or residency to another country after the Grant Date, the notifications contained herein may not be applicable to you. In addition, NCR shall, in its discretion, determine to what extent the terms and conditions contained herein shall be applicable to you.

### **CHINA**

**Settlement of Stock Units.** This provision supplements Section 3 of the Agreement. To facilitate compliance with exchange control laws and regulations in the People’s Republic of China (“China”), you agree to the sale of any Shares to be issued upon vesting and settlement of the Stock Units. The sale will occur (i) immediately upon vesting and settlement of the Stock Units, (ii) following your Termination of Employment, or (iii) within any other time frame as the Company determines to be necessary to facilitate compliance with local regulatory requirements. You further agree that the Company is authorized to instruct its designated broker to assist with the mandatory sale of such Shares (on your behalf pursuant to this authorization) and you expressly authorize the Company’s designated broker to complete the sale of such Shares. You agree to sign any agreements, forms and/or consents that may be reasonably requested by NCR (or the broker) to effectuate the sale of the Shares of Common Stock and shall otherwise cooperate with NCR with respect to such matters. You acknowledge that neither NCR nor the broker is under any obligation to arrange for the sale of the Shares of Common Stock at any particular price and that broker’s fees and similar expenses may be incurred in any such sale. In any event, when the Shares of Common Stock are sold, the proceeds of the sale



of such Shares, less any Tax-Related Items and the broker's fees, commissions or similar expenses, will be remitted to you in accordance with applicable exchange control laws and regulations.

**Exchange Control Restrictions.** You understand and agree that, if you are subject to exchange control laws in China, you will be required to immediately repatriate to China the proceeds from the sale of any Shares acquired under the Plan. You further understand that such repatriation of the proceeds may need to be effected through a special exchange control account established by NCR or a Subsidiary or Affiliate, and you hereby consent and agree that the proceeds from the sale of Shares acquired under the Plan may be transferred to such account by NCR (or the broker) on your behalf prior to being delivered to you. You also agree to sign any agreements, forms and/or consents that may be reasonably requested by NCR (or the broker) to effectuate such transfers.

The proceeds may be paid to you in U.S. dollars or local currency at NCR's discretion. If the proceeds are paid to you in U.S. dollars, you understand that you will be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the proceeds are paid to you in local currency, (i) you acknowledge that NCR is under no obligation to secure any particular exchange conversion rate and that NCR may face delays in converting the proceeds to local currency due to exchange control restrictions, and (ii) you agree to bear any currency fluctuation risk between the time the Shares are sold and the time the proceeds are converted to local currency and distributed to you. Finally, you agree to comply with any other requirements that may be imposed by NCR in the future in order to facilitate compliance with exchange control requirements in China.

#### INDIA

**Qualified Retirement.** Notwithstanding anything herein to the contrary, unless otherwise determined by the Plan Administrator, "Retirement" shall mean Termination of Employment at age 60 or older (or at such lower mandatory retirement age required by applicable India law, if any) with at least 5 years of continuous service with an Employer through your Termination Date (excluding service with acquired entities before the acquisition).

#### ISRAEL

**Trust Arrangement.** You understand and agree that this Award is offered subject to and in accordance with the terms of the Plan and its Israeli specific terms in this Article II of Appendix A. Upon vesting, the Shares shall be controlled by the Company's trustee appointed by the Company or its Subsidiary or Affiliate in Israel (the "Trustee") for your benefit for at least such period of time as required by Section 102 or any shorter period determined under the Israeli Income Tax Ordinance (New Version), 5721-1961 as now in effect or as hereafter amended (the "Ordinance") (with respect to the "capital gain route") or by the Israeli Tax Authority (the "Lock-Up Period"). You shall be able to request the sale of the Shares or the release of the Shares from the Trustee, subject to the terms of the Plan, this Agreement and any applicable Israeli tax law. Without derogating from the aforementioned, if the Shares are released by the Trustee during the Lock-Up Period, the sanctions under Section 102 of the Ordinance shall apply to and be borne by you. The Shares shall not be sold or released from the control of the Trustee unless the Company, the Subsidiary or Affiliate and the Trustee are satisfied that the full amount of Tax-Related Items due have been paid or will be paid in relation thereto. Notwithstanding any provision of this Agreement or the Plan to the contrary except the provisions in Section 4 of this Agreement relating to a Good Reason Termination or your Qualified Retirement, each as defined herein (and in each case to the extent specifically applicable to you), in the event of your resignation from service with NCR or the Employer due to any reason, including worsening of employment conditions, or any other reason relating to conditions of employment, all unvested Stock Units will automatically terminate and be forfeited and no Shares or cash will be issued or paid to you (as the case may be).

**Senior Executive Team**  
**2023 Performance-Based Restricted Stock Unit Award Agreement**

**NCR Corporation 2017 Stock Incentive Plan**

Congratulations on your award of performance-based restricted stock units of NCR Common Stock as part of NCR's 2023 compensation program. The Compensation and Human Resources Committee of our Board of Directors (the "Committee") approved your award in anticipation of your future contributions to the success of NCR. The award also recognizes your past performance and upholds our commitment to rewarding our higher performers. This award is an opportunity to celebrate your achievements and to continue to expand your ownership stake in NCR.

Your performance-based restricted stock units ("Stock Units") are awarded (the "Award") by NCR Corporation ("NCR" or the "Company") under the NCR 2023 Long-Term Incentive (LTI) Program and the NCR Corporation 2017 Stock Incentive Plan as in effect on the date of this Agreement (the "Plan"). See the stock page at [www.netbenefits.fidelity.com](http://www.netbenefits.fidelity.com) for (i) the number of Stock Units granted to you, your date of grant (the "Grant Date"), and other Award details, and (ii) additional important information about the Award, the Plan and NCR stock in the Prospectus dated November 2, 2020 (and the prior Plan Prospectus dated May 1, 2017 as applicable) which is also available on such stock page (a paper copy of the Prospectus is also available without charge upon request to [stock.administration@ncr.com](mailto:stock.administration@ncr.com)). Your Award is subject to the terms of this Senior Executive Team 2023 Performance-Based RSU Award Agreement (this "Agreement") and the Plan. Capitalized terms not defined in this Agreement have the meanings provided under the Plan.

**1. Grant of Stock Units.** Subject to potential adjustment as set forth in Section 2 and further subject to the other terms and conditions of this Agreement, the number of Stock Units determined under Section 2 (the "Earned Units") will become vested and non-forfeitable on December 31, 2025 (the "Vesting Date"), provided that (i) the Committee has certified that NCR has achieved the performance goals set forth on Schedule A to this Agreement (the "Performance Goals") for the performance period set forth on Schedule A to this Agreement (the "Performance Period"), and (ii) you are continuously employed by an Employer through and until the Vesting Date, unless otherwise set forth in this Agreement. The Stock Units are referred to in this Agreement as "Vested" at the time they become vested and non-forfeitable pursuant to this Section or Section 2 or Section 4 below.

**2. Performance Vesting.** The number of Stock Units awarded to you (the "Target Award Number") may be adjusted upward or downward (including to zero) depending on whether the Performance Goals are attained for the Performance Period ("NCR Performance"), as determined in accordance with this Agreement. NCR Performance will be measured in the manner determined by the Committee, and will be subject to any adjustments approved by the Committee in accordance with Schedule A to this Agreement. You may receive from 0% up to 200% of the Target Award Number based on NCR Performance. The number of Stock Units that you will receive under this Agreement, after giving effect to any adjustment, is referred to as the "Earned Units."

The Earned Units represent the right to receive a number of Stock Units equal to the number of Earned Units, subject to the vesting requirements and distribution provisions of this Agreement and the terms of the Plan. All information summarized or otherwise shown on the website of the TPA shall be subject to the determinations of the Committee, the Plan and this Agreement.

**3. Settlement of Stock Units.** Except as may be otherwise provided in Section 4 or 20, or Section 14.12 of the Plan or pursuant to an election under Section 14.11 of the Plan, Vested Stock Units will be paid to you as soon as reasonably practicable after the earliest of: (a) the Vesting Date, (b) your Termination of Employment if such Termination of Employment results in vesting pursuant to Section 4 below, including a Termination of Employment in connection with a Change in Control or a Qualified Transaction, or (c) the Change in Control date if vesting occurs in connection with a Change in Control without a Termination of Employment as determined under Section 4 below. In all events, the settlement date shall be no later than March 15 of the year following the year in which the earliest of such events occurs; except that, notwithstanding any other provision hereof: (i) the settlement date in the event of vesting in connection with a Change in Control as described in Section 4(i) or 4(ii) or a Qualified Transaction as described below shall be no later than 30 days after your Termination Date, or the Change in Control date, as applicable, and (ii) to the extent required in order to avoid accelerated taxation and/or tax penalties under Code Section 409A, the settlement date shall be no later than 30 days after the Vesting Date or the Termination Date, as applicable. Such Vested Stock Units will be paid to you in shares of Common Stock (such that one Stock Unit equals one share of Common Stock) or, in

NCR's sole discretion in an amount of cash equal to the Fair Market Value of such number of shares of Common Stock on date that immediately precedes the Vesting Date (or such earlier date upon which the Stock Units have become Vested pursuant to Section 4 of this Agreement), or a combination thereof (the date of such payment shall be referred to herein as the "Settlement Date").

**4. Accelerated Vesting and Forfeiture Events.** Your Stock Units will vest earlier than the Vesting Date, or remain outstanding and eligible to vest on the Vesting Date, or be forfeited and cancelled before vesting, in each case to the extent provided below. Except as otherwise provided in this Agreement, in the event of your Termination of Employment before the Vesting Date for any reason, all unvested Stock Units will automatically be forfeited and cancelled, and no Shares or cash will be issued or paid.

Event	Treatment of Stock Units
Death or Disability	<u>Vesting:</u> Your unvested Stock Units will become fully Vested on your Termination Date based on the greater of: (i) Target performance, or (ii) actual level of achievement of the Performance Goals pursuant to <u>Schedule A</u> of this Agreement as of your Termination Date as determined and certified by the Committee in accordance with Sections 1 and 2 hereof and assuming for this purpose that the Performance Period ended on your Termination Date.
Involuntary Termination (other than for Cause)	<u>Vesting:</u> Your unvested Stock Units will vest pro rata effective on the Vesting Date for your Award determined under Section 1, and will be determined as follows: (a) the total number of shares that you would have received pursuant to <u>Schedule A</u> of this Agreement as if your NCR employment had not terminated prior to the Vesting Date will be multiplied by (b) a fraction, the numerator of which is your Work Period and the denominator of which is your Vesting Period.
Voluntary Termination or Termination for Cause	Unvested Stock Units will be forfeited and cancelled on your Termination Date, except in the case of a Voluntary Termination satisfying the Qualified Retirement requirements.
Qualified Retirement	<u>Vesting:</u> If (a) you have a Qualified Retirement on or after the date that is eighteen (18) months following the Grant Date, and (b) you continue to comply with this Agreement (including Section 9 hereof), then your unvested Stock Units, if any, shall remain outstanding and will continue to vest pursuant to the terms of this Agreement as if you had remained actively employed.

**Definitions:** For purposes of this Agreement, the following definitions apply:

**"Change In Control Termination"** means, where this Award is assumed, converted or replaced by a publicly traded continuing entity or publicly traded successor, your Termination of Employment by the Employer or such continuing entity or such successor within twenty-four (24) months following a Change in Control other than for "Cause" (as defined in the CIC Severance Plan if you participate therein as of the Change in Control; otherwise, as defined in the Plan). Notwithstanding anything herein to the contrary, a termination due to Disability shall not be treated as a Termination for "Cause" for any purpose under this Agreement.

**"CIC Severance Plan"** means the Amended and Restated NCR Change in Control Severance Plan.

**"Disability"** means, except as otherwise provided herein, your qualifying for benefits under your Employer's long-term disability plan.

**"Employer"** means NCR Corporation (the Company) or any Subsidiary or Affiliate of NCR Corporation by which you are or have been employed.

**"Good Reason Termination"** means, where this Award is assumed, converted or replaced by a publicly traded continuing entity or a publicly traded successor, your Termination of Employment with the Employer or such continuing entity or such successor within twenty-four (24) months following a Change in Control for "Good Reason" (as defined in the CIC Severance Plan to the extent you are a Participant in the CIC Severance Plan as of the

Change in Control, provided that if you are not a Participant in the CIC Severance Plan as of the Change in Control, the provisions set forth in this Agreement with respect to “Good Reason Termination” following a Change in Control shall not apply to you).

**“Include”, “Includes,” and “Including”** mean, respectively, include without limitation, includes without limitation, and including without limitation.

**“Involuntary Termination (other than for Cause)”** means your Termination of Employment by the Employer for any reason other than for “Cause” (as defined in the Plan), excluding: (i) any Termination of Employment due to Disability, and (ii) any Termination of Employment by the Employer or publicly traded continuing entity or publicly traded successor during the twenty-four (24) months following a Change in Control.

**“Qualified Retirement”** means your Termination of Employment at age sixty (60) or older with at least five (5) years of continuous service with an Employer through your Termination Date (excluding service with acquired entities before the acquisition).

**“Qualified Transaction”** means a (i) a spin-off, split-off, or sale of the Commerce or Banking segment or a segment of the Company that is at least as large in size to either the Commerce or Banking segment, (ii) a sale of more than fifty percent (50%) of the assets of the Company, (iii) a Change in Control or (iv) a transaction of a similar nature deemed to be a Qualified Transaction by the Committee.

**“Qualified Transaction Good Reason Termination”** means your Termination of Employment with the Employer or the continuing entity or successor within twenty-four (24) months following a Qualified Transaction which does not qualify as a Change in Control for “Good Reason” (as defined in the CIC Severance Plan, regardless of whether you participate therein on your Termination Date, except that references in such definition to the occurrence of a “Change in Control” shall be replaced with the date of the Qualified Transaction).

**“Termination Date”** means the date of your Termination of Employment for any reason.

**“TPA”** means the third party administrator for the Plan.

**“Vesting Period”** means the number of days in the period starting on the Grant Date and ending on the Vesting Date.

**“Work Period”** means the number of days in the period starting on the Grant Date and ending on your Termination Date.

**Change in Control Provisions:**

Change in Control Event	Treatment of Stock Units
Change in Control occurring during the Performance Period	<p>The number of Earned Units shall be determined pursuant to <u>Schedule A</u> of this Agreement, determined as if the Performance Period ended on the date the Change in Control occurs.</p> <p>Unless an earlier vesting date applies under this Agreement, and subject to your continued employment through the Vesting Date, and subject to the special vesting rules immediately below, such Earned Units shall Vest on the Vesting Date provided in Section 1 (with no proration).</p>

Notwithstanding and without regard to any other provision of this Agreement to the contrary (provided that, for the avoidance of doubt, the treatment set forth in Section 4 of this Agreement with respect to death, Disability, Voluntary Resignation (other than a Good Reason Termination or a Qualified Transaction Good Reason Termination), Termination for Cause, and Qualified Retirement shall continue to apply following a Change in Control):

- i. In the event of a Change In Control Termination, a Good Reason Termination or a Qualified Transaction Good Reason Termination, to the extent not then Vested, the Stock Units shall become Vested immediately upon such Change In Control Termination, Good Reason Termination or Qualified Transaction Good Reason Termination (as applicable) in the amounts determined as set forth in the chart above upon a Change in Control with respect to performance and with no proration; and
- ii. In the event a Change in Control occurs prior to the Vesting Date and the Stock Units are not assumed, converted or replaced by a publicly traded continuing entity or publicly traded successor, the Stock Units shall become Vested immediately prior to the Change in Control in the amounts determined as set forth in the chart above with respect to performance and with no proration.

**Qualified Transaction Provisions (other than a Change in Control):**

<b><u>Qualified Transaction Event</u></b>	<b><u>Treatment of Stock Units</u></b>
Involuntary Termination (other than for Cause) or Qualified Transaction Good Reason Termination during the Performance Period	<b><u>Vesting:</u></b> Your unvested Stock Units will become fully vested on your Termination Date based on target performance

Notwithstanding and without regard to any other provision of this Agreement to the contrary (provided that, for the avoidance of doubt, the treatment set forth in Section 4 of this Agreement with respect to death, Disability, Voluntary Resignation (other than a Qualified Transaction Good Reason Termination), Termination for Cause, and Qualified Retirement shall continue to apply following a Qualified Transaction), in the event of an Involuntary Termination (other than for Cause) or a Qualified Transaction Good Reason Termination, to the extent not then Vested, the Stock Units shall become Vested immediately upon such Involuntary Termination (other than for Cause) or Qualified Transaction Good Reason Termination (as applicable) at target performance level and with no proration.

**5. Compensation.** Your Plan participation is voluntary. The value of your Award is an extraordinary item of income, is not part of your normal or expected compensation and will not be considered in calculating any severance, redundancy, end of service payments, bonus, long-service awards, pension, retirement or other benefits or similar payments. The Plan is discretionary in nature. The Award is a one-time benefit that creates no contractual or other right to further awards or other future benefits. Future grants (if any) and their terms are at the sole discretion of NCR.

**6. Nontransferability.** At all times before the Vesting Date, unvested Stock Units may not be sold, transferred, pledged, assigned or otherwise alienated, except by beneficiary designation, by will or by the laws of descent and distribution upon your death. As soon as practicable after the Vesting Date (or such other date as Stock Units become payable in accordance with Section 4), if Stock Units that Vested on such Vesting Date are to be paid in the form of Shares, NCR will instruct its transfer agent and/or its TPA to record on your account the number of such Shares underlying the number of such Stock Units, and such Shares will be freely transferable.

**7. Dividends.** Any cash dividends declared before the Vesting Date on the Shares underlying unvested Stock Units shall not be paid currently, but shall be converted into additional unvested Stock Units, and any cash dividends declared after the Vesting Date but before the Settlement Date on the Shares underlying Vested Stock Units shall not be paid currently, but shall be converted into additional Vested Stock Units and settled pursuant to Section 3 at the same time as the underlying Vested Stock Units. Any Stock Units resulting from such conversion (the "Dividend Units") will be considered Stock Units for purposes of this Agreement and will be subject to all of the terms, conditions and restrictions set forth herein that apply to the underlying Stock Units that generated the Dividend Units. As of each date that NCR would otherwise pay the declared dividend on the Shares underlying the Stock Units (the "Dividend Payment Date") in the absence of the reinvestment requirements of this Section, the number of Dividend Units will be determined by dividing the amount of dividends otherwise attributable to the Stock Units but not paid on the Dividend Payment Date by the Fair Market Value of NCR's Common Stock on the Dividend Payment Date.

**8. Withholding.** Before tax and withholding events, as a condition of your receiving Shares in respect of the

Stock Units, you agree to make arrangements satisfactory to the Employer and Plan Administrator to satisfy all income tax, social insurance tax, payroll tax, fringe benefits tax and other Federal, state or local and non-U.S. tax payment or withholding requirements or other tax related items (collectively, "Tax-Related Items") determined by the Plan Administrator in its sole discretion in connection with the Award or your participation in the Plan, including paying NCR, in its sole discretion, through payroll withholding or other Plan Administrator-required method, the amount of Tax-Related Items required to be paid or withheld with respect to the Stock Units. Such payment of Tax-Related Items will be made by NCR withholding Shares issuable upon settlement of the Stock Units equal to the amount required to be withheld or paid as determined by NCR, except to the extent that: (i) the Chief Human Resources Officer permits payment for such Tax-Related Items in cash by an employee other than an executive officer of NCR ("Executive Officer") subject to Section 16 of the Securities Exchange Act of 1934, as amended (the "Act"), or (ii) you are an Executive Officer and you elect to make payment for such Tax-Related Items in cash or by instructing NCR and any brokerage firm approved by NCR to sell on your behalf the Shares underlying the Stock Units that NCR determines will satisfy such Tax-Related Items. Any withholding of Shares or sale or cash payment pursuant to this Section will occur when the requirement to withhold or pay taxes arises, or as soon as practicable afterwards if permitted by NCR. If you are an Executive Officer who instructs a brokerage firm sale permitted by this Section, you will be responsible for, and will indemnify and hold NCR and the Employer harmless with respect to, any and all losses, costs, damages or other expenses (including brokerage fees and other similar costs related directly to any such sale of Common Stock) arising in connection with, or related to, any such sale. You acknowledge that if, at the time any Shares of Common Stock are sold to satisfy requirements relating to Tax-Related Items pursuant to this Section, you are an Executive Officer as defined above, any such sale of Common Stock must be made pursuant to an exemption from the requirements under Section 16(b) of the Act.

You agree that the ultimate liability for all Tax-Related Items remains your responsibility and may exceed the amount withheld. Depending on the withholding method, NCR may withhold or account for Tax-Related Items by considering such statutory withholding rates as may be determined applicable in the discretion of the Plan Administrator that will not result in an adverse accounting consequence or cost.

#### **9. Non-Competition, Non-Solicitation and Non-Recruit/Hire.**

(a) Pursuant to your employment with NCR, you have or will have access to, and knowledge of, certain NCR Confidential Information (as defined in Section 14 below). You acknowledge that any unauthorized use (including use for your own benefit or to the benefit of others), transfer, or disclosure by you of NCR Confidential Information can place NCR at a competitive disadvantage and cause damage, financial and otherwise, to its business. You further acknowledge that, because of the knowledge of and access to NCR Confidential Information that you have acquired or will have acquired during your employment, you will be in a position to compete unfairly with NCR following the termination of your employment.

(b) **Post-Employment Restrictive Covenants.** Therefore, for the purpose of protecting NCR's business interests, including NCR Confidential Information, goodwill and stable trained workforce of NCR, and in exchange for the benefits and consideration provided to you under this Agreement (including the potential future vesting of Stock Units), you agree that, for a 12-month period after the termination of your NCR employment (or the maximum period allowed by applicable law if less than 12 months) (the "**Restricted Period**"), regardless of the reason for termination, you will not, without the prior written consent of the Chief Executive Officer of NCR Corporation:

(1) **Non-Recruit/Hire** - Directly or indirectly (including assisting third parties) recruit, hire or solicit, or attempt to recruit, hire or solicit any employee of NCR, induce or attempt to induce any employee of NCR to terminate his or her employment with NCR, or refer any such employee to anyone outside of NCR for the purpose of that employee seeking, obtaining, or entering into an employment relationship or agreement to provide services;

(2) **Non-Solicitation** - Directly or indirectly (including assisting others), solicit or attempt to solicit the business of any NCR customers or prospective customers with which you had Material Contact (as defined in Section 9(c)(i) below) during the last 2 years of your NCR employment for purposes of providing products or services that are competitive with those provided by NCR;

(3) **Non-Competition** - Perform services, directly or indirectly, in any capacity (including as an employee, consultant, contractor, owner or member of a board of directors): (i) of the type conducted, authorized, offered, or provided by you on behalf of NCR during the 2 years prior to termination of your NCR employment; (ii) in connection with NCR Competing Products/Services (as defined in Section 9(c)(ii)) that are similar to or serve substantially the

same functions as those with respect to which you worked during the 2 years prior to termination of your NCR employment or about which you obtained trade secret or other NCR Confidential Information; (iii) within the geographic territories (including countries and regions, if applicable, or types, classes or tiers of customers if no geographic territory was assigned to you) where or for which you performed, were assigned, or had responsibilities for such services during the 2 years preceding your termination; and (iv) on behalf of a Competing Organization (as defined in Section 9(c)(iii)).

(c) For purposes of Section 9 of this Agreement, the following definitions shall apply:

(i) **“Material Contact”** means the contact between you and each customer or prospective customer (a) with which you dealt on behalf of NCR, (b) whose dealings with NCR were coordinated or supervised by you, (c) about whom you obtained confidential information in the ordinary course of business as a result of your association with NCR, or (d) who receives products or services authorized by NCR, the sale or provision of which results, resulted or, with regard to prospective customers, would have resulted in compensation, commissions, or earnings for you within the 2 years prior to the date of your termination;

(ii) **“Competing Products/Services”** are any products, services, solutions, platforms, or activities that compete, directly or indirectly, in whole or in part, with one or more of the products, services or activities produced, provided or engaged in by NCR (including products, services or activities in the planning or development stage during your NCR employment) at the time of your separation from NCR and during the 2 years prior to termination of your NCR employment;

(iii) A **“Competing Organization”** is any person, business or organization that sells, researches, develops, manufactures, markets, consults with respect to, distributes and/or provides referrals with regard to one or more Competing Products/Services and includes all entities on the Competing Organization List;

(iv) The **“Competing Organization List,”** which NCR updates from time to time, provides examples of companies that, as of the date of the List’s publication, meet the definition of Competing Organization under Section 9(c)(iii) above. However, the Competing Organization List is not comprehensive and, in the event of a conflict between Section 9(c)(iii) and the Competing Organization List, Section 9(c)(iii) controls. The most recent version of the Competing Organization List in effect at the time of the termination of your NCR employment, which is available on the NCR HR intranet, or from the NCR Law Department or HR upon request, is the version to consult for relevant examples of Competing Organizations for purposes of this Agreement. As of the Grant Date, the companies listed in this Section (and the subsidiaries and affiliates of each) constitute NCR’s Competing Organization List for 2023 (with designations such as “Inc.” and “Corp.” omitted from company names). This list will remain in effect until an updated list is approved/posted. You understand that the non-competition provisions in this Agreement are not limited to those on the list below, that other companies may qualify as competitors under this Agreement, and that you may be restricted from accepting employment or other work from such other companies, subject to the terms of this Agreement.

ACI Worldwide	GK Software	PAR Technology
Acuative	Global Payments	Q2
Agilysys	HP, Inc.	Qu
Alkami Technology	Infor	Revel Systems
Altametrics	Hyosung TNS	SAP
Aptos	Instacart	SpotOn Transact
Auriga	Jack Henry & Assoc.	Square
Diebold Nixdorf	Korala Associates Ltd.	Temenos AG (includes Kony)
Dimension Data/NTT	Lavu Inc.	Tillster
Euronet Worldwide	Lightspeed Commerce (Includes Upserve, Breadcrumb, Shopkeep)	Toast

FIS (Includes Zenmonics)	LOC Software	Toshiba TEC (includes Toshiba Global Commerce Solutions)
Fiserv (Includes First Data and Clover)	NSC Global	Unisys
Flooid	The ODP Corporation (Compucom)	Westcon-Comstor
Fujitsu	OLO	
Gilbarco Veeder-Root	Oracle	

(v) All references to “NCR” in this Section 9 refer to NCR and any other Employer, including any company the stock or substantially all the assets of which NCR or any other Employer has acquired during the period applicable to the 2-year look back for the restrictive covenants referred to herein.

(d) **Consideration.** You acknowledge that (i) you would not have received the benefits and consideration provided under this Agreement, including the potential future vesting of equity awards, but for your consent to abide by the Post-Employment Restricted Covenants contained in Section 9(b); (ii) you must abide Section 9(b) regardless of whether any stock units or other equity has vested or been distributed as of the time of any violation of its terms; and (iii) your agreement to Section 9(b) is a material component of the consideration for this Agreement.

(e) **Remedies.** You agree that, if you breach any of the provisions of this Agreement: (i) NCR shall be entitled to all of its remedies at law or in equity, including money damages and injunctive relief; (ii) in the event of such breach, in addition to NCR’s other remedies, any unvested Stock Units will be immediately forfeited and deemed canceled, and you agree to pay immediately to NCR the Fair Market Value of any Stock Units that vested during the 18 months prior to the date of your termination of employment (or if applicable law mandates a maximum time that is shorter than 18 months, then for a period of time equal to the shorter maximum period), without regard to whether you continue to own the Shares associated with such Stock Units; and (iii) NCR shall also be entitled to an accounting and repayment from you of all profits, compensation, commissions, remuneration or benefits that you (and/or the applicable Competing Organization) directly or indirectly have realized or may realize as a result of or in connection with any breach of these covenants, and such remedy shall be in addition to and not in limitation of any injunctive relief or other rights or remedies to which NCR may be entitled at law or in equity.

(f) **Subsequent Employment.** You agree that, while employed by NCR and for 1 year thereafter, you will communicate the contents of this Section 9 of this Agreement to any person, firm, association, partnership, corporation or other entity which you intend to become employed by, contract for, associated with or represent, prior to accepting and engaging in such employment, contract, association and/or representation.

(g) **Tolling.** [FOR US EMPLOYEES ONLY:] You agree that the Restricted Period will be tolled and suspended during the pendency of any legal proceedings to enforce any of the covenants set forth in this Section 9 and that no time that is part of or subject to such tolling and suspension will be counted toward the 12-month duration of the Restricted Period.

(h) **Reasonable and Necessary.** You agree that the Post-Employment Restrictive Covenants set forth in Section 9(b) are reasonable and necessary for the protection of NCR’s legitimate business interests, that they do not impose a greater restraint than is necessary to protect the goodwill or other business interests of NCR, that they contain reasonable limitations as to time and scope of activity to be restrained, that they do not unduly restrict your ability to earn a living, and that they are not unduly burdensome to you.

(i) **Severability.** Each clause of this Agreement and Section constitutes an entirely separate and independent restriction and the duration, extent and application of each of the restrictions are no greater than is necessary for the protection of NCR’s interests. If any part or clause of this Section 9 is held unenforceable, it shall be severed and shall not affect any other part of Section 9 and this Agreement.

(j) **Amendment for California Employees Only.** Section 9(b)’s Non-Competition, Non-Solicitation, and Non-Recruit/Hire restrictions do not apply to you if, following the termination of your NCR employment, you continue to reside or work in California or any other jurisdiction that prohibits the application thereof. Notwithstanding the foregoing, you are and shall continue to be prohibited from any unauthorized use, transfer, or disclosure of NCR



Confidential Information, including trade secrets, pursuant to the California Trade Secrets Act, the U.S. Defend Trade Secrets Act of 2016, your confidentiality and non-disclosure agreements with NCR, and any other applicable federal, state and common law protections afforded proprietary business and trade secret information.

(k) **Non-U.S. Country-Specific Amendments.** The restrictions contained in Section 9(b)(2) and/or (3) do not apply to you if, following the termination of your NCR employment, you continue to reside or work in a country that mandates, as a non-waivable condition, continued pay during the Restricted Period, unless NCR advises you it will tender such pay, which shall be in the minimum amount required by local law. Section 9(b)(2) and/or (3) do not apply to you if you are terminated without cause (as this term or concept is defined by applicable law) and you reside in a country that requires termination for cause in order to enforce post-employment non-competition and/or non-solicitation restrictions. [FOR EMPLOYEES IN ARGENTINA, BELGIUM, China, Czech Republic, Israel, Serbia ONLY:] The restrictions set forth in Section 9(b)(2) and/or (3), as the case may be, shall have the additional consideration of a monthly payment from NCR during the term of the Agreement in such amount as is minimally required by law ("**Non-Competition Compensation**"); however, NCR may at any time, and in its sole discretion, waive the obligations and duties set forth in Section 9(b)(2) and/or (3), which shall release NCR from the obligation of making Non-Competition Compensation payments. Subject to the foregoing and local law, Non-Competition Compensation, if calculated based on monthly salary, will exclude any bonus, commissions, ex gratia payments, payments under any share option or incentive plan, benefits, "thirteenth-month" salary, or any payment in respect of any vacation entitlement accrued or that would have accrued during the period of the Agreement, and the payment of Non-Competition Compensation shall be made in monthly installments starting 1-month after the start of the Restricted Period (or, if applicable law mandates a maximum time that is shorter than 1 month, then for a period of time equal to that shorter maximum period) ("**Payment Period**"). If NCR does not commence the Non-Competition Compensation payments within the Payment Period, this shall affect a mutual release of Section 9(b)(2) and (3) obligations and no separate waiver need be provided by NCR. In such circumstances, you will not be subject to any ongoing non-competition or non-solicitation obligations, nor will NCR have any obligation to pay the Non-Competition Compensation; however, this release does not extend to the obligations under Section 9(b)(1), which will continue to apply. [FOR EMPLOYEES IN DENMARK, FRANCE, GERMANY ONLY:] Section 9(b)(2) and (3) of this Section do not apply to you if, following the termination of your NCR employment, you continue to reside or work in Denmark, France, or Germany; however, Section 9(b)(1) shall continue to apply. [FOR EMPLOYEES IN UAE ONLY:] In the event that you breach the Section 9(b)(3) Non-Competition restrictive covenant, you acknowledge that NCR will suffer irreparable damage, and you promise to pay NCR on demand damages in a sum equal to the amount of 6 months of your salary that was in effect when your NCR employment ended. You acknowledge that this sum represents a reasonable estimate of damages that NCR will suffer, and that, where local law allows, NCR may seek additional compensatory damages.

**10. Arbitration, and Class, Collective, and Representative Action Waiver.** [FOR U.S. EMPLOYEES ONLY:] You and NCR (collectively, the "Parties") agree that any controversy or claim arising out of or related to this Agreement and/or with respect to your employment with NCR and any other Employer shall be resolved by binding arbitration; the obligation to arbitrate shall also extend to and encompass any claims that you may have or assert against any NCR employees, officers, directors or agents. Notwithstanding the foregoing, the following disputes and claims are not covered by this Arbitration provision and shall therefore be resolved in any appropriate forum as required by the laws then in effect: claims for workers' compensation benefits, unemployment insurance, or state or federal disability insurance; claims for temporary or preliminary injunctive relief (including a temporary restraining order) in aid of arbitration or to maintain the status quo pending arbitration; and any other dispute or claim that has been expressly excluded from arbitration by statute. The Parties further agree that in the event of a breach of this Agreement, NCR or you may, in addition to any other available remedies, bring an action in a Court of competent jurisdiction for equitable relief pending appointment of an arbitrator and completion of an arbitration; and, in such instance, shall not be required to post a bond. If any portion of this Arbitration provision is held unenforceable, it shall be severed and shall not affect the duty to arbitrate nor any other part of this Section. In addition:

(a) The Parties agree that any demand for arbitration shall be filed within the statute of limitations applicable to the claim or claims upon which arbitration is sought or required, or the claim shall be barred. Arbitration shall be conducted in accordance with the Employment Arbitration Rules and Mediation Procedures of the American Arbitration Association (available at [www.ADR.org](http://www.ADR.org)) to the extent not inconsistent with the terms of this Agreement. The arbitrator shall allow discovery in the form of: (1) the mutual exchange of documents (as defined under the Federal Rules of Civil Procedure) pertaining to the claim being arbitrated and for which there is a direct and demonstrable need; and (2) up to three depositions by each party. However, notwithstanding these general limitations, upon good cause shown, in a personal or telephonic hearing, the arbitrator may allow additional, non-burdensome discovery. The

arbitrator shall balance the likely importance of the requested materials with the cost and burden of the discovery sought, and when disproportionate, the arbitrator may deny the request(s) or require that the requesting party advance the reasonable cost of production to the other side. Issues of arbitrability shall be determined in accordance with the U.S. federal substantive and procedural laws relating to arbitration; in all other respects, this Agreement shall be governed by the laws of the State of Georgia in the United States, without regard to its conflict-of-laws principles, and the arbitration shall be held in the metropolitan Atlanta, Georgia area, with the exception of employees who primarily reside and work in California or Washington, for whom arbitration shall be held in California and Washington respectively, and with respect to controversies arising in California, to which California law shall apply. The arbitration shall be held before a single arbitrator who is an attorney having at least five years of experience in employment law. The arbitrator's decision and award shall be written, final and binding and may be entered in any court having jurisdiction. The Parties agree that nothing in this Agreement relieves them from any obligation they may have to exhaust certain administrative remedies before arbitrating any claims or disputes under this Agreement. NCR shall be responsible for the cost of any filing fees to initiate arbitration and any other expenses of arbitration required by applicable law to be borne by the employer in an employment dispute. Each party shall bear its own attorney fees associated with the arbitration; other costs, and expenses of the arbitration, shall be borne as provided by the rules of the American Arbitration Association.

(b) **Class, Collective and/or Representative Action Waiver.** To the maximum extent permitted by law: (1) all covered claims under this Agreement must be brought in your individual capacity, and not as a plaintiff or class member in any purported class, collective or representative proceeding; (2) no claims may be brought or maintained on a class, collective or representative basis either in Court or in arbitration, notwithstanding the rules of the arbitral body; (3) such claims will be decided on an individual basis in arbitration pursuant to this Agreement; and (4) the Parties expressly waive any right with respect to any covered claims to submit, initiate, or participate as a plaintiff, claimant or member in a class action or collective action, regardless of whether the action is filed in arbitration or in court. Claims may not be joined or consolidated in arbitration with disputes brought by or against other individual(s), unless agreed to in writing by the Parties (you, NCR, and the other individual(s)). Any issue concerning the validity of this class, collective or representative action waiver, and whether an action may proceed as a class, collective or representative action, must be decided by a Court, and an arbitrator shall not have authority to consider the issue of the validity of this waiver or whether the action may proceed as a class, collective or representative action. If, for any reason, this class, collective and/or representative action waiver is determined to be unenforceable, then the class, collective or representative claim may proceed only in a Court of competent jurisdiction in Atlanta, Georgia and may not be arbitrated. No arbitration award or decision will have any preclusive or estoppel effect as to issues or claims in any future dispute.

(c) **Waiver of Jury Trial.** By signing this Agreement and consenting to Arbitration, both I and NCR are knowingly and voluntarily waiving any right to a jury trial.

**11. Compensation Recovery Policy.** By accepting the Stock Units, you agree that, to the extent the Stock Units constitute "Covered Incentive Compensation" under NCR's Compensation Recovery Policy as amended from time to time (the "Recovery Policy"), then notwithstanding any provision of this Agreement, you may forfeit the Stock Units or be required to repay the Shares or Stock Units or the proceeds received from disposing of Shares or Stock Units under the Recovery Policy. You agree that NCR may, to the extent permitted or required by law or regulation (including the Dodd-Frank Act), enforce any repayment obligation under the Recovery Policy by reducing any amounts that may be owing from time to time by NCR to you, whether in the form of wages, severance, vacation pay or any other benefit or for any other reason, or enforce any other recoupment permitted by applicable law or regulation.

**12. Beneficiaries.** Beneficiaries may be designated (and designations may be changed or revoked), in the manner required by the Plan Administrator, to receive all or part of Stock Units in case of your death. In the event of your death, any portion of the Stock Units subject to such a designation that has not been superseded, modified or revoked in accordance with such procedures will be distributed to such beneficiary or beneficiaries in accordance with this Agreement. Any other portion of the Stock Units not designated by you will be distributable to your estate. If there is any question as to the legal right of any beneficiary to receive a distribution hereunder (as determined by NCR in its sole discretion), the Shares underlying the Stock Units in question may be purchased by and distributed to your estate, in which event NCR shall have no further liability to anyone with respect to such Shares. For information about TPA beneficiary procedures, or to revoke or change a beneficiary designation, call Fidelity at 1-800-544-9354 (U.S. grantees) or 1-800-544-0275 (non-U.S. grantees). Non-U.S. employees may access the toll-free number at: <https://www.fidelity.com/customer-service/phone-numbers/overview>.

**13. Data Privacy.** By entering into this Agreement, you understand and acknowledge that your personal data may be processed, in electronic or other form as described in the NCR Employee Privacy Notice applicable to your jurisdiction.

**14. Non-Disclosure of Confidential Information.** You acknowledge and agree that your employment with NCR or another Employer created a relationship of trust and confidence between you and the Employer with respect to, and that your position and its job duties exposed and/or will expose you to a broad variety of, NCR Confidential Information. As used in this Agreement, "NCR Confidential Information" means any information: of or held by NCR or any of its subsidiaries or affiliates that is not generally known or readily ascertainable by the public; or provided to NCR or any of its subsidiaries or affiliates by any person or entity subject to confidentiality obligations. NCR Confidential Information includes financial records, projections and forecasts, creations, discoveries, inventions, innovations, research, development, software, technology, works of authorship and the subject matter of intellectual property rights, company strategies, reports, plans, prospects and opportunities, employee information, market and sales information and plans (such as pricing, proposals and product introductions), and information about current and prospective customers (including their preferences and needs) and trade secrets. This Agreement, including its terms and conditions, shall be considered NCR Confidential Information. You agree, and represent and warrant, that you will not disclose or use and have not disclosed or used, in whole or in part, any NCR Confidential Information other than to the extent necessary in the ordinary course of performing your duties at and for your Employer and in accordance with NCR's and the Employer's policies, without the prior written consent of NCR, which may be granted or withheld in NCR's sole discretion, for any reason or no reason.

Notwithstanding anything to the contrary in this Agreement:

- a. In response to a valid subpoena, valid court, governmental or administrative order, or valid and mandatory discovery request ("Disclosure Request"), you may disclose, to the extent required thereby, requested NCR Confidential Information, or truthful testimony or information about NCR or your Employer (if different), provided, to the extent permitted by law, you provide NCR as much advance notice as practicable so as to enable NCR to seek to limit, condition, or quash such disclosure, as appropriate, including to obtain a protective order. Should you receive a Disclosure Request, you may reach out to NCR's General Counsel or its law department for assistance, but you are not required to do so.
- b. [US EMPLOYEES ONLY:] An individual will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (i) is made (1) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney, and (2) solely for the purpose of reporting or investigating a suspected violation of the law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.
- c. You are not prohibited from reporting possible violations of the law to, or filing a charge or complaint with any federal, state or local governmental agency or commission ("Government Agencies"), including the Equal Employment Opportunity Commission, the Securities and Exchange Commission, the Department of Justice, or from making disclosures to Government Agencies that are protected by law (such as providing testimony and information during a government investigation), and you are not required to notify NCR that you have made any such reports or disclosures.
- d. [US EMPLOYEES ONLY:] This Agreement does not prohibit, nor shall it be interpreted as restraining or interfering with, employee rights under Section 7 of the National Labor Relations Act.
- e. (i) you may disclose this Agreement or any of its terms and conditions to your spouse, domestic partner, tax advisor, or attorney; and (ii) you may disclose the non-disclosure, non-competition, non-solicitation, and non-recruit/hire covenants herein to a prospective employer provided that you agree that you will, as applicable, require any persons or entities to whom disclosure is made as permitted in (i) or (ii) to keep such information confidential and not disclose it to others.

**15. No Advice Regarding Grant.** NCR is not (a) providing any tax, legal or financial advice, or (b) making any recommendations about your Plan participation, or any transaction relating to your Stock Units or the underlying Shares. You should consult with your own personal tax, legal and financial advisors before taking any Plan-related action.

**16. Electronic Documents and TPA Information.** This Agreement, including Section 9, is executed electronically, and is immediately binding upon your electronic acceptance. If you reside in a country that requires original ink signatures on paper, you waive this requirement to the extent permitted by law. You agree to receive all Award related documents electronically, and to participate in the Plan online through the TPA electronic system. Summaries and other information shown on the TPA website, which may be updated from time to time, shall be subject to the determinations of the Committee and the Plan Administrator, the Plan and this Agreement. The determinations of the Committee and the Plan Administrator, the Plan and this Agreement will govern in the event of any conflict with such TPA website summaries and other information.

**17. Severability, Waiver and Conflicting Terms.** The provisions of this Agreement are severable. If a court or other tribunal of competent jurisdiction holds any provision unenforceable or invalid, such provision will be severed and will not affect any other part hereof, which will be enforced as permitted by law; except that to the extent such invalid provision can be rendered valid by modification, you agree that the court or tribunal shall so modify such provision to render it valid and enforceable to the fullest extent permitted by law. You acknowledge that a waiver by NCR of breach of any provision of this Agreement will not operate or be construed as a waiver of any other provision of this Agreement or any subsequent breach of this Agreement. If this Agreement conflicts with the Plan in any respect, the Plan terms will prevail, except that Section 10 of this Agreement will prevail with respect to the law governing this Agreement and all claims relating to this Agreement.

**18. Amendment.** The NCR Board of Directors or the Committee or any delegate may amend your Award terms in this Agreement, except that no such amendment will be made that would materially impair your rights hereunder without your consent, except such an amendment made to comply with applicable law, including Code Section 409A, stock exchange rules or accounting rules.

**19. Rules for Participants in Non-U.S. Jurisdictions.** Notwithstanding anything herein or in the Plan to the contrary, if you are or become subject to the laws of a non-U.S. jurisdiction, your Award will be subject to (i) the special rules in Appendix A to this Agreement for your country and the laws and requirements of such non-U.S. jurisdiction to the extent so determined in the sole discretion of the Plan Administrator for legal or administrative reasons, and (ii) this Agreement's terms and conditions are deemed modified to the extent determined in the sole discretion of the Plan Administrator for legal or administrative reasons. Subject to Section 18, the Committee or the Plan Administrator may amend this Agreement before or after an Award is made and take any other action deemed appropriate in its sole discretion to obtain approval or comply with any necessary local governmental regulatory requirements or exemptions.

**20. Code of Conduct Certification; Compliance with Insider Trading Laws and NCR Insider Trading Policy; Code Section 409A Compliance.** Notwithstanding anything herein to the contrary, this Award of Stock Units and your right to receive payment of any Vested Stock Units are expressly conditioned upon your timely annual certification to the NCR Code of Conduct. If you do not timely provide any certification required by the Employer before vesting of any portion of the Stock Units, that portion of the Stock Units will be forfeited, except that no such forfeiture will occur unless you are provided written notice (which notice may be provided by email) of the impending forfeiture, and you do not provide your certification to NCR's Code of Conduct within thirty days following such notice.

With respect to any Shares distributed under this agreement, you understand and agree that you are responsible for reviewing, understanding and complying with Insider Trading laws and NCR's Insider Trading Policy (available on the internet or by request from the NCR Law Department), and that you may not trade in NCR securities except in compliance with the NCR Insider Trading Policy (as may be amended from time to time), which is incorporated herein by reference. You should consult an attorney if you have questions concerning such matters.

The parties intend that payments under this Agreement comply with Code Section 409A or are exempt therefrom, and this Agreement shall be interpreted, administered and governed in accordance with such intent. Notwithstanding anything contained herein to the contrary, you shall not be considered to have terminated employment with the Employer for purposes of any payments under this Agreement which are subject to Code Section 409A until you would be considered to have incurred a "separation from service" from the Employer within the meaning of Code Section 409A. Each amount to be paid under this Agreement shall be construed as a separate identified payment for purposes of Code Section 409A. Without limiting the foregoing and notwithstanding anything contained herein to the contrary, to the extent required in order to avoid accelerated taxation and/or tax penalties under Code Section 409A: (A) amounts that would otherwise be payable and benefits that would otherwise be provided pursuant to this Agreement or any other arrangement between you and the Employer during the six (6) month period immediately following your separation

from service shall instead be paid on the first business day after the date that is six (6) months following your separation from service (or, if earlier, your death), (B) for purposes of this Agreement, "Disability" shall have the meaning set forth in Treas. Reg. 1.409A-3(i)(4)(i), and (C) a Change in Control shall be deemed to have occurred only if a change in the ownership or effective control of NCR or a change in ownership of a substantial portion of the assets of NCR shall also be deemed to have occurred under Code Section 409A. Notwithstanding anything contained herein to the contrary, no payment shall be made pursuant to this Agreement prior to the earliest time that will not result in accelerated taxation and/or tax penalties under Code Section 409A. In addition, the Committee shall have the sole authority to make any accelerated payments permissible under Treas. Reg. Section 1.409A-3(j)(4) to you with respect to any deferred amounts, provided that such payments meet the requirements of Treas. Reg. Section 1.409A-3(j)(4). NCR makes no representation that any or all of the payments described in this Agreement will be exempt from or comply with Code Section 409A and makes no undertaking to preclude Code Section 409A from applying to any such payment.

**21. No Employment Modification.** The Plan and this Agreement do not constitute a contract of employment or impose on you or any Employer any obligation to retain you as an employee, to change the status of your employment, or to change the Employer's policies regarding termination of employment. For U.S. employees, employment with the Employer is at will, which means that you or the Employer may terminate the employment relationship at any time, with or without cause, unless otherwise provided in a valid, formal written employment agreement signed by you and an officer of the Employer.

**22. Execution and Validity of Agreement.** This Agreement shall be binding and effective upon NCR on the Grant Date. However, you will forfeit your Award and this Agreement shall have no force and effect if you do not duly execute it electronically on the TPA website at [www.netbenefits.fidelity.com](http://www.netbenefits.fidelity.com), in the form required by the Plan Administrator, within ninety (90) days after the Grant Date (or by other date required by the Plan Administrator).

**23. Notices.** All notices required hereunder shall be in writing and shall be deemed given upon the following business day if delivered personally (provided receipt of which is confirmed) or by courier service promising overnight delivery (with delivery confirmation) or five (5) business days after deposit in the U.S. Mail, certified with return receipt requested. All notices shall be addressed as follows: (a) If to NCR: **NCR Corporation** 864 Spring Street NW Atlanta GA 30308 Attn: General Counsel, with a copy via electronic mail to: [law.notices@ncr.com](mailto:law.notices@ncr.com), (b) if to you: your last known address shown in the personnel records of NCR, or (c) to such other address as either party will have furnished to the other in writing.

**SCHEDULE A**

**Senior Executive Team  
2023 Performance-Based Restricted Stock Unit Award Agreement**

## APPENDIX A

### PROVISIONS FOR NON-U.S. PARTICIPANTS Senior Executive Team 2023 Performance-Based Restricted Stock Unit Award Agreement

#### Article I. Provisions for All Non-U.S. Participants

The following terms and conditions set forth in this Article I of Appendix A apply to Participants residing outside the United States or otherwise subject to the laws of a non-U.S. country. In general, the terms and conditions in this Appendix A supplement the provisions of the Agreement, unless otherwise indicated herein.

**1. Nature of Grant.** In accepting the grant, you acknowledge, understand and agree that: (a) the Stock Units and the Shares of Common Stock subject to the Stock Units are not intended to replace any pension rights or compensation; (b) the Stock Units and the Shares of Common Stock subject to the Stock Units and the income and value of same, are not part of normal or expected compensation for any purpose; (c) the future value of the underlying Shares of Common Stock is unknown, indeterminable and cannot be predicted with certainty; (d) no claim or entitlement to compensation or damages shall arise from forfeiture of the Stock Units resulting from your Termination of Employment (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any), and in consideration of the grant of Stock Units to which you are otherwise not entitled, you irrevocably agree never to institute any claim against NCR, any of its Subsidiaries or Affiliates or the Employer, waive your ability, if any, to bring any such claim, and release NCR, its Subsidiaries and Affiliates, and the Employer from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, you shall be deemed irrevocably to have agreed not to pursue such claim and agree to execute any and all documents necessary to request dismissal or withdrawal of such claim; (e) for purposes of the Stock Units, your employment or service relationship will be considered terminated as of the date you are no longer actively providing services to NCR or the Employer (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any) and unless otherwise expressly provided in this Agreement or determined by NCR, your right to vest in the Stock Units under the Plan, if any, will terminate as of such date and will not be extended by any notice period (for example, your period of service would not include any contractual notice period or any period of “garden leave” or similar period mandated under employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any); the Committee shall have the exclusive discretion to determine when you are no longer actively providing services for purposes of your Award (including whether you may still be considered to be providing services while on a leave of absence); (f) unless otherwise provided in the Plan or by the Company in its discretion, the Award and the benefits evidenced by this Agreement do not create any entitlement to have the Award or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares of the Company; and (g) neither NCR, the Employer nor any Subsidiary or Affiliate shall be liable for any foreign exchange rate fluctuation between your local currency and the United States Dollar that may affect the value of the Stock Units or of any amounts due to you pursuant to the settlement of the Stock Units or the subsequent sale of any Shares of Common Stock acquired upon settlement.

**2. Language.** If you received this Agreement or any Plan related document translated into a non-English language, the English versions will control in the event of conflict. You acknowledge that it is your express wish that this Agreement, as well as all documents, notices, and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English. By accepting your Award, you confirm having read and understood the Plan and this Agreement, including all terms and conditions of each, which were provided in English. You accept the terms of those documents accordingly.

**3. Conditions for Issuance.** Notwithstanding any other provision of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the Shares, the Company shall not be required to deliver any Shares issuable upon settlement of the Stock Units prior to the completion of any registration or qualification of the Shares under any local, state, federal or foreign securities or exchange control law or under rulings or regulations of the U.S. Securities and Exchange Commission (“SEC”) or of any other governmental regulatory body, or prior to obtaining any approval or other clearance from any local, state, federal or foreign governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion,

deem necessary or advisable. You understand that the Company is under no obligation to register or qualify the Shares with the SEC or any state or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the Shares. The grant of Stock Units is not intended to be a public offering of securities in your country, and the Company has not submitted any registration statement, prospectus or other filings with the local securities authorities in connection with this grant, and the grant of the Stock Units is not subject to the supervision of the local securities authorities.

**4. Repatriation and Other Non-U.S. Compliance Requirements.** As a condition of the grant of your Stock Units, you agree to repatriate all payments attributable to the Shares of NCR Common Stock and/or cash acquired under the Plan (including dividends and dividend equivalents) in accordance with local foreign exchange rules and regulations in your country of residence (and your country of employment, if different). In addition, you also agree to take any and all actions, and consent to any and all actions taken by the Company, its Subsidiaries and Affiliates, as may be required to allow the Company, its Subsidiaries and Affiliates to comply with local laws, rules and regulations in your country of residence (and your country of employment, if different). Finally, you agree to take any and all actions as may be required to comply with your personal legal and tax obligations under local tax, exchange control, insider trading and other laws, rules and regulations in your country of residence (and your country of employment, if different) with respect to the Stock Units and the NCR Common Stock issued with respect thereto.

**5. Insider Trading Restrictions/Market Abuse Laws.** You acknowledge that your country of residence may subject you to insider trading and/or market abuse laws, which may restrict your ability to acquire or sell Shares or rights to such Shares (e.g., Stock Units) under the Plan during times you are considered to have “inside information” about NCR (as defined by your country’s laws). Such restrictions apply in addition to any NCR insider trading policy restrictions. You acknowledge that it is your responsibility to comply with any applicable restrictions. You should consult with your personal advisor on these matters.

#### **Article II. Country-Specific Provisions for Non-U.S. Participants**

This Article II of Appendix A includes special terms and conditions that apply if you reside in the below countries. These terms and conditions are in addition to (or, if indicated, in place of) those set forth in the Agreement. Capitalized terms used but not defined in this Article II have Agreement definitions (or if none, the Plan definitions). This Article II also includes information relating to exchange control and other issues that you should be aware with respect to Plan participation. The information is based on the exchange control, securities and other laws in effect in the respective countries as of the Grant Date. Such laws are often complex and change frequently. As a result, NCR strongly recommends that you do not rely on the information herein as the only source of information relating to the consequences of participation in the Plan because the information may be out of date at the time the Stock Units are Vested or Shares acquired under the Plan are sold. In addition, the information is general in nature and may not apply to your particular situation and NCR is not in a position to assure you of any particular result. Accordingly, you are advised to seek appropriate professional advice as to how the relevant laws in your country may apply to your situation. Finally, if you are a citizen or resident of a country other than the one in which you are currently working, are considered a citizen or resident of another country for local law purposes, or transfer employment or residency to another country after the Grant Date, the notifications contained herein may not be applicable to you. In addition, NCR shall, in its discretion, determine to what extent the terms and conditions contained herein shall be applicable to you.

#### **CHINA**

**Settlement of Stock Units.** This provision supplements Section 3 of the Agreement. To facilitate compliance with exchange control laws and regulations in the People’s Republic of China (“China”), you agree to the sale of any Shares to be issued upon vesting and settlement of the Stock Units. The sale will occur (i) immediately upon vesting and settlement of the Stock Units, (ii) following your Termination of Employment, or (iii) within any other time frame as the Company determines to be necessary to facilitate compliance with local regulatory requirements. You further agree that the Company is authorized to instruct its designated broker to assist with the mandatory sale of such Shares (on your behalf pursuant to this authorization) and you expressly authorize the Company’s designated broker to complete the sale of such Shares. You agree to sign any agreements, forms and/or consents that may be reasonably requested by NCR (or the broker) to effectuate the sale of the Shares of Common Stock and shall otherwise cooperate with NCR with respect to such matters. You acknowledge that neither NCR nor the broker is under any obligation to arrange for the sale of the Shares of Common Stock at any particular price and that broker’s fees and similar expenses may be incurred in any such sale. In any event, when the Shares of Common Stock are sold, the proceeds of the sale of such Shares, less any Tax-Related Items and the broker’s fees, commissions or similar expenses, will be remitted to you in accordance with applicable exchange control laws and regulations.



**Exchange Control Restrictions.** You understand and agree that, if you are subject to exchange control laws in China, you will be required to immediately repatriate to China the proceeds from the sale of any Shares acquired under the Plan. You further understand that such repatriation of the proceeds may need to be effected through a special exchange control account established by NCR or a Subsidiary or Affiliate, and you hereby consent and agree that the proceeds from the sale of Shares acquired under the Plan may be transferred to such account by NCR (or the broker) on your behalf prior to being delivered to you. You also agree to sign any agreements, forms and/or consents that may be reasonably requested by NCR (or the broker) to effectuate such transfers.

The proceeds may be paid to you in U.S. dollars or local currency at NCR's discretion. If the proceeds are paid to you in U.S. dollars, you understand that you will be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the proceeds are paid to you in local currency, (i) you acknowledge that NCR is under no obligation to secure any particular exchange conversion rate and that NCR may face delays in converting the proceeds to local currency due to exchange control restrictions, and (ii) you agree to bear any currency fluctuation risk between the time the Shares are sold and the time the proceeds are converted to local currency and distributed to you. Finally, you agree to comply with any other requirements that may be imposed by NCR in the future in order to facilitate compliance with exchange control requirements in China.

#### INDIA

**Qualified Retirement.** Notwithstanding anything herein to the contrary, unless otherwise determined by the Plan Administrator, "Qualified Retirement" shall mean Termination of Employment at age 60 or older (or at such lower mandatory retirement age required by applicable India law, if any) with at least 5 years of continuous service with an Employer through your Termination Date (excluding service with acquired entities before the acquisition).

#### ISRAEL

**Trust Arrangement.** You understand and agree that this Award is offered subject to and in accordance with the terms of the Plan and its Israeli specific terms in this Article II of Appendix A. Upon vesting, the Shares shall be controlled by the Company's trustee appointed by the Company or its Subsidiary or Affiliate in Israel (the "Trustee") for your benefit for at least such period of time as required by Section 102 or any shorter period determined under the Israeli Income Tax Ordinance (New Version), 5721-1961 as now in effect or as hereafter amended (the "Ordinance") (with respect to the "capital gain route") or by the Israeli Tax Authority (the "Lock-Up Period"). You shall be able to request the sale of the Shares or the release of the Shares from the Trustee, subject to the terms of the Plan, this Agreement and any applicable Israeli tax law. Without derogating from the aforementioned, if the Shares are released by the Trustee during the Lock-Up Period, the sanctions under Section 102 of the Ordinance shall apply to and be borne by you. The Shares shall not be sold or released from the control of the Trustee unless the Company, the Subsidiary or Affiliate and the Trustee are satisfied that the full amount of Tax-Related Items due have been paid or will be paid in relation thereto. Notwithstanding any provision of this Agreement or the Plan to the contrary except the provisions in Section 4 of this Agreement relating to a Good Reason Termination or your Qualified Retirement, each as defined herein (and in each case to the extent specifically applicable to you), in the event of your resignation from service with NCR or the Employer due to any reason, including worsening of employment conditions, or any other reason relating to conditions of employment, all unvested Stock Units will automatically terminate and be forfeited and no Shares or cash will be issued or paid to you (as the case may be).

## CERTIFICATION

I, Michael D. Hayford, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of NCR Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 4, 2023

/s/ Michael D. Hayford

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Michael D. Hayford  
Chief Executive Officer

## CERTIFICATION

I, Timothy C. Oliver, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of NCR Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 4, 2023

/s/ Timothy C. Oliver

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Timothy C. Oliver  
Senior Executive Vice President and Chief Financial Officer

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of NCR Corporation (the "Company") for the period ending March 31, 2023 as filed with the U.S. Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of the Company does hereby certify, pursuant to 18 U.S.C. § 1350 (section 906 of the Sarbanes-Oxley Act of 2002), that:

- (1) the Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

The foregoing certification (i) is given to such officers' knowledge, based upon such officers' investigation as such officers reasonably deem appropriate; and (ii) is being furnished solely pursuant to 18 U.S.C. § 1350 (section 906 of the Sarbanes-Oxley Act of 2002) and is not being filed as part of the Report or as a separate disclosure document.

Dated: May 4, 2023

/s/ Michael D. Hayford

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Michael D. Hayford  
Chief Executive Officer

Dated: May 4, 2023

/s/ Timothy C. Oliver

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Timothy C. Oliver  
Senior Executive Vice President and Chief Financial Officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signatures that appear in typed form within the electronic version of this written statement required by Section 906, has been provided to NCR Corporation and will be retained by NCR Corporation and furnished to the United States Securities and Exchange Commission or its staff upon request.