NOVA LJUBLJANSKA BANKA D.D., LJUBLJANA

(incorporated as a joint stock company (delniška družba) in the Republic of Slovenia)

EUR 350,000,000 Undated Non-Cumulative Fixed Rate Additional Tier 1 Notes

ISIN XS3565258764, Common Code 356525876

Issue Price: 100 per cent.

Nova Ljubljanska banka d.d., Ljubljana (the "**Issuer**", the "**Bank**" or "**NLB**") will issue on 17 November 2026 (the "**Issue Date**") EUR 350,000,000 Undated Non-Cumulative Fixed Rate Additional Tier 1 Notes (the "**Notes**") in the denomination of EUR 200,000 (the "**Original Principal Amount**") each.

The Notes will bear interest on their Current Principal Amount (as defined below) at the rate of 7.400 per cent. *per annum* in arrear from and including the Issue Date to but excluding 17 November 2031 (the "**First Reset Date**") and thereafter at the relevant Reset Rate (as defined in the terms and conditions of the Notes (the "**Terms and Conditions**")), which will be reset at five-year intervals on the basis of the then prevailing 5-year swap rate for euro swap transactions plus the initial credit spread of 4.071 per cent. *per annum*. Subject to the interest cancellation provisions and certain conditions set out in the Terms and Conditions, interest, if any, shall be payable annually in arrear on 17 November of each year (each such date, an "**Interest Payment Date**"), commencing on 17 November 2027.

Interest payments are subject to cancellation, in whole or in part, (i) at the discretion of the Issuer and (ii) pursuant to the mandatory cancellation requirements set out in the Terms and Conditions and, if cancelled, are non-cumulative and interest payments in following years will not increase to compensate for any shortfall in interest payments in any previous year.

Any interest payments under the Notes are subject to withholding tax at the statutory rate of 25 per cent. under currently applicable Slovenian laws. The Issuer is under no obligation to pay any additional amounts in respect of such withholding, nor to gross up for such withholding under the Terms and Conditions of the Notes.

The Issuer has established a voluntary withholding tax refund process whereby, subject to certain conditions, eligible Holders can authorise the Issuer to claim a partial withholding tax refund from the Slovenian tax authorities and, subject to certain conditions, discretion, limitations and restrictions, such Holders could, in turn, receive the WHT Refund (as defined herein), all as described in the "*Description of the voluntary withholding tax refund process*" on page 156 of the Prospectus.

Upon the occurrence of a Trigger Event (as defined in the Terms and Conditions), the Issuer will reduce the Current Principal Amount of each Note by the relevant Write-down Amount (as defined in the Terms and Conditions) and unpaid interest accrued on the Current Principal Amount to but excluding the Write-down Effective Date (as defined in the Terms and Conditions) will be cancelled in accordance with § 3(5)(c). **Holders may lose all or some of their investment as a result of such Write-down.** Following such Write-down the Issuer may in certain circumstances, and at its sole and full discretion, Write-up (as defined in the Terms and Conditions) the Current Principal Amount of each Note.

"**Current Principal Amount**" means at the Issue Date, the Original Principal Amount which from time to time, on one or more occasions, may be reduced by a Write-down (as defined in the Terms and Conditions) and, subsequent to any such reduction, may be increased by a Write-up (as defined in the Terms and Conditions), if any (up to the Original Principal Amount). In addition, if the relevant resolution authority were to exercise any write-down and conversion powers, either the then outstanding nominal amount of the Notes may be (permanently) written down or the Notes may be converted to common equity tier 1 ("**CET 1**") instruments.

An investment in the Notes involves certain risks. Investors should ensure that they fully understand the nature of the Notes (including, but not limited to, the withholding tax applicable to the Notes and the absence of a tax gross-up for such withholding) and the extent of their exposure to risks and they should review and consider these risks carefully before purchasing any Notes. In particular, investors should review and consider the risk factors relating to withholding tax (including the voluntary withholding tax refund process), a Write-down and interest cancellation and the impact this may have on their investment. For a discussion of these risks see "*Risk Factors*" beginning on page 1 of the Prospectus.

The Notes will constitute direct, unsecured, unguaranteed and subordinated obligations of the Issuer.

The Notes are perpetual and do not have a scheduled maturity date. The Notes are redeemable by the Issuer, subject to certain limitations and conditions set out in the Terms and Conditions, on (i) the First Reset Date; and (ii) each Interest Payment Date following the First Reset Date, in each case at the Current Principal Amount plus accrued interest, subject to cancellation of interest pursuant to the Terms and Conditions. The Issuer may only exercise this optional redemption right on such dates if the Current Principal Amount of each Note is equal to its Original Principal Amount. In addition, the Issuer may redeem the Notes at any time for tax or regulatory reasons or if the number of Notes outstanding has fallen below a certain threshold, at the then Current Principal Amount plus accrued interest, subject to cancellation of interest pursuant to the Terms and Conditions, all subject to certain limitations and conditions as described in the Terms and Conditions. If a Non-Approval Event (as defined in the Terms and Conditions) occurs by 17 May 2027, the Issuer may redeem the Notes at the then Current Principal Amount plus accrued interest, subject to cancellation of interest and other limitations and conditions as described in the Terms and Conditions.

The Notes, as to form and content, and all rights and obligations of the holders of the Notes (the "**Holders**") and the Issuer will be governed by the laws of Germany, except for the provisions in § 2 of the Terms and Conditions which will be governed by the laws of the Republic of Slovenia.

The Notes will initially be represented by a temporary global note in bearer form (the "**Temporary Global Note**"). Interests in a Temporary Global Note will be exchangeable, in whole or in part, for interests in a permanent global note (the "**Permanent Global Note**" and together with the Temporary Global Note, the "**Global Notes**") not earlier than 40 days after the Issue Date (the "**Exchange Date**"), upon and to the extent of certification as to non-U.S. beneficial ownership. The Global Notes will be deposited with a common depositary for Clearstream Banking S.A. and Euroclear Bank SA/NV (together, the "**Clearing System**").

This prospectus (the "**Prospectus**") constitutes a prospectus within the meaning of Article 6.3 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended (the "**Prospectus Regulation**"). This Prospectus will be published in electronic form together with all documents incorporated by reference on the website of the Luxembourg Stock Exchange (www.luxse.com).

The *Commission de Surveillance du Secteur Financier, Luxembourg* ("**CSSF**"), as competent authority under the Prospectus Regulation, has approved this Prospectus. The CSSF only has approved this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. By approving this Prospectus, the CSSF gives no undertaking as to the economic and financial soundness of the transaction or the quality or solvency of the Issuer. Such approval should neither be considered as an endorsement of the Issuer that is subject of this Prospectus nor of the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes.

This Prospectus will be valid until 13 November 2027 and, during this period, it may be used for admission of the Notes to trading on a regulated market. In case of a significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus which may affect the assessment of the Notes, the Issuer will prepare and publish a supplement to this Prospectus without undue delay in accordance with Article 23 of the Prospectus Regulation. The obligation of the Issuer to supplement this Prospectus will cease to apply once the Notes have been admitted to trading on the regulated market of the Luxembourg Stock Exchange and at the latest upon expiry of the validity period of this Prospectus.

Application has been made to the Luxembourg Stock Exchange for the Notes to be listed on the official list of the Luxembourg Stock Exchange (the "**Official List**") and to be admitted to trading on the Luxembourg Stock Exchange's regulated market on the Issue Date. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments (as amended, "**MiFID II**").

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to buy, the Notes in any jurisdiction where such offer or solicitation is unlawful.

The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States, and Notes in bearer form are subject to U.S. tax law requirements. The Notes may not be offered, sold or (in the case of Notes in bearer form) delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act), except in certain transactions exempt from the registration requirements of the Securities Act.

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to retail clients. Prospective purchasers of Notes are referred to the sections headed "*PRIIPS REGULATION / PROHIBITION OF SALES TO EEA RETAIL INVESTORS*" and "*CCI REGULATIONS / PROHIBITION OF SALES TO UK RETAIL INVESTORS*" on page ii. of this Prospectus for further information.

The Notes issued pursuant to this Prospectus are complex financial instruments and are not a suitable or appropriate investment for all investors. In some jurisdictions, regulatory authorities have adopted or published laws, regulations, or guidance with respect to the offer or sale of securities such as the Notes to retail investors. Please refer to the paragraph "*Restrictions on Marketing and Sales to Retail Investors*" below.

Prospective purchasers of the Notes should ensure that they understand the nature of the Notes and the extent of their exposure to risks and that they consider the suitability of the Notes as an investment in light of their own circumstances and financial condition. Investing in the Notes involves certain risks. Please review the section entitled "Risk Factors" beginning on page 1 of this Prospectus.

Joint Lead Managers

BofA Securities **Erste Group**

Goldman Sachs Bank Europe SE **NLB**

UBS

13 November 2026

NOTICE

No person is authorised to give any information or to make any representation other than those contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Issuer or BofA Securities Europe SA, Erste Group Bank AG, Goldman Sachs Bank Europe SE, NLB and UBS Europe SE (together, the "**Joint Lead Managers**").

This Prospectus should be read and understood in conjunction with any supplement hereto and with all documents incorporated herein or therein by reference.

The legally binding language of this Prospectus is English. Any part of this Prospectus in German language or Slovenian language constitutes a translation.

Unless indicated otherwise, all financial information presented in the text and tables included in this Prospectus is shown in millions of Euro (in € million). Certain financial information, including percentages, has been rounded according to established commercial standards. As a result, rounded figures in the tables in this Prospectus may not add up to the aggregate amounts in such tables (sum totals or subtotals), which are calculated based on unrounded figures. Furthermore, differences and ratios are calculated based on unrounded figures.

This Prospectus reflects the status as of its date. The offering, sale and delivery of the Notes and the distribution of this Prospectus may not be taken as an implication that the information contained herein is accurate and complete subsequent to the date hereof or that there has been no adverse change in the financial condition of the Issuer since the date hereof.

This Prospectus does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

The distribution of this Prospectus and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required to inform themselves about and to observe any such restrictions. For a description of the restrictions applicable in the European Economic Area ("**EEA**"), the United States of America and the United Kingdom ("**UK**"), see "*Subscription and Sale – Selling Restrictions*".

For the avoidance of doubt the content of any website referred to in this Prospectus does not form part of this Prospectus and the information on such websites has not been scrutinised or approved by the CSSF as competent authority under the Prospectus Regulation, unless that information is incorporated by reference into the Prospectus.

In this Prospectus, unless the contrary intention appears, a reference to a law or a provision of law is a reference to that law or provision as extended, amended or re-enacted.

MIFID II PRODUCT GOVERNANCE / TARGET MARKET: PROFESSIONAL INVESTORS AND ECPS ONLY

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional

clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**Distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET

Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**") ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any Distributor should take into consideration the manufacturer's target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

PRIIPS REGULATION / PROHIBITION OF SALES TO EEA RETAIL INVESTORS

The Notes are complex financial instruments and are not a suitable or appropriate investment for all investors and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 of the European Parliament and of the Council of 20 January 2016, as amended (the "**IDD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products, as amended (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

CCI REGULATIONS / PROHIBITION OF SALES TO UK RETAIL INVESTORS

The Notes are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the UK. For these purposes, a "retail investor" means a person who is either one (or both) of the following: (i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024 (the "**POATRs**"). Consequently, no disclosure

document required by the FCA Product Disclosure Sourcebook (the "**DISC**") for offering, selling or distributing the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

Where acting as agent on behalf of a disclosed or undisclosed client when purchasing, or making or accepting an offer to purchase, any Notes (or any beneficial interests therein) from the Issuer and/or the Joint Lead Managers the foregoing representations, warranties, agreements and undertakings will be given by and be binding upon both the agent and its underlying client.

RESTRICTIONS ON MARKETING AND SALES TO RETAIL INVESTORS

The Notes issued pursuant to this Prospectus are complex financial instruments and are not a suitable or appropriate investment for all investors. In some jurisdictions, regulatory authorities have adopted or published laws, regulations or guidance with respect to the offer or sale of securities such as the Notes to retail investors.

Potential investors in the Notes should inform themselves of, and comply with, any applicable laws, regulations or regulatory guidance with respect to any resale of the Notes (or any beneficial interests therein).

In the EEA, these laws, regulations or guidance comprise MiFID II and the PRIIPs Regulation, and in the UK, the relevant provisions of the FCA Handbook Conduct of Business Sourcebook ("**COBS**") (which incorporate the rules initially set out in the Product Intervention (Contingent Convertible Instruments and Mutual Society Shares) Instrument 2015), Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA, certain provisions of Regulation (EU) No 2017/565 as they form part of UK domestic law by virtue of the EUWA (the "**UK Delegated Regulation**"), and the DISC. Together, these laws, regulations or guidance are referred to as the "**Regulations**".

The Regulations set out various obligations in relation to: (i) the manufacture and distribution of financial instruments; and (ii) the offering, sale and distribution of packaged retail and insurance-based investment products and certain contingent write-down or convertible securities such as the Notes.

The Issuer and the Joint Lead Managers are required to comply with some or all of the Regulations. By purchasing, or making or accepting an offer to purchase, any Notes (or a beneficial interest in the Notes) from the Issuer and/or the Joint Lead Managers each prospective investor represents, warrants, agrees with and undertakes to the Issuer and each of the Joint Lead Managers that:

1. it is not a retail investor;

2. whether or not it is subject to the Regulations it will not:

   (a) sell or offer the Notes (or any beneficial interest therein) to retail investors; or

   (b) communicate (including the distribution of the Prospectus) or approve an invitation or inducement to participate in, acquire or underwrite the Notes (or any beneficial interests therein) where that invitation or inducement is

addressed to or disseminated in such a way that it is likely to be received by a retail investor.

In selling or offering the Notes or making or approving communications relating to the Notes it may not rely on the limited exemptions set out in the COBS;

3. if it is a person in Hong Kong, it is a 'professional investor' as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO; and

4. it will at all times comply with all applicable laws, regulations and regulatory guidance (whether inside or outside the EEA or the UK) relating to the promotion, offering, distribution and/or sale of the Notes (or any beneficial interests therein), including (without limitation) MiFID II or the UK Delegated Regulation and any other such laws, regulations and regulatory guidance relating to determining the appropriateness and/or suitability of an investment in the Notes (or any beneficial interests therein) by investors in any relevant jurisdiction.

For the purposes of this provision: the expression "**retail investor**" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of the IDD, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; (iii) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA or (iv) not a qualified investor as defined in paragraph 15 of Schedule 1 to the POATRs; or (v) a retail client as defined in COBS 3.4.

Each prospective investor further acknowledges that:

(i) the target market as identified for the Notes for the purposes of the product governance rules under MiFID II is eligible counterparties and professional clients only;

(ii) no key information document (KID) under the PRIIPs Regulation has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation;

(iii) no disclosure document required by the DISC has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024;

(iv) they are aware that interest payments on the Notes are subject to withholding tax at a rate of 25 per cent. under currently applicable Slovenian law. The Issuer shall not be required to pay any additional amounts in respect of such withholding and is under no obligation to gross up for such withholding under the Terms and Conditions of the Notes. Accordingly, Holders will receive less than the full amount of interest under the Notes which could adversely affect the market value and/or the liquidity of the Notes. Investors should be aware that the tax legislation of the investor's jurisdiction and of the Issuer's jurisdiction (including interpretation by tax authorities), as well as the tax treatment of the Notes, may change at any time. Any such change could have retrospective or prospective effect and may adversely affect the tax consequences of an investment in the Notes;

(v) they have read and are aware of the risks associated with withholding tax including the withholding tax refund process and the WHT Refund Agreement;

(vi) neither the Issuer nor the Joint Lead Managers or their affiliates assumes any responsibility for the tax consequences of acquiring, holding or disposing of the Notes. Prospective investors should consult their own tax advisers regarding the tax consequences applicable to their particular circumstances including but not limited to withholding tax; and

(vii) the Joint Lead Managers and their affiliates have not provided any tax, legal, regulatory, accounting or investment advice or guidance to you or to any other party and investors should seek their own professional advisers on such matters.

Where acting as agent on behalf of a disclosed or undisclosed client when purchasing, or making or accepting an offer to purchase, any Notes (or any beneficial interests therein) from the Issuer and/or any of the Joint Lead Managers, the foregoing representations, warranties, agreements and undertakings will be given by and be binding upon both the agent and its underlying client(s).

SINGAPORE SECURITIES AND FUTURES ACT PRODUCT CLASSIFICATION

In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

BENCHMARK REGULATION: STATEMENT ON REGISTRATION OF BENCHMARK ADMINISTRATOR

Following the First Reset Date, interest amounts payable under the Notes are calculated by reference to the annual swap rate for swap transactions denominated in Euro with a term of 5 years, which appears on the Reuters Screen Page "ICESWAP2" under the heading "EURIBOR BASIS" and the caption "11:00 AM Frankfurt time" (as such headings and captions may appear from time to time) and which is provided by ICE Benchmark Administration Limited ("**IBA**"). As at the date of this Prospectus, IBA appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to Article 36 of Regulation (EU) 2016/1011 (as amended, the "**Benchmarks Regulation**").

CERTAIN DEFINITIONS

In this Prospectus, unless otherwise specified, references to a "**Member State**" are references to a Member State of the European Economic Area, references to "**EUR**" or "**euro**" are to the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro, as amended.

ROUNDING

Certain figures included in this Prospectus have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

STABILISATION

IN CONNECTION WITH THE ISSUE OF THE NOTES, BOFA SECURITIES EUROPE SA (THE "**STABILISING MANAGER**") (OR ANY PERSON ACTING ON BEHALF OF ANY STABILISING MANAGER) MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, STABILISATION MAY NOT NECESSARILY OCCUR. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE NOTES IS MADE AND, IF BEGUN, MAY CEASE AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE STABILISING MANAGER (OR ANY PERSON ACTING ON BEHALF OF THE STABILISING MANAGER) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain forward-looking statements. The words "anticipate", "believe", "expect", "plan", "intend", "targets", "aims", "estimate", "project", "will", "would", "may", "could", "continue" and similar expressions are intended to identify forward-looking statements. All statements other than statements of historical fact included in this Prospectus, including, without limitation, those regarding the financial position, business strategy, management plans and objectives for future operations of NLB Group are forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the NLB Group's actual results, performance or achievements, or industry results, to be materially different from those expressed or implied by these forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the NLB Group's present and future business strategies and the environment in which the Issuer expects to operate in the future.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "*Risk Factors*" and "*Strategy, Performance and Business Environment*", "*Corporate Governance*", "*Financial Information*" and "*Shareholder and Security Holder Information*". Any forward-looking statements made by or on behalf of the Issuer speak only as at the date they are made. The Issuer does not undertake to update forward-looking statements to reflect any changes in their expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

ALTERNATIVE PERFORMANCE MEASURES

This Prospectus contains certain alternative performance measures, as defined in the guidelines issued by ESMA concerning the presentation of alternative performance measures disclosed in regulated information and prospectuses, which are not recognised financial measures under IFRS or any other generally accepted accounting principles ("**GAAP**"). Please

see further the Alternative Performance Indicators on pages 162 to 168 of the NLB Group Annual Report for the year ended 31 December 2025 incorporated by reference herein. These alternative performance measures ("**Alternative Performance Measures**") may not be comparable to similarly titled measures of other companies.

Such Alternative Performance Measures must be considered only in addition to, and not as a substitute for or superior to, financial information prepared in accordance with IFRS included elsewhere or incorporated by reference in this Prospectus. Investors are cautioned not to place undue reliance on these Alternative Performance Measures and are also advised to review them in conjunction with the consolidated financial statements of the Issuer including the related notes thereto, incorporated by reference in this Prospectus.

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RISK FACTORS

Before deciding to purchase the Notes, investors should carefully review and consider the following risk factors and the other information contained in this Prospectus. Should one or more of the risks described below materialise, this may have a material adverse effect on the business, prospects, shareholders' equity, assets, financial position and results of operations or general affairs of the Issuer or the Group. Moreover, if any of these risks occur, the market value of the Notes and the likelihood that the Issuer will be in a position to fulfil their payment obligations under the Notes may decrease, in which case the Holders could lose all or part of their investments. Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with the Notes are also described below.

The Issuer has assessed the materiality of risks based on the probability of their occurrence and the expected magnitude of the negative impact such occurrence may cause to the Issuer and the effect on the Issuer's ability to meet its obligations under the Notes. The Issuer has also taken into account in respect of such assessment the principles and outcomes of its internal capital adequacy assessment process. In addition, each of the Issuer related risks highlighted below could adversely affect the trading price of the Notes or the rights of investors under the Notes and, as a result, investors could lose some or all of their investment.

Investors should consider the following specific and material risk factors and in addition all other information contained in or incorporated by reference into this Prospectus and consult their own professional advisers prior to making any investment decision.

Investors shall also be aware that there may be additional risks regarding the Issuer and the NLB Group which are not regarded to be material or of which the Issuer is currently not aware but which may nevertheless affect the Issuer's ability to meet its obligations under the Notes. It is also possible that risks described herein may combine and intensify one another.

Words and expressions defined in the Terms and Conditions of the Notes below shall have the same meanings in this section. For the avoidance of doubt, any abbreviation of (and reference to) any legal acts set out below also include the relevant legal acts as amended or replaced from time to time.

Potential investors should, among other things, consider the following:

1. RISKS RELATING TO THE ISSUER AND THE NLB GROUP

1.1 Risks related to the macroeconomic environment

The NLB Group is subject to risks arising from the global macroeconomic environment

The financial services industry generally prospers in conditions of economic growth, stable geopolitical conditions, transparent, liquid and buoyant capital markets and positive investor sentiment. During recessionary periods, there may be less demand for loan products and a greater number of customers may default on their loans and other obligations. Interest rate rises, or the maintenance of interest rates at elevated levels for a prolonged period, may also have a negative impact on the demand for mortgages and other loan products, and on the ability of counterparties to repay such mortgage or loan obligations. In addition, abrupt changes in the interest rate environment may increase market volatility and funding costs and may adversely affect the value of interest rate-sensitive assets and collateral. The NLB Group is affected by general economic and geopolitical conditions, which can cause its

financial condition and the results of its operations to fluctuate from year to year, as well as on a long-term basis. Potential downward trends in the global macroeconomic environment could adversely affect economies in the region of South-Eastern Europe, which includes Bosnia and Herzegovina, Croatia, Kosovo, Montenegro, North Macedonia and Serbia ("**SEE**"), whose economic performance can be sensitive to external demand, financial conditions and investor confidence. Regional growth and financial stability may also be affected by limited fiscal space and by geoeconomic fragmentation, including increased barriers to trade and investment. Geopolitical conflicts and heightened geopolitical tensions, including in Ukraine, and wars and instability in the Middle East, can amplify downside risks to global and regional growth and trigger adverse spillovers into the SEE region. Such conflicts can lead to increased market volatility, disruptions to trade and supply chains, higher commodity and energy prices, and the expansion or intensification of sanctions and countersanctions regimes, any of which could adversely affect the NLB Group's business, financial condition, results of operations and prospects.

Recent developments underscore the potential severity of energy and commodity shocks. The war in the Middle East has resulted in significant disruption to global oil and refined product flows through the Strait of Hormuz and has contributed to sharply higher and more volatile energy prices. Persistently higher energy and fuel costs could reduce household purchasing power and increase operating costs for corporate borrowers (including energy-intensive sectors), thereby weakening debt service capacity and increasing credit risk. In addition, renewed energy-driven inflationary pressures could compel central banks to maintain restrictive policy settings for longer than currently expected or to adopt less accommodative stances than markets anticipate, which could further tighten financial conditions.

Trade policies and trade disputes among major economies continue to represent a significant source of uncertainty for global trade and economic growth. Trade measures introduced by the United States since 2025, subsequent adjustments to tariff arrangements, ongoing trade negotiations, and the continued risk of additional tariffs and retaliatory measures may adversely affect international trade flows, supply chain stability, investment decisions and global economic activity. Although global trade and economic activity have demonstrated resilience, persistent trade tensions and policy uncertainty may contribute to further trade fragmentation, higher business costs and weaker investment. Such developments could adversely affect external demand, business confidence, economic activity and borrowers' repayment capacity in the NLB Group's markets.

The NLB Group is subject to risks arising from the macroeconomic and political environment in the SEE region where the NLB Group operates, as well as risks arising from the international environment, the effects of which could spill over to SEE countries. Besides Slovenia, any decline in the economic situation of the SEE countries could materially affect the NLB Group's business**.**

The macroeconomic environment is a major driver of risk to the NLB Group's earnings and financial stability, in particular due to potential effects on the NLB Group's asset quality. Weaker macroeconomic conditions may lead to a decline in net interest income and net interest margins (for example due to higher funding costs, deposit competition, or a lower-rate environment), credit quality, and loan portfolio growth, as well as further corrections to prices of real estate and other property held as collateral for loans. Physical climate events (e.g., floods, storms, and heat-related impacts) may also impair borrowers and reduce collateral values in affected areas, while transition policies may reprice exposures in certain

sectors, with adverse impacts potentially amplified when combined with macroeconomic shocks.

Rapid increases in interest rates and tighter monetary policies can unsettle global financial markets. Recent stress episodes have demonstrated how quickly confidence shocks can spread within banking systems and capital markets when weaknesses in interest rate risk management, liquidity management, concentration risk, and governance interact with abrupt changes in market conditions. Central banks have emphasised that policy decisions are data-dependent and that uncertainty remains elevated, including uncertainty related to geopolitical developments and energy prices. A renewed rise in inflation could delay or reverse expected easing and keep financing costs elevated; conversely, a sharper slowing in activity could prompt faster easing but may coincide with higher defaults and credit losses. Divergence between U.S. and Euro area policy paths can contribute to exchange-rate volatility, affect cross-border funding conditions, and influence capital flows and risk sentiment relevant to the NLB Group. Central-bank balance-sheet policies may also affect market liquidity, risk premia and the operation of key funding markets. Abrupt changes in liquidity conditions, risk premia or market confidence may increase wholesale funding costs, reduce market access, and cause mark-to-market losses, which could materially adversely affect the NLB Group's business, financial condition, results of operations, liquidity and prospects.

Volatility in credit, currency and equity markets globally may result in uncertainty that could affect all banks, including the NLB Group. Market volatility may lead to, among other negative effects:

- increased cost of funding and/or reduced availability of funding;
- deterioration in the value and liquidity of assets (including collateral);
- inability to price, or difficulty pricing, certain assets;
- higher provisions for bad and doubtful debts;
- an increased likelihood of customer and counterparty default and credit losses;
- mark-to-market losses in the value of assets and liabilities;
- foreign exchange differences of non-Euro assets and liabilities, recognised in the other comprehensive income, and therefore impacting the Bank's equity;
- increased economic exposure from hedging activities; and
- lower growth, business revenues and earnings.

Market participants, corporations and households may be negatively impacted by elevated interest rates and/or renewed inflationary pressures, and their ability to make payments on debt or loans could be negatively affected. This could lead to rising defaults, further economic slowdown and negatively impact future economic development in areas in which the NLB Group operates. Because geopolitical escalation can also disrupt key transport routes and supply chains, it can generate additional inflation and growth shocks that adversely affect customers' and counterparties' cash flows. No assurance can be given as to future economic conditions in any market or as to the possibility of improvement in any market. If economic conditions deteriorate in any of the NLB Group's main markets, the business, financial

condition, results of operations, liquidity and prospects of the NLB Group are likely to be negatively affected. The risk of contagion in the markets in which the NLB Group operates and dislocations caused by the interdependency of financial markets' participants and of members of currency and supranational economic associations is an ongoing risk to the NLB Group's financial condition. Any change in membership of such associations or reductions in the perceived creditworthiness of one or more significant borrowers or financial institutions could lead to market-wide liquidity problems, losses and defaults, which could adversely affect the NLB Group's results, financial condition and future prospects.

The NLB Group is subject to risks arising from the Slovenian macroeconomic and political environment

The Republic of Slovenia is the NLB Group's most important country of operation. In 2025, gross domestic product ("**GDP**") grew by 1.1 per cent., with economic activity being primarily driven by domestic demand. In the first and second quarters of 2026, Slovenia's real GDP grew by 3.2 per cent and 5.0 per cent year-on-year, respectively. According to the Statistical Office of the Republic of Slovenia (*Statistični urad Republike Slovenije* – SURS), labour market conditions have been relatively tight in 2025 as unemployment remained low, although higher than a year ago. In 2026, the Slovenian labour market tightened, with the unemployment rate declining from 4.1 per cent in the first quarter to 3.8 per cent in the second quarter. Inflation pressures have decreased from the highs observed in 2022–2023 but remain relevant and may re-accelerate. In 2025, average annual inflation was 2.5 per cent., 0.5 p.p. higher than in 2024. In the first nine months of 2026, annual inflation in Slovenia ranged from 2.6 per cent to 3.6 per cent, standing at 3.3 per cent in September 2026. Recent data underscore that inflation remains volatile and subject to renewed upside shocks. Consumer price dynamics may fluctuate in response to energy markets, commodity volatility, supply-chain disruptions, trade-route disturbances, tariffs, or renewed geopolitical shocks. In general, Slovenia's economic performance remains vulnerable to domestic and external economic conditions and shocks. Slovenia is closely integrated into the European Union economy and depends significantly on economic activity in its principal export partners, which mostly consist of countries in the EU. Adverse developments affecting export markets - such as prolonged weakness in key Euro area economies, disruptions to global trade routes and logistics, or an escalation of trade restrictions - could reduce exports, worsen the trade balance, weaken growth, and adversely affect tax revenues and overall economic activity. Exports have usually been a key driver of economic recovery in the Republic of Slovenia and represent an important segment of GDP. Thus, negative changes in the volume of exports and trade balance for an extended period of time could have material adverse effects on the country's fiscal budget, public debt, and economic activity.

A prolonged deterioration in the macroeconomic environment in the Republic of Slovenia would likely have a significant effect on budget revenues and may result in an increase in the budget deficit, which may also lead to an increase in public debt. Additionally, demographic pressures and long-term pension obligations also present structural fiscal risks. Over time, growing pension liabilities and aging population trends may contribute to higher deficits and debt unless counterbalanced by reforms or stronger growth. Such long-term pressures may increase the likelihood of reforms, higher taxation, expenditure reprioritization, or other policy measures that could affect consumption, investment, and credit conditions.

On the domestic demand side, household consumption has been a key pillar of growth, supported historically by high household savings rates (boosted during pandemic lockdowns). However, this buffer may erode or be unevenly distributed, and household

consumption could weaken if consumer confidence deteriorates due to renewed inflation, adverse labor market developments, higher debt service burdens, or other shocks.

Geopolitical developments remain a material source of uncertainty. The war in Ukraine continues to weigh on the European macro environment through energy, commodity, and confidence channels. In addition, the war in the Middle East has increased uncertainty and is expected to raise near-term inflation through higher energy prices. Such developments may weaken consumer and business sentiment, disrupt supply chains and trade routes, and contribute to renewed inflationary pressures. If the economic situation in Slovenia deteriorates - through falling output, a weakening labor market, higher inflation, reduced exports, or weaker consumption - demand for financial products could decline materially, and credit losses could increase. This, in turn, may adversely affect the NLB Group's revenues, asset quality, liquidity position and profitability.

The NLB Group closely monitors the macroeconomic and geopolitical circumstances and their corresponding impacts on its credit and investment portfolio, remaining very prudent in identifying any increase in credit risk at a very early stage. The NLB Group may be affected by the secondary effect of the crisis, where increasing prices of raw materials and energy or their limited availability may represent an important factor for certain corporate clients.

There can be no assurance that NLB's or the NLB Group's business, financial condition, results of operations, cash flows and prospects will not be materially adversely affected as a result of one or more of these or any other factors relating to the macroeconomic and political conditions in the region where the NLB Group operates. This could impact the Issuer's ability to perform its obligations under the Notes.

The NLB Group is subject to risks arising from the macroeconomic and political environment in SEE

The SEE region is the NLB Group's most important geographic area of operations outside of the Republic of Slovenia and the economic conditions in the region are therefore important to the NLB Group's results of operations and financial condition.

Bosnia and Herzegovina, Kosovo, North Macedonia, Montenegro and Serbia are not members of the EU and are at differing stages of the EU accession process. They may therefore have less developed regulation and control standards than other countries in which the NLB Group operates. The European Commission has emphasized that enlargement is a merit-based process and that the pace of reforms - particularly in the areas of democracy, the rule of law and fundamental rights - directly affects the speed of accession, and it has noted that political developments and reform implementation challenges can slow progress in the region. Accordingly, the legal and regulatory environment applicable to banking, securities and financial services activities may change materially, potentially with limited transitional periods, and may be subject to varying degrees of supervisory discretion and enforcement. In many of these markets, laws, regulations and case law remain evolving, including in areas relevant to banking and securities transactions. In addition, courts and administrative practices may not be fully tested, and contract enforcement and insolvency proceedings may be subject to delay, inconsistent application, or limited predictability. These factors can lead to delays or unfavourable outcomes in enforcement proceedings, restructurings and other aspects of the NLB Group's operations in these markets. The NLB Group is also subject to the risk of price controls, capital controls and other restrictive or interventionist government actions in these markets.

The SEE markets also differ in monetary and exchange-rate arrangements, which may affect the resilience of local financial systems to shocks. For example, Bosnia and Herzegovina operates a currency board arrangement under which the central bank does not have discretionary monetary policy and does not act as a lender of last resort, and Kosovo and Montenegro operate under euroisation regimes that limit domestic monetary policy autonomy. Such arrangements can amplify the effects of external shocks on liquidity, credit conditions and borrower cash flows.

In the NLB Group, there are no substantial practical or legal impediments to the prompt transfer of capital or repayment of liabilities between the parent undertaking and its subsidiaries. In the case of a capital transfer provided by NLB, it is necessary to follow the provisions regarding the minimum capital in accordance with CRR (as defined below) and the Slovenian Banking Act (*Zakon o bančništvu* – the "**ZBan-4**"). For subsidiary banks, the provisions regarding liquidity, capital adequacy, and the level of capital to cover all risks are also considered, all in accordance with local legislation.

In addition, the ability of subsidiaries to upstream capital, profits or liquidity may be constrained by local regulatory measures. There are practical constraints on the distribution of dividends, as payouts require the prior approval of the respective local central banks in Kosovo, Montenegro, Serbia and Bosnian Republika Srpska.

Furthermore, geopolitical conflicts and heightened geopolitical tensions, including Russia's war against Ukraine and the war and instability in the Middle East, represent an additional downside risk to the outlook for the SEE region. Disruptions in energy and commodity markets and logistics can contribute to inflation shocks and weaken household purchasing power and business margins. The Middle East war is causing disruptions in the global oil market, and has made the outlook significantly more uncertain and will have a material impact on near-term inflation through higher energy prices, with upside inflation and downside growth risks. Such shocks may tighten financing conditions, reduce consumption and investment, and increase defaults and credit losses in SEE economies.

There can be no assurance that NLB's or the NLB Group's business, financial condition, results of operations, cash flows and prospects will not be materially adversely affected because of any instability or economic deterioration in SEE.

The NLB Group may be negatively affected by increased competition

The NLB Group operates in a number of highly competitive markets, alongside a significant number of competitors, including subsidiaries of major European banking groups. In some countries of operation, consolidation of existing market players is in progress. Increasing competition in the banking sector, further bank consolidation in several of NLB Group's markets and/or the inability of NLB or any other NLB Group member to compete effectively in its market may have a material adverse effect on NLB's or the NLB Group's business, financial condition, results of operations, cash flows and prospects. In recent years increased competition has come from fintech companies and other credit institutions, which offer streamlined and personalized services by prioritizing user experience and customer satisfaction, thus further intensifying competition in the financial services sector. These players increasingly challenge traditional banking models by leveraging technology, data analytics and enhanced user experience.

For more information see "*Competition facing the NLB Group*".

1.2 Risks relating to the credit risk

The NLB Group is exposed to credit risk and could experience material increases in non-performing exposures, leading to significant increases in impairment allowances, which could materially adversely affect the NLB Group's business, financial condition and results of operations

The NLB Group is exposed to the risk that its borrowers may not fulfil their loans or fulfil their other obligations to the NLB Group in accordance with their contractual terms and that the collateral serving as a potential secondary source of repayment of these exposures may turn out to be insufficient. In this respect, the NLB Group's credit approval process also includes the management of ESG risks. Furthermore, the NLB Group is also exposed to counterparty credit risk in respect of other assets that it holds, whether debt securities, money market instruments or deposit accounts. This risk is usually materially enhanced in times of economic slowdown.

Direct and indirect exposure of NLB Group toward Russia, Ukraine and the Middle East is limited. Besides, the NLB Group monitors the macroeconomic and geopolitical circumstances closely and communicates with key clients to identify any changes to their business circumstances. The slowdown caused by weaker external demand, U.S.-Israel-Iran conflict, still elevated inflation, disruptions and changes in supply chains, and prolonged high tariffs, along with other more significant economic or geopolitical uncertainties or potential natural disasters may limit the credit capabilities or weigh on lower investment growth. To enable early identification of Significant Increases in Credit Risk ("**SICR**"), the NLB Group has strengthened the established early warning system. However, the NLB Group may not always be able to assess such increases in credit risk adequately in a timely manner or at all. Moreover, the macroeconomic and geopolitical uncertainties might cause additional spill-over effects in the mid-term, which may at a later period have some impact on different segments of the credit portfolio.

NLB Group has taken several measures in the past years to manage non-performing loans or loans with higher risk, including the adoption of a Non-Performing Loans ("**NPL**") strategy, introduction and development of a restructuring and work-out unit, the introduction of an early warning system and a loan watch committee, and the renewal of a credit process and rating methodology, as well as establishing new scoring models for certain segments. In addition, the NLB Group regularly monitors credit portfolio quality and performs different scenario analyses and stress tests where the financial resilience of NLB Group's business model is tested. Notwithstanding these new procedures and improvements in the NLB Group's credit risk management, there can be no assurance that these procedures will be sufficient to ensure that NLB Group's NPL or the corresponding impairments, which reflect expected credit losses ("**ECL**"), will remain at the appropriate level in the future. Any potential increase in the impairment allowances for loans and advances to customers, any potential loan losses in excess of the previously determined impairment allowances for loans and advances to customers with respect thereto or any potential changes in the estimate of the risk of loss inherent in the portfolio of non-impaired loans may have a material adverse effect on NLB Group's business, financial condition, results of operations, cash flows and prospects.

The NLB Group is exposed to risks in relation to market impacts on collateral value and the enforcement of such collateral

The NLB Group generally seeks collateral for its loans serving as a secondary source of repayment. A significant proportion of this collateral takes the form of mortgages or other security over assets and there are particular risks associated with this form of collateral when a client defaults. In addition, part of the collateral taken by the NLB Group comprises share pledges. The value of this collateral can be adversely affected by falling stock market values (in the case of listed shares) or adverse developments in a business (in the case of non-listed shares). Additionally, guarantees issued by the Republic of Slovenia represent a significant amount of collateral, with such guarantee to one customer valued at approximately EUR 129 million as at 31 December 2025. In addition, the NLB Group may experience difficulty in enforcing certain collateral, particularly in the case of non-listed shares.

In addition to operations in the Republic of Slovenia, the NLB Group's operations include banking subsidiaries in Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia and Serbia. In connection with its loans or other banking operations in the above-mentioned jurisdictions, and in Croatia, the NLB Group holds mortgages over assets, as well as movable collateral, including machinery, equipment, vehicles and other forms of collateral. Procedures in these jurisdictions for the sale or other enforcement actions in relation to mortgages on real estate property in particular may be protracted and difficult to practically implement. In cases where the NLB Group is unable to enforce effectively against real estate or other collateral granted to it, this will delay recovery of the relevant loan and could expose the NLB Group to increased losses on the relevant loan, especially in the case of falling property markets.

Enforcement of collateral located outside the EU may prove to be more difficult, more time-consuming and more expensive than for collateral located within the EU, and may be subject to different requirements and restrictions than for collateral located in the EU.

If the NLB Group is not able to enforce security over collateral held in or outside the EU in a timely manner or at all, it may have an adverse effect on the NLB Group's business, prospects, financial condition, results of operations or cash flow.

A substantial portion of NLB's and the NLB Group's loans are secured by property interests and NLB and the NLB Group are therefore exposed to any downturn in the property markets in which they operate, including various disrupting factors in SEE which influence volatility in the local real estate market

EUR 3,362 million and EUR 2,932 million of lending in NLB's credit portfolio was secured by real estate collateral as at 31 December 2025 and 31 December 2024. EUR 7,048 million and EUR 6,189 million of lending in the NLB Group's credit portfolio was secured by real estate collateral as at 31 December 2025 and 31 December 2024.

The price growth of residential properties and building plots accelerated further in the first half of 2026. Compared with the second half of 2025, apartment prices increased by 8 per cent., house prices by 4 per cent., and prices of land for residential development by 15 per cent. Over the last five half-year periods (since 2H 2023), apartment prices have risen cumulatively by 29 per cent., house prices by 20 per cent., and residential development land prices by 35 per cent.

In the first half of 2026, the Slovenian real estate market recorded a further increase in transaction activity. The total number of real estate transactions increased by approximately 6 per cent. compared with the second half of 2025, while the total transaction value rose by around 13 per cent. Commercial real estate activity also strengthened, with office transactions increasing by 9 per cent. and retail/service premises by 16 per cent. compared with the previous half-year period.

Market activity was supported by continued strong demand and favourable economic fundamentals, including high employment levels, wage growth, and a relatively high volume of newly issued housing loans. At the same time, supply-side constraints remain significant. Slovenia continues to face limited availability of development land in major urban centres and a relatively restricted supply of newly completed housing. High construction costs and limited new housing stock continue to exert upward pressure on prices. Although transaction volumes recovered from the market trough observed in 2024, there are still no signs of a reversal in the long-term price growth trend.

Given the persistent demand-supply imbalance, elevated construction costs, and the still limited supply of new housing and development land, a significant decline in residential property prices is not expected. According to the market trends observed in the first half of 2026, residential property prices are expected to continue to grow at a moderate pace, unless broader macroeconomic conditions deteriorate or a substantial increase in new housing supply materializes.

In general, the NLB Group applies a cash flow-based credit policy that considers the repayment capacity of a customer when extending on or off-balance loans and other exposures. This policy also applies to all lending backed or collateralised by residential or commercial real estate. However, circumstances may change over time. Any economic downturn in the countries in which the NLB Group operates, including declines in the value of real estate and increases in unemployment rates, could adversely affect NLB's and the NLB Group's collateral coverage of its loan portfolio with respect to new and existing NPL and generate increases in impairment losses, which could materially affect NLB's and the NLB Group's financial condition and results of operations. In addition, the effects of declining property values on the wider economies in which the NLB Group operates may also contribute to higher default rates and impairment losses on other loans extended by them.

The NLB Group has concentrations of both loans and deposits geographically and in terms of customer type. These concentrations, along with an associated concentration of its investment portfolio, expose the NLB Group to enhanced levels of risk

The NLB Group's loans and deposits are geographically concentrated. The NLB Group's corporate, retail and small and medium-sized enterprise ("**SME**") loans are largely concentrated in the Republic of Slovenia (46.9 per cent. of funded loans as at 31 December 2025, 48.6 per cent. as at 31 December 2024). With respect to liabilities, 54.0 per cent. and 54.8 per cent. of its deposits were from Slovenian depositors at 31 December 2025 and 31 December 2024, respectively.

The NLB Group's investment portfolio also has a concentration of Slovenian credit risk, with 13.0 per cent. and 13.7 per cent. of the portfolio representing Slovenian Government and private sector bonds held by the NLB Group as at 31 December 2025 and 31 December 2024, respectively. Accordingly, the NLB Group is particularly exposed to any future downturn in the economy of the Republic of Slovenia.

In addition, the NLB Group's loan portfolio is concentrated in relation to its largest corporate customers (as at 31 December 2025 the NLB Group's 10 and 20 largest customers accounted for 3.8 per cent. and 5.6 per cent., respectively, of the NLB Group's total loan portfolio). As a result, any decision by one or more of these customers to move its business to another bank or any default by one or more of these customers would likely have a material adverse effect on NLB Group's business, financial condition, results of operations, cash flows and prospects.

1.3 Risks relating to liquidity and market conditions

The NLB Group is subject to the risk that liquidity and sources of funding that it currently utilises may not always be readily available

Liquidity risk is the risk that an entity will be unable to meet its obligations, including funding commitments, as they fall due. This risk is inherent in banking operations and can be heightened by a number of enterprise-specific factors, including over-reliance on a particular source of funding (including, for example, short-term and overnight funding), changes in credit ratings or market-wide phenomena such as market dislocation and major disasters. NLB has issued Senior Preferred notes in July 2022, June 2023, January 2024 and January 2025, Additional Tier 1 notes in September 2022 and November 2025 and Subordinated Tier 2 notes in November 2022, January 2024 and October 2026. The NLB Group's funding costs could increase due to changes in market conditions or new regulatory requirements, including the amendments on the minimum requirement for own funds and eligible liabilities ("**MREL**") under the EU Banking Package (see "*The Issuer is subject to a number of strict and extensive regulatory rules and requirements*"), which may require NLB to increase its long-term funding requirements.

However, even the perception that a credit institution is experiencing greater liquidity risk can cause significant damage to the institution. If the NLB Group's short-term funding sources become volatile or unavailable, the NLB Group would be required to utilise other, more expensive, sources to meet its funding needs, such as collateralised borrowing or asset sales. The NLB Group's ability to sell assets at a commercially desirable price or to sell at all may be impaired if other market participants are seeking to sell similar assets at the same time or are not in a position to finance themselves; or when the market value of assets, including financial instruments underlying derivative transactions to which the NLB Group members are party, is difficult to ascertain. This has occurred at certain times during and since the global financial crisis. In addition, credit institutions with which the NLB Group interacts may exercise set-off rights or rights to require additional collateral. Any of these or other events could impair the NLB Group's access to liquidity.

Future disruptions, uncertainty or volatility in the capital and credit markets could limit the NLB Group's ability to refinance maturing liabilities with long-term funding. The availability of additional financing required by the NLB Group will depend on a variety of factors, such as market conditions, the availability of credit both generally and to borrowers in the financial services industry specifically, the volume of trading activities, the NLB Group's financial condition, its credit ratings and its credit capacity. It will also be affected by the possibility that customers or lenders could develop a negative perception of the NLB Group's financial prospects; as might happen if for example, the NLB Group would experience significant deposit outflows or if the level of the NLB Group's business activity would decrease due to a market downturn. In particular, the NLB Group's access to funds may be impaired if regulatory authorities or rating agencies impose additional regulatory capital requirements or downgrade the NLB Group's debt rating. Any of these developments may limit the NLB

Group's ability to raise additional capital to support business growth, counterbalance the consequences of losses or satisfy increased regulatory capital requirements, and could have a material adverse effect on NLB's and the NLB Group's business, financial condition, results of operations, liquidity, capital position and prospects.

In addition, as is the case with many banks, the NLB Group relies on customer deposits to meet a substantial portion of its funding requirements. Such deposits are subject to fluctuation due to certain factors outside the NLB Group's control, such as any possible loss of confidence and competitive pressures, which could result in a significant outflow of deposits within a short period of time. A material decrease in the NLB Group's deposits could have a negative impact on the NLB Group's liquidity.

NLB's borrowing costs, access to the capital markets, reputation and competitive position depend significantly on its credit ratings and the credit rating of the Republic of Slovenia

Credit ratings represent an important component of the NLB Group's liquidity profile and affect the cost and other terms on which the NLB Group is able to obtain funding. Changes to the NLB Group's credit ratings reflect developments in the solvency, liquidity and overall financial profile of the Bank. NLB's credit rating could also be impacted by any change to the risk profile of the Republic of Slovenia, as reflected in the sovereign credit rating of the Republic of Slovenia.

Any downgrade in NLB's or the Republic of Slovenia's credit ratings could materially adversely affect NLB's liquidity including by negatively impacting its risk profile and competitive position, undermining confidence in the NLB Group, increasing its borrowing costs, limiting its access to the capital markets, or limiting the range of counterparties willing to enter into transactions with NLB and other NLB Group members. NLB's credit ratings are subject to change and could be downgraded as a result of many factors, including the failure of the NLB Group to successfully implement its strategies. A downgrade of NLB's credit ratings could lead to reputational damage for the NLB Group, which may also lead to a loss of customers and counterparties that could in turn have an adverse effect on the NLB Group's business, results of operations and financial condition.

Fluctuations in interest rates may adversely affect the NLB Group's results

The NLB Group assesses its exposure to interest rate risk to remain moderate and within risk appetite. It arises mainly from the banking book positions. In recent years the NLB Group has recorded a growth of fixed interest rate loans and long-term banking book securities on the assets side. The decade long transformation of deposits from term to sight reversed in 2023, when term deposit share slightly increased due to higher interest rates.

The NLB Group manages interest rate positions and stabilises its interest rate margin primarily with the pricing policy and fund transfer pricing policy. An important part of the interest rate risk management is the banking book securities portfolio, which is used to maintain adequate liquidity reserves and the stability of the interest rate margin. The investment strategy of the NLB Group, referring to the NLB Group's bond portfolio kept for liquidity purposes, adapts to the expected market trends in accordance with the set risk appetite. The NLB Group is closely monitoring its major bond portfolio positions, mostly sovereigns, and carefully manages them also by incorporating adequate early warning systems in order to limit the potential sensitivity of regulatory capital. In addition, the NLB Group also uses plain vanilla

derivative financial instruments for interest rate risk management, such as interest rate swaps, overnight index swaps, cross currency swaps, and forward rate agreements.

The Russia-Ukraine war, conflicts in Middle East and Iran and other geopolitical uncertainties and corresponding market developments have led to considerable volatility in the financial markets, in particular shifts in credit spreads, interest rates and foreign exchange rates. Special attention concerning market trends and price movements is given to possible defaults of issuers included in the banking book securities portfolio.

Geopolitical uncertainties have increased volatility in the financial markets, particularly credit spreads widening and rising yield environment, which materially impacted NLB Group's Fair Value through Other Comprehensive Income ("**FVOCI**") positions. The NLB Group constantly observes the market to diminish further possible defaults of issuers included in the banking book securities portfolio and to manage the portfolio according to the market moves (rising yield environment) and economic data (inflation, recession/stagflation). Despite careful management of the structure and concentration of NLB Group's liquidity reserves, no assurance can be given that there will be no additional negative effect on NLB Group's capital position.

NLB's and the NLB Group's profitability is to a large extent based on their respective net interest income levels. This is the reason that stabilising net interest income is NLB's important goal when managing interest rate risk. Additionally, future changes in the financial markets, namely required yields to maturity and credit spreads, may have a material effect on NLB's and the NLB Group's FVOCI positions. While the NLB Group monitors its interest rate sensitivity by analysing and adapting the composition of its assets and liabilities and off-balance sheet financial instruments, any significant and unanticipated interest rate movements in the Republic of Slovenia and the Eurozone or in other markets where the NLB Group operates could adversely affect NLB's and the NLB Group's operations, financial condition and regulatory capital requirements.

The NLB Group is exposed to risks related to exchange rate fluctuations

The NLB Group operates its main business activities in Euro, which is the reporting currency of the NLB Group. Subsidiary banks conduct business mainly in Euro (in addition to their domestic currencies). The NLB Group's net open foreign exchange position from transactional risk amounts to 0.3 per cent. of capital as of 31 December 2025.

For the purposes of the NLB Group consolidated financial statements, transactions executed in currencies other than Euro are converted into Euro at the exchange rate prevailing at the date of such a transaction. Any gains or losses resulting from such transactions and from converting assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges. Assets and liabilities denominated in the domestic currencies of foreign non-Euro subsidiaries are converted into Euro and any resulting exchange differences are recognised in other comprehensive income. Gains or losses that appear in other comprehensive income may affect shareholders' equity and the CET 1 capital ratio.

Some of the NLB Group's banking members operate their main business activities in Euro, whereby they are exposed to foreign exchange lending risk if the domestic currency materially depreciates against the Euro, even though they include this risk evaluation within the process of a client's creditworthiness assessment.

The geopolitical uncertainties resulted in an increased volatility in the financial markets, in particular shifts in credit spreads, interest rates and foreign exchange rates. Regarding the NLB Group's major foreign exchange positions, no material movements were observed so far. Current developments, market observations and potential mitigations are closely monitored and discussed. However, NLB Group may not always be able to identify significant changes in a timely manner and mitigate them adequately due to a limited scope of disposable measures.

Nonetheless, fluctuations in exchange rates between the Euro and other currencies could impact the NLB Group's financial results in a number of ways. Future changes in the financial markets, namely foreign exchange fluctuations, may have a material effect on NLB's and the NLB Group's business and operations. No assurance can be given that they will not have an adverse effect on the results of operations of the NLB Group.

The NLB Group faces interest rate, liquidity, foreign exchange, credit, market, investment, operational and associated climate and environmental risks that could adversely affect the NLB Group if its risk management policies do not succeed

The NLB Group faces a number of business risks that could adversely affect it. These include interest rate, liquidity, foreign exchange, credit, market, investment, operational and associated ESG risks. Although NLB invests substantial effort in its risk management strategies, framework and systems, these strategies, framework and systems may nevertheless fail in certain circumstances, particularly when confronted with risks that NLB did not identify correctly or in a timely fashion. Furthermore, NLB may not be able to make a correct assessment or evaluation of the risks to which it is exposed.

Some of the measures taken by the NLB Group to manage various risks are to enter into hedging transactions to manage market risks, to set credit risk limits for each counterparty's investment (within a two-stage decision-making process) and, on an NLB Group portfolio level (to which the NLB Group is exposed in its lending business), to have sufficient collateral for credit provided and to do due diligence to manage legal and ESG risks. Some of these and other methods used by the NLB Group to manage, estimate and measure risk are based on historic market behaviour. The methods may therefore prove to be inadequate for predicting future risk exposure, which may prove to be significantly greater than what is suggested by historic experience. Historical market developments may also not adequately allow a sufficiently accurate prediction of future circumstances arising due to government interventions and stimulus packages, which increase the difficulty of evaluating risks. Other methods for risk management are based on evaluation of information regarding markets, customers or other information that is publicly known or otherwise available to the NLB Group. Such information may not always be correct, updated or correctly evaluated.

In addition, the risk methodologies and techniques used by the NLB Group may not cover adequately the entire spectrum of risks to which the NLB Group is subject. If any such risks materialise, the associated losses could be greater than NLB may have anticipated, which may have a material adverse effect on NLB's and the NLB Group's business, financial condition, results of operations, cash flows and prospects.

1.4 Risks relating to NLB Group operations

The NLB Group is exposed to risks related to current and potential future acquisitions or disposals of assets

NLB may undertake mergers, acquisitions and disposals of assets and entities in the future. The NLB Group evaluates potential acquisitions in a disciplined manner on an opportunistic basis, taking into consideration its objectives to strengthen its position in certain strategic markets and to create value for shareholders. Such transactions may entail significant risks related to the implementation of transactions, including risk of mispricing assets or entities, inadequate due diligence, risks related to contractual obligations entered into in such transactions and others.

There can be no assurance that the NLB Group will be successful in any acquisition process that it participates in or that it would be able to successfully integrate business operations of entities that it acquires in the future. In the context of an acquisition, the NLB Group would strive to achieve revenue and cost synergies, operating efficiencies, business growth opportunities, as well as other benefits from any acquisition. Integrating entities following an acquisition, however, may be complex and expensive and may present a number of challenges. In addition, expected business growth opportunities, revenue and cost synergies, operational efficiencies and other benefits may not materialise, in part because of the assumptions upon which the NLB Group determines to proceed with any acquisition may prove to be incorrect. It is the NLB Group policy to thoroughly analyse the risks associated with any potential acquisition, but there can be no guarantee that such analysis would be sufficient to uncover all material issues and potential deterioration in acquired assets quality that would not have a negative impact on the NLB Group's capital position. As a result, if anticipated synergies or other benefits of an acquisition are not achieved, or if those achieved are materially different from those that were expected, then this could have a material adverse effect on the NLB Group's business, financial condition, results of operations or prospects.

The NLB Group may be exposed to losses if critical accounting judgements or estimates are subsequently found to be incorrect or inaccurate

The preparation of the NLB Group's financial statements requires the management to make estimates and assumptions and to exercise judgement in selecting and applying relevant accounting policies, each of which may directly impact the reported amounts of assets, liabilities, income and expenses, to ensure compliance with IFRS. All estimates and assumptions required in conformity with IFRS are best estimates undertaken in accordance with applicable standards. Estimates and judgements are evaluated on a continuing basis, and are based on past experience and other factors, including expectations with regard to future events. Some areas involving a higher degree of judgement, where assumptions are significant to the financial statements, include the recognition of the expected losses for all financial instruments, not measured at fair value through profit and loss, including loan commitments and financial guarantees, recognition of deferred tax assets and the fair value of unquoted financial instruments and investments in subsidiaries, associates and joint ventures.

If the judgements, estimates and assumptions used by the NLB Group in preparing its consolidated financial statements are subsequently found to be incorrect there could be a significant loss to them beyond that anticipated or provided for or an adjustment to those

consolidated financial statements, which could have a material adverse effect on the NLB Group's business, financial condition and results of operations. (For further information see "*Strategy, Performance and Business Environment – Credit Portfolio – Impairment methodology*").

The NLB Group's IT systems may fail or their security may be compromised

The NLB Group relies heavily on its IT systems for a variety of functions, including processing applications, providing information to customers and/or employees, and maintaining financial records. In addition, the NLB Group uses distribution channels based on an IT platform comprising online banking, mobile banking and call centres.

The IT systems used by the NLB Group may be vulnerable to physical and electronic breaches, malware and other attacks by cyber criminals, internet fraudsters or internal abuse. This could lead to, amongst other things, a leakage of the NLB Group's customer data, damage related to incursions, destruction of documents, failures or delays in processing transactions and unauthorised transactions. Furthermore, software errors and similar problems could have a significant effect on the NLB Group's ability to support and satisfy the needs of customers in a timely manner, interrupt the NLB Group's activities, damage its reputation, expose the NLB Group to increased regulatory audits or cause it to incur substantial technical, legal or other costs. The occurrence of any IT systems failures or a security breach or potential non-compliance with the Regulation (EU) 2022/2554 (Digital Operational Resilience Act -"**DORA**") may adversely affect the business, financial condition, results of operations or development prospects of the NLB Group.

The NLB Group is dependent on the strength of its reputation

The NLB Group's market position relies in large part on its reputation and ability to provide a wide range of services to its customers.

In the event that the NLB Group's brand or reputation is damaged, for example as a result of litigation or other claims against one or more of the NLB Group members, administrative investigations or proceedings, general negative perceptions about the NLB Group's services or their performance, or negative press coverage, this may have a negative effect on NLB's and the NLB Group's business, financial condition, results of operations, cash flows and prospects.

The NLB Group's insurance policies and own risk assessment premiums may not cover particular future losses

While the NLB Group believes that the insurance policies presently held by the NLB Group to cover its assets and operations are in line with general market practice, and is actively following the development of and implementing insurance products pursuant to changes in the business and regulatory environment, there is no guarantee that the NLB Group's insurance adequately covers every possible future loss, or that the terms of currently implemented insurance will be sufficient to cover losses as they occur.

Any loss which is not covered by the NLB Group's existing insurance policies or own risk assessment premiums may have a material adverse effect on the NLB Group's business, prospects, financial condition, results of operations or cash flows, and even if covered, may result in increased insurance costs, increased risk assessment premiums charged to the clients or increased difficulties in acquiring insurance for the NLB Group.

NLB Group is subject to the risk of money laundering and financing terrorism whereby third parties might use NLB Group as a conduit for illegal or terrorist activities, without the knowledge of the NLB Group, which could have a material adverse effect on the NLB Group

The NLB Group is subject to legal provisions in connection with measures to avoid money laundering, corruption and terrorism financing ("**AML Rules**") which are continuously amended and tightened.

The Issuer's obligation to comply with these AML Rules causes significant costs and expenses for the Issuer. In addition, any (factual or even only alleged) breach of the AML Rules may have significant negative legal, financial and reputational consequences for the Issuer.

NLB is subject to direct supervision of the European Central Bank ("**ECB**"), and under the Slovenian anti-money laundering ("**AML**") and counter-terrorist financing ("**CTF**") law (*Zakon o preprečevanju pranja denarja in financiranja terorizma- ZPPDFT-2*), NLB can be subject to inspection procedures by the Bank of Slovenia (*Banka Slovenije* - "**BSI**"), the Slovenian Office for Money Laundering Prevention (*Urad za preprečevanje pranja denarja*) and Slovenian Securities Markets Agency (*Agencija za trg vrednostnih papirjev*). There is a risk that third parties could use the financial system of NLB or the other NLB Group members (or their respective correspondent banks) as a conduit for money laundering or terrorist financing (including illegal cash operations), or bribery or breaches of financial and economic sanctions without NLB's or another NLB Group member's (or their respective correspondent banks') knowledge. Failure to comply adequately with such regulations and standards could have a material adverse effect on the NLB or other NLB Group members or could trigger any other misdemeanour procedures for non-material violations (for further information see "*Strategy, Performance and Business Environment – Compliance*").

All banking members are currently undergoing, or have recently undergone, an ordinary course supervisory review by the competent authorities in relation to the areas of AML, CTF and financial sanctions. While recommendations have been issued to certain NLB subsidiaries, none of these recommendations are considered material.

SEE is considered to be a higher risk region by field experts in the banking industry and at regulatory institutions, as well as by AML, anti-bribery and CTF authorities such as the Financial Action Task Force ("**FATF**") and the Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism, with respect to money laundering, bribery, terrorist financing and corruption. This is particularly the case as regards those countries outside the EU, including Bosnia and Herzegovina, Serbia, Montenegro, North Macedonia and Kosovo. Such region-specific risks include:

- a significantly higher occurrence of cash transactions in comparison with other parts of Europe, which may result in difficulties establishing the source of funds;
- a large number of transactions to or from high-risk countries, especially those defined as "offshore" by the International Monetary Fund ("**IMF**");
- a significant number of investments and financial transactions involving or deriving from non-resident clients (especially from Russian residents as a result of long-standing ties in SEE countries to Russia, where the source of funds is often poorly disclosed); and

- a low grade on the corruption perception index by Transparency International.

NLB must also comply with the U.S. Patriot Act as a foreign bank, especially in the area of correspondent banking relationships defined as high risk. Special attention is paid to ensure that NLB does not enter into business relationships with shell banks (directly or indirectly) and offshore banks; and that it does not support correspondent accounts which are used directly by third parties to transact business on their own behalf (payable through account). However, such measures may not be sufficient to ensure compliance with the U.S. Patriot Act.

In 2017, NLB was subject to extensive media exposure regarding AML and CTF as a result of a case involving transactions relating to Iran that took place in the years 2009 and 2010 (the "**Iran Case**"). This case was subject to a parliamentary investigation in 2017 and 2018, following which a special Parliamentary Commission was established in order to investigate the alleged AML breach (*Preiskovalna komisija o ugotavljanju domnevnega pranja denarja in financiranja terorizma, jedrske proliferacije ter financiranja aktivnosti tujih obveščevalno-varnostnih služb v NLB ter domnevnega pranja denarja v Novi KBM d.d.*). It concluded its work in May 2018. Part of the final report of the Parliamentary Commission has been published publicly, with portions of the report still restricted, including from NLB. Based on publicly available information, the Parliamentary Commission has not found any signs of criminal offences or breach of AML legislation in the case. It found, however, that the former Management Board and Supervisory Board of NLB had breached their duties. Furthermore, there were criminal charges filed against two former employees of NLB for false testimony during the hearing before the Parliamentary Commission, and former governmental representatives and a former representative of the BSI were found to have political responsibility in this case. As of the date of this Prospectus, NLB is not aware of any proceedings regarding this case against NLB or its current employees with respect to the above investigation, or regarding the final findings of the authorities or the Parliamentary Commission mandated to investigate this case. According to Slovenian legislation, any civil motion connected with the Iran Case has been time barred in accordance with the general statute of limitations of five years (*see – Strategy, Performance and Business Environment - Compliance*).

If NLB or any other NLB Group member is associated with, or even accused of being associated with, money laundering or terrorist financing, then its and the NLB Group's reputation could suffer and it could become subject to criminal or regulatory fines, sanctions and/or legal enforcement (including being added to "blacklists" that might prohibit certain parties from engaging in transactions with NLB or other relevant NLB Group members). Any such actions may have a material adverse effect on NLB's or the NLB Group's business, financial condition, results of operations, cash flows and prospects.

The European Union has established the Authority for Anti-Money Laundering and Countering the Financing of Terrorism ("**AMLA**") under Regulation (EU) 2024/1620 to strengthen the EU AML and CFT framework and ensure more consistent supervision and enforcement across Member States. The establishment and operationalisation of AMLA, including the transfer of EU-level AML and CFT tasks from the European Banking Authority as of 1 January 2026, may result in increased supervisory scrutiny and additional compliance expectations for financial institutions, including the NLB Group.

The NLB Group is exposed to the risk of external or internal fraud

NLB and the other NLB Group member companies are exposed to various risks resulting from fraudulent activities, particularly in connection with loan approval processes, procurement and client account processing. The NLB Group may be negatively affected by, *inter alia*, instances of stolen or misappropriated NLB Group or customer funds, manipulation of the NLB Group's objective evaluation processes (e.g. for the valuation of collateral, credit risk, etc.), the breach or falsification of data and documentation and any other types of deception.

The NLB Group constantly upgrades its internal control and compliance system, and has set up measures to facilitate fraud risk management. However, these measures may not fully prevent future fraudulent activities, which could have adverse effects on NLB's finances, operations and reputation.

1.5 **Legal risks**

Unfavourable outcomes of pending litigation may adversely affect NLB and the NLB Group

NLB and members of the NLB Group are involved in a number of legal proceedings, some of which, if resolved adversely to the interests of NLB or the relevant member of the NLB Group, could have a material adverse effect on NLB and the NLB Group. As at 30 September 2026, NLB was involved in 22 legal disputes (23 as at 30 September 2025) with monetary claims against NLB exceeding EUR 1 million per case (excluding accrued interest). As at 30 September 2026, the aggregate amount of these claims, excluding accrued interest, was EUR 254.8 million (EUR 247.6 million as at 30 September 2025). As at 30 September 2026, the NLB Group was involved in 38 legal disputes (38 as at 30 September 2025) with monetary claims against NLB Group members exceeding EUR 1 million per case (excluding accrued interest), in the aggregate principal amount of EUR 357.3 million (EUR 348.0 million as at 30 September 2025). Other than the Croatian litigation regarding transferred deposits and the litigation regarding the Bail-In (as defined below), each discussed below, such legal proceedings have arisen in connection with the ordinary course of business of NLB and the NLB Group.

As at 30 September 2026, provisions with respect to monetary claims exceeding EUR 1 million per case were EUR 2.9 million (EUR 6.3 million as at 30 September 2025) at the NLB Group level, respectively. While management believes that NLB's financial statements make adequate provision for pending legal proceedings, a worse than expected outcome in any legal proceedings would mean that such provisions, or the absence of any provision, insufficiently cover NLB's liabilities.

The majority of retail-related disputes within the NLB d.d. concern cases which involve foreign-currency loan agreements in which the Bank acts as defendant. These cases primarily stem from lending practices in the past, particularly foreign-currency loan products that were widely offered across the region. In recent years, such agreements have increasingly become the subject of customer complaints and litigation, often supported by consumer protection initiatives. The core allegations raised by claimants typically relate to the adequacy of pre-contractual disclosure regarding currency and interest rate risks, as well as the alleged unfairness or invalidity of certain contractual provisions.

In the observed period, developments in national and European case law have contributed to a shift in litigation trends, with courts in certain instances adopting interpretations that are

more favourable to consumers. This has led to an inflow of new cases and increased legal uncertainty, particularly in relation to Swiss Francs ("**CHF**") denominated loan agreements. The outcome of individual proceedings remains highly dependent on the specific factual circumstances of each case; however, the Bank continues to actively monitor legal developments and consistently applies all available legal remedies to protect its position. At the same time, the broader regulatory and judicial environment remains dynamic, and further evolution of both case law and potential legislative initiatives, including a material impact, cannot be excluded. Consistent with its prudent approach to managing legal risks, the Bank in the third quarter 2026 established additional provisions of EUR 11.9 million recognised for pending litigation related to CHF-denominated loans.

Further, there may be additional claims against NLB and the NLB Group which have not yet been served on NLB or of which NLB and NLB Group are not yet aware (for example, see "*Shareholder and Security Holder Information – Legal and Arbitration Proceedings – Collective consumer claims*").

An unfavourable outcome of any such proceedings could have a material adverse effect on NLB's and the NLB Group's business, financial condition, results of operations, cash flows and prospects.

A failure by NLB to comply with its obligations under ZVKNNLB and the related agreement with the Fund would deprive NLB of the protection granted to it by ZVKNNLB

NLB is currently involved in proceedings whereby the plaintiffs claim that NLB is responsible for the liabilities relating to foreign currency deposits that were held with Ljubljanska banka, Zagreb Branch ("**Ljubljanska banka Zagreb Branch**"). Ljubljanska banka Zagreb Branch is the Croatian branch of Ljubljanska banka d.d., Ljubljana ("**Ljubljanska banka**"), which in turn is an entity from which NLB received certain assets and liabilities in 1994.

Two Croatian banks have filed claims against Ljubljanska banka and NLB, as the alleged co-debtor, in Croatian courts in relation to deposits in various foreign currencies with Ljubljanska banka Zagreb Branch that were transferred to Privredna banka Zagreb and Zagrebačka banka by their original depositors in line with Croatian legislation set up after the dissolution of the Socialist Federal Republic of Yugoslavia (the "**SFRY**"). The proceedings were filed during the period from 1994 to 1996. The aggregate principal amount of the claims against NLB is as at 30 September 2026 equivalent to approximately EUR 173.1 million (calculated at the exchange rates applicable on 30 September 2026), excluding any default interest. Due to the fact that the proceedings have been pending for a significant period of time, the default interest exceeds the principal amount of the transferred deposits. If NLB was found liable for these amounts, it would also be responsible for paying the litigation expenses of the plaintiffs.

Eight cases related to the transferred deposits have been litigated through to final judgment. The remaining matters are pending with the court of first or second instance.

If NLB were to be found liable for the entire amount claimed, it would be obliged to pay significant amounts in principal, default interest and expenses. Pursuant to the Act on the Protection of the Value of Capital Investment of the Republic of Slovenia in NLB (*Zakon za zaščito vrednosti kapitalske naložbe Republike Slovenije v Novi Ljubljanski banki d.d., Ljubljana* – the "**ZVKNNLB**"), the Succession Fund of the Republic of Slovenia (*Sklad Republike Slovenije za nasledstvo, javni sklad* – the "**Fund**") is obliged to compensate NLB for the sums recovered from NLB by enforcement of final judgments delivered by Croatian courts in relation to the

transferred deposits. However, the obligation of the Fund is subject to the compliance by NLB with certain obligations which include the use of all reasonable legal remedies against unfavourable court decisions and NLB may be obliged to repay to the Fund all sums received from the Fund if it voluntarily makes any payment in satisfaction of any such judgment.

Accordingly, an unfavourable outcome in any of these pending proceedings may result in a negative financial impact to NLB and there is a risk that a failure by NLB to comply with its obligations under ZVKNNLB would deprive NLB of the protection granted to it by ZVKNNLB. (for more detail, please see "*Shareholder and Security Holder Information – Legal and Arbitration Proceedings – Claims relating to liabilities in respect of transferred deposits*").

If NLB were found liable for claims relating to the Bail-In, it may incur substantial financial burdens

In relation to the decision of the Slovenian government for the Republic of Slovenia to participate in capital increases of NLB in 2011 and 2012 (the "**BSI Decision**"), the European Commission (the "**EC**") initiated a procedure to determine the compatibility of this participation with EU state aid rules. In accordance with the recommendations of the European Council published in June 2013, NLB (along with the majority of Slovenian banks) underwent an asset quality review (the "**AQR**") and "bottom-up" stress tests. In December 2013, the results of the AQR and stress test exercise revealed a capital shortfall for NLB of EUR 1,904 million. As a result, several measures aimed at ensuring the capital adequacy of NLB and the NLB Group were taken, including, amongst other measures, termination of all of NLB's obligations in respect of its share capital and subordinated financial instruments ("**Qualified Liabilities**") by way of a bail-in ("**Bail-In**").

Pursuant to the Slovenian Banking Act (*Zakon o bančništvu*), which was applicable in 2013, the only remedy available to persons who, as a result of the Bail-In, lost their investments in the Qualified Liabilities (the "**Affected Investors**"), is to claim compensation from the BSI and any claims against NLB in relation to the Bail-In are expressly excluded by law. Nevertheless, certain Affected Investors started lawsuits against NLB in which they are claiming compensation for the losses they incurred as a result of the Bail-In.

The claims made by the plaintiffs are based on various allegations, including misrepresentations made by NLB in the context of its public offering of the subordinated notes, a failure to disclose the conflict of interest and a failure to contest the BSI Decision, amongst others. Some plaintiffs have not specified the grounds for their claim.

As of 30 September 2026, 25 of these proceedings with claims amounting to nearly EUR 30.7 million are pending while claims of 21 plaintiffs have been finally rejected by the courts and additional 146 plaintiffs have withdrawn their claims. Out of 21 final rejection cases, two of them have been accepted for review by the Slovenian Supreme Court and in both such cases the Supreme Court upheld the judgments by which the lower courts rejected the plaintiff's claims (see "*Shareholder and Security Holder Information – Legal and Arbitration Proceedings – Proceedings relating to the BSI Decision*"). As certain Affected Investors publicly announced claims exceeding such amount and since there is a possibility that NLB has not yet been notified of all the legal proceedings initiated against it, this amount may increase in the course of time and such additional claims may be material. Based on information obtained from the courts, NLB understands that the amount of these additional claims could exceed EUR 40 million. Due to the case law, plaintiffs have started to withdraw their claims.

No provision for any of these claims has been recorded and any losses recorded as a result of such claims may have a material adverse effect on the NLB Group's business, prospects, financial condition, results of operations or cash flows.

Collective consumer claims

The consumer organisation Zavod Kolektiv 99 filed a collective claim against NLB and an identical claim was also filed against N Banka. NLB received a class action lawsuit on 21 July 2022 and N Banka on 29 July 2022. NLB submitted its answer and is now waiting for the court to decide whether the preliminary conditions for the class action are fulfilled.

The plaintiff's claims (Zavod Kolektiv 99) include, among other things, a demand that NLB ceases to use the lower interest rate in consumer loan contracts (uses the actual applicable interest rate without restrictions as negative EURIBOR) and compensates the borrowers for the losses incurred due to the application of an interest rate floor (the difference between the interest rate floor and the actual value of the interest rate).

The claims against NLB (including former N Banka) are estimated at EUR 47 million.

On 16 January 2026, the Court issued a judgment in NLB's proceeding and dismissed the lawsuit. Zavod Kolektiv 99 filed an appeal, on which NLB answered in due time. In N Banka's proceeding the decision is still pending.

If adjudicated adversely to NLB, each of these claims could potentially result in NLB's material financial liability but would not affect NLB's ability to comply with its other obligations. If, before or after commencement of the relevant court proceedings, NLB will determine that any part of the above claims has merit, it may also decide to settle the relevant liabilities voluntarily.

1.6 **Regulatory risks**

NLB may be required to increase its capital in future for a range of different reasons, including as a result of changing regulatory requirements (including MREL), and may experience material difficulty in raising any such additional capital and other NLB Group banks are subject to capital requirements in their own jurisdictions of operation and any failure by one or more of these banks to maintain appropriate levels of capital could have a material adverse effect on the NLB Group

As of 31 December 2025, NLB is required to maintain, on a consolidated basis, an overall capital requirement ("**OCR**") of at least 14.75 per cent. (consisting of 10.32 per cent. CET 1 capital; 12.22 per cent. Tier 1 capital). The OCR includes:

- a 10.12 per cent. total supervisory review and evaluation process ("**SREP**") capital requirement (consisting of 5.69 per cent. CET 1 capital; 7.59 per cent. Tier 1 capital), and

- a 4.63 per cent. combined buffer requirement (the "**Combined Buffer Requirement**") to be made up of CET 1 capital only, consisting of a 2.5 per cent. capital conservation buffer, 1.25 per cent. other systemically important buffer ("**O-SII Buffer**"), 0.80 per cent. countercyclical buffer, and 0.08 per cent. systemic risk buffer. The level of the countercyclical buffer for the NLB Group is also affected by the CCYBs of all countries to which the NLB Group is exposed.

On 28 October 2025, the ECB Banking Supervision issued a new SREP 2025 Decision for NLB to comply with on a consolidated basis. The total SREP capital requirement (TSCR, as defined below) is 10.10 per cent. valid from 1 January 2026. The Pillar 2 Requirement was reduced by 0.02 per cent. to 2.10 per cent., reflecting an improved SREP assessment. The P2G was also lowered from 1.0 per cent. to 0.75 per cent., thus reducing OCR + P2G to 15.48 per cent. (down from 15.75 per cent. previously). On 21 October 2026, the ECB issued a new SREP decision for the NLB Group, pursuant to which the Pillar 2 Requirement was reduced from 2.10 per cent. to 2.07 per cent., while the Pillar 2 guidance remained unchanged at 0.75 per cent. The new SREP decision will apply from 1 January 2027.

On 29 April 2022, the BSI issued the Regulation on determining the requirement to maintain a systemic risk buffer for banks and savings banks that came into effect on 1 January 2023 to maintain a systemic risk buffer for exposures in the Republic of Slovenia, which introduces the level of the systemic risk buffer rates for sectoral exposures, 1.00 per cent. for all retail exposures to natural persons secured by residential real estate in Slovenia and 0.50 per cent. for all other exposures to natural persons in Slovenia. From January 2025, the sectoral systemic risk buffer for retail exposures to natural persons secured by residential real estate decreased from 1.0 per cent. to 0.5 per cent. Consequently, the Systemic Risk Buffer for NLB Group in December 2025 was 0.08 per cent., with no changes in the third or fourth quarters.

Due to growing economic uncertainties and systemic risks, the BSI introduced a countercyclical capital buffer of 0.5 per cent. of the TREA (as defined below) for exposures in the Republic of Slovenia, effective from December 2023 onwards. Additionally, from 1 January 2025 onwards, the countercyclical capital buffer rate increased to 1.0 per cent., resulting in a 0.80 per cent. CCYB buffer for the NLB Group in December 2025, reflecting all CCYB rates of countries to which the NLB Group is exposed.

As the regulations or risk profile of the NLB Group may additionally change in the future, capital requirements could change as well.

Should NLB be required to increase its capital in future for any reason, including changes in regulatory capital requirements and continued significant losses, no assurance can be given that it will be successful in doing so on favourable terms, in a timely manner or at all. NLB's ability to obtain additional capital may be restricted by a number of factors, including:

- its ability to obtain any required regulatory approvals;
- decisions of its shareholders with respect to the approval of future capital increases;
- general market conditions for capital-raising activities by commercial banks;
- the financial condition, results of operations and cash flows of NLB at the time of the proposed capital increase; and
- the credit rating of NLB at the time of the proposed capital increase.

As of 16 March 2026, NLB must comply with the MREL on a consolidated basis at the resolution group level (the "**NLB Resolution Group**", consisting of the Issuer and other members of the NLB Group, excluding banks) which amounts to 30.15 per cent. of Total Risk Exposure Amount ("**TREA**") (excluding Combined Buffer Requirement) and 11.71 per cent. of the Leverage Ratio Exposure ("**LRE**"). Breaching the MREL could have potential implications

on NLB's performance and would prohibit NLB from distributing more than the maximum distributable amount related to MREL ("**M-MDA**").

Any failure by NLB to comply with applicable capital requirements or otherwise to maintain sufficient levels of capital to conduct its business could have a material adverse effect on NLB's and the NLB Group's business, financial condition and results of operations. Moreover, a breach of capital requirements and other regulatory ratios could result in NLB being subject to administrative sanctions. These sanctions could increase its operating costs and could adversely affect its reputation and, consequently, could have a material adverse effect on NLB's or the NLB Group's business, financial condition, results of operations, cash flows and prospects.

Each of the other banks in the NLB Group is subject to local regulations relating to required levels of capital and MREL, including:

- local capital regulations following Basel III guidelines, subject to different stages of convergence with EU regulation[1];
- a minimum required level of capital. This is generally higher than 8 per cent., with most countries setting NLB Group entities higher minimum capital levels (12 per cent. in Bosnia and Herzegovina and Kosovo and 8 per cent. in North Macedonia, Montenegro and Serbia). In line with newly adopted regulation in Serbia, North Macedonia, Bosnia and Herzegovina, Montenegro and Kosovo, minimum capital requirements are more closely aligned with CRR (as defined below) rules. However, all of these requirements are not directly or fully comparable to the EU requirement for a minimum required level of capital, as the definitions of risk-weighted assets ("**RWA**") and of capital instruments may differ. In addition, the implementation and enforcement of locally defined Pillar 2 Requirements, capital buffers and other capital deductions (for example, the deduction for provisions as a result of differences between local standards and the IFRS) may depend on the local regulator's view and guidance; and
- local MREL regulations, subject to different stages of convergence with EU regulation and transitional period for implementation.

Should any NLB Group banking member be required to increase its capital for any reason, it is likely to look first to NLB (as principal shareholder) to assure such capital increase, but NLB will not necessarily grant such request. If NLB was unable to provide the required capital, its shareholding in the banking member concerned may be diluted by the issue of additional shares or sale of the capital investment to the other potential shareholders. Each of these outcomes could adversely affect the NLB Group's business, financial condition, results of operations, cash flows and prospects.

An NLB Group banking member might, due to less developed local capital markets, experience difficulties in obtaining MREL eligible funding for meeting their local MREL. This could adversely affect the NLB Group's business and prospects.

[1] As of January 2020 Serbia is included to the list of the third countries and territories whose supervisory and regulatory requirements are considered equivalent under the EU regime (i.e. Third country firm treatment and equivalence under the EU Banking Package (as defined below)). The same treatment has also come into force for Bosnia and Herzegovina and North Macedonia in October 2021.

The Issuer is subject to a number of strict and extensive regulatory rules and requirements, including capital requirements

The NLB Group is subject to a wide variety of laws and regulations relating to banking, insurance and financial services, including those governing its marketing and selling practices, and faces the risk of significant interventions by a number of regulatory and enforcement authorities in each of the jurisdictions in which it operates.

EU Banking Package and Reform of the Banking Union

NLB is subject to capital requirements and liquidity rules imposed by the EU which govern the activities in which banks may engage and are designed to maintain the safety and soundness of banks, and limit their exposure to risk. These rules include Directive 2013/36/EU, as amended and implemented in the Republic of Slovenia and Regulation (EU) No 575/2013, as amended (see "*Strategy, Performance and Business Environment – Capital Requirements*").

The Banking Union is a system for the supervision and resolution of credit institutions (including the Issuer) on EU level which is based on EU-wide rules and currently consists of the Single Supervisory Mechanism and the Single Resolution Mechanism.

On 7 June 2019, a legislative package for amendments of the following EU legal acts regarding the Banking Union was published in the Official Journal of the EU ("**EU Banking Package**") which successively entered into force from 27 June 2019 onwards:

(i) Directive 2013/36/EU ("**CRD IV**");

(ii) Regulation (EU) No 575/2013 ("**CRR**");

(iii) Directive 2014/59/EU ("**BRRD**"); and

(iv) Regulation (EU) No 806/2014 ("**SRMR**").

The EU Banking Package, *inter alia*, includes the following measures which are a specific and material risk to the Issuer:

- a leverage ratio requirement for all institutions;
- a net stable funding requirement;
- revised rules on capital requirements for counterparty credit risk and for exposures to central counterparties;
- a revised Pillar 2 framework;
- enhanced MREL subordination rules for large banks referred to as top-tier banks;
- stricter conditions for liabilities in order to qualify as eligible liabilities instruments for MREL purposes;
- a new moratorium power for the resolution authority; and
- restrictions to distribution payments in case of MREL breaches.

The EU Banking Package entered into force on 27 June 2019. Certain amendments of the CRR apply already since 27 June 2019; further amendments of the CRR apply since 28 December

2020 and 28 June 2021, respectively, those of the SRMR since 28 December 2020. The EU Member States should have implemented the amendments of the BRRD and the CRD IV into national legislation by 28 December 2020. In Slovenia, however, the relevant provisions entered into force on 23 June 2021.

On 27 October 2021, the EC adopted a further package of a review of the CRR ("**CRR III**") and the CRD IV ("**CRD VI**"), which was published in the Official Journal of the EU on 19 June 2024 ("**Revised Banking Package**"). This package comprises the following legislative elements:

- implementing Basel III (for details, see "*Amended BCBS Standards*" below);
- sustainability; and
- stronger enforcement tools.

CRR III is generally applicable from 1 January 2025, implementing the final Basel III standards in the EU. However, the application of the Fundamental Review of the Trading Book (FRTB) standards, pertaining to market risk, has been postponed by two years to 1 January 2027. CRD VI must be transposed into national law by Member States by 10 January 2026, with general applicability from 11 January 2026. In Slovenia, CRD VI was transposed through the new Banking Act (ZBan-4), which entered into force on 12 March 2026 and introduced, among others, mandatory requirements relating to the identification, management, monitoring and reporting of the environmental, social and governance risks, which may have a negative financial impact on the NLB Group.

Additionally, the NLB Group is subject to stress tests, including regular stress testing exercises by the ECB, and other regulatory enquiries. Any negative outcomes could lead to a loss of trust in the NLB Group and materially and adversely affect the NLB Group's reputation and financing costs in addition to potentially triggering enforcement action by relevant competent authorities. The NLB Group is included in the ECB stress testing exercises each year. In 2016, 2017, 2018, 2019, 2020, 2021, 2023, 2025 and 2026 the NLB Group concluded the ECB's stress testing exercise in accordance with its requirements and the results were included in the SREP decision for the NLB Group. The SREP process was also conducted in 2026 and, on 21 October 2026, the ECB issued a new SREP decision for the NLB Group, pursuant to which the Pillar 2 Requirement was reduced from 2.10 per cent. to 2.07 per cent., while the Pillar 2 guidance remained unchanged at 0.75 per cent. The new SREP decision will apply from 1 January 2027.

Amended BCBS Standards

On 7 December 2017, 11 December 2018 and 14 January 2019, the Basel Committee on Banking Supervision ("**BCBS**") published amended standards for its international regulatory framework for credit institutions developed by the BCBS. Within the EU, the revised standards must be transposed into EU law for being applicable. These Basel III reforms, *inter alia*, include the following key measures which are a specific and material risk to the Issuer:

- a revised standardised approach and the internal ratings-based approach for credit risk;
- revisions to the credit valuation adjustment (CVA) framework;
- a revised standardised approach for operational risk;

- revisions to the measurement of the leverage ratio;
- an aggregate output floor, which will ensure that RWA generated by internal models are not lower than 72.5 per cent. of RWA as calculated by the Basel III framework's standardised approaches;
- revised Pillar 3 disclosure requirements; and
- the finalised revised market risk framework.

On 27 March 2020, the BCBS deferred implementation dates for the revised standards. These were subsequently implemented in the EU through CRR III, which is generally applicable from 1 January 2025 and phased in over five years.

In addition, on 31 March 2021, the BCBS released revised principles for the sound management of operational risk and operational resilience.

On 11 November 2021, the BCBS also published a standard on the voluntary disclosure of sovereign exposures. The implementation of these templates is only mandatory when required by national supervisors.

Furthermore, in April 2024, the BCBS revised the Core Principles for Effective Banking Supervision, the first comprehensive update since 2012. The revised Core Principles incorporate considerations for climate-related financial risks, the sustainability of banks' business models, and enhanced operational resilience. These updates aim to strengthen corporate governance and risk management practices across the banking sector.

Compliance with the regulatory rules and requirements listed under this section (*Regulatory risks –The Issuer is subject to a number of strict and extensive regulatory rules and requirements, including capital requirements*), in particular including the ongoing monitoring and implementation of new or amended rules and regulations cause significant costs and additional effort for the Issuer and any (factual or even only alleged) breach of such rules and requirements, such as the EU Banking Package, the Revised Banking Package and the amended BCBS standards, may result in major regulatory measures and bear a main legal and reputational risk. Furthermore, stricter regulatory rules and requirements, in particular the EU Banking Package, the Revised Banking Package and the amended BCBS Standards, result in significant capital demand for the Issuer and/or result in constraints and limitations on risk related business and other business of the Issuer; the latter will negatively affect the income and revenues of the Issuer.

Any failure to comply with any of the above mentioned applicable laws, regulations and requirements may result in the NLB Group being exposed to many forms of risk which could have an adverse effect on its business. These include financial and reputational losses, measures such as blacklisting by credit institutions, the termination of business partnerships and legal proceedings and penalisation by the relevant authorities. It could lead to legal or administrative sanctions, which may also affect the NLB Group's long-term ability to conduct its business and in turn its financial condition and results of operations.

The Issuer is obliged to contribute to the Single Resolution Fund and to the deposit guarantee fund

The Single Resolution Fund ("**SRF**") has been established by the SRMR and is composed of contributions by credit institutions (including the Issuer) and certain investment firms in the

participating EU Member States of the banking union. The SRF has been gradually built up during an initial period of eight years (2016 – 2023). The target size of the SRF of at least 1 per cent. of the amount of covered deposits of the credit institutions in all countries of the Banking Union (including the Issuer) was reached on 31 December 2023. No regular annual contributions will be collected from 2024 onwards from the institutions falling in scope of the SRF, i.e., contributions would (only) be collected in the event of specific circumstances or resolution actions involving the use of the SRF.

Furthermore, Directive 2014/49/EU (*Directive on Deposit Guarantee Schemes* – "**DGSD**") stipulates a target level of the *ex-ante* financed funds for the deposit guarantee schemes of 0.8 per cent. of covered deposits. According to the Slovenian Deposit Guarantee Scheme Act (*Zakon o sistemu jamstva za vloge – ZSJV*), which implements the DGSD in Slovenia, the deposit guarantee fund was to be fully funded by 3 July 2024. If necessary, credit institutions would have to pay certain additional (*ex post*) contributions in cases where the deposit guarantee fund does not have sufficient funds at its disposal to repay deposits covered by the guarantee.

On 18 December 2024, the Act on Amendments to the Bank Resolution and Compulsory Winding-Up Act (*Zakon o spremembah in dopolnitvah Zakona o reševanju in prisilnem prenehanju bank* – "**ZRPPB-1B**") entered into force, which repealed the Slovenian Bank Resolution Authority and Fund Act (*Zakon o organu in skladu za reševanje bank* – "**ZOSRB**"). Furthermore, the ZRPPB-1B provides that, as of the date of its entry into force, the bank resolution fund established on the basis of the ZOSRB shall continue to operate as a bank liquidation fund, and the initial funds paid in on the basis of the ZOSRB shall be considered as payments into the bank liquidation fund (the "**BLF"**). The BLF is operated and managed by the BSI and its purpose is to finance the compulsory winding-up measures that can be imposed by the BSI. Among other things, the funds of the BLF may be used for: (i) payment of the subscribed capital of the company established for the holding of the separate assets; (ii) payment of compensation to a bank in compulsory winding-up in cases where the BLF takes over its assets, rights and liabilities; (iii) loans, guarantees, sureties or other collateral granted with respect to measures of compulsory winding-up; and (iv) provision of loan to the deposit guarantee scheme. The assets of the BLF may not be used to cover past losses of a bank in compulsory winding-up. The target level of the assets in the BLF is 3.0 per cent. of all the guaranteed deposits in Slovenia as of 30 September 2014. The BLF will be operating until 31 December 2030.

The Issuer's obligation to make such contributions may be an additional financial burden for the Issuer and may have a negative impact on the Issuer's business operations as well as its assets, financial position and results of operation.

If the relevant conditions are met, the Resolution Authority shall apply resolution actions in relation to the Issuer

The BRRD and SRMR are the main legal basis for the recovery and resolution of credit institutions (including the Issuer) within the Banking Union.

If the conditions for resolution are met, the resolution authority pursuant to Article 4(1)(130) of the CRR and/or Article 7(1) SRMR (the "**Resolution Authority**") shall take resolution actions (i.e. resolution tools and resolution powers) in relation to the Issuer in order to be able to exercise an orderly resolution, if the Issuer is failing (or likely to fail) and to preserve the financial stability.

The conditions for resolution of the Issuer are:

- the determination that the Issuer is failing or likely to fail has been made by the competent authority pursuant to Article 4(1)(40) CRR and/or Article 9(1) SSMR, in each case, which is responsible for supervising the Issuer on an individual basis and/or (sub-)consolidated basis (the "**Competent Authority**") or the Resolution Authority;

- having regard to timing and other relevant circumstances, there is no reasonable prospect that any alternative private sector measures, or supervisory action, including early intervention measures or the write-down or conversion of relevant capital instruments and eligible liabilities taken in respect of the Issuer, would prevent the failure of the Issuer within a reasonable timeframe; and

- a resolution action is necessary in the public interest.

The resolution tools are: (i) the sale of business tool; (ii) the bridge institution tool; (iii) the asset separation tool; and (iv) the bail-in tool.

By applying the bail-in tool, the Resolution Authority may write down eligible liabilities in a cascading contribution to loss absorption of the Issuer or convert them into instruments of ownership. Moreover, the Resolution Authority can separate the performing assets from the impaired or under-performing assets and transfer the shares in the Issuer or all or part of the assets of the Issuer to a private purchaser or a bridge institution without the consent of the shareholders.

In addition, the Resolution Authority has so-called resolution powers, which it may exercise individually or in any combination in relation to or for the preparation of the application of a resolution tool in relation to the Issuer.

The BRRD and SRMR (as amended) indicate that as resolution strategies both, a single or multiple point-of-entry ("**SPE**" or "**MPE**") approach, are allowed. Under the SPE resolution strategy, only one group entity, typically the parent undertaking, is resolved (resolution entity), whereas other group entities, usually operating subsidiaries, are not subject to resolution action. Instead, the losses of those subsidiaries are transferred to the resolution entity and capital is down streamed to the subsidiary. Under the MPE resolution strategy, more than one entity of the banking group may be resolved. The Single Resolution Board ("**SRB**") and all relevant national resolution authorities of the resolution college have reached a joint decision that an MPE approach is the preferred resolution strategy for NLB Resolution Group. Therefore, NLB Resolution Group pursues the MPE approach.

Changes in the regulatory framework within which the NLB Group operates could have a material adverse effect on NLB and/or the NLB Group

NLB and the NLB Group are exposed to risks relating to changes in the regulatory framework within which they operate, including:

- changes in the monetary, interest rate, capital requirements and other policies of central banks and regulatory authorities;

- changes in laws and regulations or changes in regulatory regimes that could significantly influence investor decision-making in the markets within which the NLB Group operates or increase the costs of operating in those markets;

- changes to the regulatory requirements that the NLB Group must meet, such as prudential rules relating to capital requirements creating more onerous obligations than expected, the compliance with which may increase the NLB Group's capital requirements, expose it to additional costs and liabilities, and require it to change how it conducts its business, including the reduction of risk and leverage of certain activities, or otherwise have an adverse impact on its business, the products and services it offers and the value of its assets*;*

- changes in laws and regulations that may influence the way in which the NLB Group provides banking, payment, investment and other services which increase the cost and/or risks associated with providing such services;

- restrictions on business growth or pricing and additional requirements to operate in a way that prioritises objectives other than shareholder value creation;

- changes to financial reporting standards;

- changes in competition and pricing environments, such as the harmonisation of card payment interchange fees;

- differentiation amongst credit institutions by governments with respect to the extension of guarantees to bank customer deposits and the terms attaching to such guarantees, including requirements for certain members of the NLB Group to accept exposure to the risk of the failure of any third-party participants in such guarantee schemes;

- the design and implementation of government-mandated resolution or insolvency regimes;

- implementation of, or costs related to, local customer or depositor compensation or reimbursement schemes;

- regulations relating to, and enforcement of, data protection, anti-bribery, AML, CTF or other similar regimes;

- expropriation, nationalisation, confiscation of assets and changes in legislation relating to ownership; and

- other unfavourable political, military or diplomatic developments producing social instability or legal uncertainty that, in turn, may affect demand for the NLB Group's products and services.

The financial services industry continues to be the focus of significant regulatory change and scrutiny which may adversely affect the NLB Group's business, financial performance, capital and risk management strategies (see "*The Issuer is subject to a number of strict and extensive regulatory rules and requirements*").

The NLB Group prepares long-term capital plan projections, monitors regulatory and internal capital usage on at least quarterly basis and prepares projections where changes to capital requirements or ECB/European Banking Authority ("**EBA**") guidelines are anticipated. Nevertheless, changes to capital requirements or other conditions, if implemented, could force the NLB Group to acquire additional capital, which may be unavailable in the future or unavailable at an attractive rate or within the time frame necessary in order to ensure

compliance with such requirements (see "*NLB may be required to increase its capital in future for a range of different reasons, including as a result of changing regulatory requirements, and may experience material difficulty in raising any such additional capital and other NLB Group banks are subject to capital requirements in their own jurisdictions of operation and any failure by one or more of these banks to maintain appropriate levels of capital could have a material adverse effect on the NLB Group*").

In the regulatory environment in the rest of the region where the NLB Group operates (non-EU countries), regulatory changes are taking place in the direction of harmonisation with EU legislation. Local regulatory authorities made changes in areas: (i) prudential and macroeconomic measures to ensure stable functioning of the financial systems; (ii) changes in regulatory reporting and risk management rules (such as liquidity, operational risk, climate and environmental risks, collateral valuation, outsourcing, ICAAP/ILAAP, LCR); (iii) deposit guarantee schemes; (iv) bank recovery and resolution law; (v) bankruptcy and liquidation law; (vi) electronic money issuance and electronic payment systems; (vii) NPL and restructuring prudential treatment; (viii) personal data protection, harmonising with GDPR; and (ix) digital operational resilience, harmonising with DORA.

Changes to the regulatory framework within which the NLB Group operates may have a material effect on NLB's and the NLB Group's business and operations. No assurance can be given that laws and regulations will be adopted, enforced or interpreted in a manner that will not have an adverse effect on the business, financial condition, cash flows and results of operations of the NLB Group.

The NLB Group is exposed to risks related to tax regulations

The NLB Group is subject to financial reporting regulations and tax liabilities in all of the jurisdictions in which it operates. If the governments of these jurisdictions increase tax rates or impose additional taxes, this could reduce the NLB Group's profitability. Revisions to tax legislation or to its interpretation might also affect the NLB Group's financial condition in the future. In addition, the NLB Group is subject to tax audits. As a general rule, a tax inspection, which could result in additional tax assessments, may be initiated at any time within four to six years from the date of tax statement or from the year in which tax should have been assessed. Any such assessments could be material and might also affect the NLB Group's financial condition in the future. In 2023 the balance sheet tax was introduced in Slovenia for the years 2024-2028. As with other taxes, also the legislation on balance sheet tax can be revised which might affect the NLB Group's financial condition in the future.

Negative dispositions from tax authorities or unanticipated changes to financial reporting regulations and tax liabilities in any of the jurisdictions in which it operates could have a material adverse effect on the NLB Group's business, prospects, financial condition, results of operations or cash flow.

Risks relating to IT infrastructure in connection with payment services

Acting as a payment service provider, the Issuer is bound to comply with respective EU and national regulation. Following these regulatory requirements, the Issuer implemented a concept of "open banking" which provides access to the Bank's clients' accounts (upon such clients' consent) to third-party providers of payment services, offering payment initiation and account information services. Due to the additional technical interfaces required for these types of services, there is an increased risk of cyberattacks and failure in the IT structure.

While the Issuer has introduced mitigation measures to monitor these risks and no major incidents related to these new channels were registered so far, there can be no guarantee that these services operate without interruption or cyberattacks in the future.

Besides permanent implementation of regulatory requirements, the Issuer is striving to adequately respond to payment standards and infrastructure changes which are essential for payments processing. The Issuer is a participant in the EPC (European Payments Council) SEPA Instant Credit Transfer scheme and the ECB payment system for instant payments TIPS (T2 instant payments settlement), which enables cross-border payment transactions in Euro to be processed instantly. Significant effort was also put in necessary adaptations and adjustments in the Bank's payments process and its IT infrastructure (applications) in order to accommodate the requirements arising from TARGET2 and TARGET2 Securities consolidation, which was successfully done in 2023. CBPR+ migration to ISO XML (Extensible mark-up language of The International Organization for Standardization) messaging standard instead of SWIFT MT standard for international payments has been finalised. In 2024, the Issuer also started the migration of domestic SEPA credit payments to the SEPA instant payments scheme, which is expected to be completed in 3Q 2026.

In 2025, the majority of obligations under Regulation (EU) 2024/886 on instant credit transfers in Euro (the "**Instant Payments Regulation**") became applicable on 9 October 2025. The Issuer has implemented the required measures (including verification of payee, 24/7/365 instant execution within prescribed timeframes and payment limits management). Notwithstanding implementation, the regime increases operational, fraud and conduct risks, including potential outages or delays in real-time processing, false matches or data-quality issues in verification of payee, higher exposure to authorised push-payment fraud, reliance on scheme operators and third-party vendors, and data-protection risks from expanded identifier matching. While the Issuer has established controls, some incidents have been recorded. In 2025, there were 14 transactions totaling EUR 747,400, of which EUR 15,900 was successfully recovered across 3 transactions. In 2026, there were 10 transactions totaling EUR 131,250, with EUR 29,300 successfully recovered across 2 transactions. The controls remain in place, although, as with any instant payment framework, a degree of operational and fraud risk persists.

Additionally, new regulatory changes are expected as the EC has already published a set of new legislative proposals, notably the Payment Services Regulation ("**PSR**"), Third Payment Services Directive ("**PSD3**"), and the proposal on the Financial Data Access ("**FIDA**").

PSR, PSD3 and FIDA foresee changes to the foundational framework of the European payments market and will have a material impact on the players subject to it, both from a legal and operational perspective.

Further, such large-scale changes are accompanied by an increased risk of failure of upgraded systems or new components of IT systems.

Demand for digital and online customer experiences caused an extensive increase of new digital services and onboarding capabilities, while fulfilling consumer expectations for fast, easy and secure interactions. However, the rapid rise in digital activity has created new opportunities for fraudsters, exposing businesses and consumers to increased risks of fraud, identity theft and data breaches. The fraud landscape is constantly shifting as criminals look for new ways to slip through security loopholes in financial products and services, and target consumers with scams.

Therefore, the Issuer is exposed to the risk of ineffective risk management in the prevention of abuses, which may be the result of inadequate security protection, inadequate internal processes or systems, poor communication and human errors.

In addition, an on-site solution audit by a regulator could result in the imposition of additional regulatory requirements relating to payment services on the NLB Group.

Risks relating to changes in consumer financing regulation

To minimise the growth of excessive consumer lending, the BSI adopted the Regulation on macroprudential restrictions on consumer lending (*Sklep o makrobonitetnih omejitvah kreditiranja potrošnikov)* replacing the previous Regulations on macroprudential restrictions on household lending (*Sklep o makrobonitetnih omejitvah kreditiranja prebivalstva*) and the Regulation laying down the minimum creditworthiness amount for consumers (*Sklep o določitvi zneska minimalne kreditne sposobnosti potrošnika*), which both entered into force on 1 July 2023. Regulation on macroprudential restrictions on consumer lending stipulates the following binding macroprudential instruments: (i) a maximum ratio of annual debt servicing costs to a consumer's annual income (DSTI) when a loan agreement is concluded; (ii) limits on maturity, and (iii) limits and rules on creditworthiness calculations. This effectively sets binding minimum credit standards. Additionally, the Regulation laying down the minimum creditworthiness amount for consumers sets out the minimum amount of income that consumers must be left with each month after paying all instalments under credit agreements.

The regulation may therefore have a negative impact on demand for consumer lending products in Slovenia and thus have an adverse effect on the business and results of operations of the NLB Group.

2. RISKS ARISING FROM THE NOTES

2.1 Risks associated with the nature of the Notes

Holders are subject to risks resulting from the subordination of the Notes.

The Notes are intended to qualify as Additional Tier 1 instruments pursuant to Article 52 CRR ("**AT 1 Instruments**"). They will constitute direct, unsecured and subordinated obligations of the Issuer. Subject to mandatory provisions of law, in the event of normal insolvency proceedings (being compulsory liquidation (*prisilna likvidacija*) and bankruptcy proceedings (*stečaj*) or liquidation (*likvidacija*)) of the Issuer, the claims under the Notes will rank:

(i) junior to all present or future: (a) unsubordinated instruments or obligations of the Issuer; (b) any Tier 2 Instruments (as defined in the Terms and Conditions) and any instruments or obligations which rank *pari passu* with or senior to Tier 2 Instruments; and (c) any other instruments or obligations of the Issuer ranking or expressed to rank subordinated to any unsubordinated instruments or obligations of the Issuer (other than instruments or obligations referred to point (ii) and (iii) below);

(ii) *pari passu*: (a) among themselves; and (b) with all other present or future AT 1 Instruments; and (c) with all other present or future instruments or obligations ranking or expressed to rank *pari passu* with the AT 1 Instruments; and

(iii) senior to all present or future: (a) ordinary shares of the Issuer and any other Common Equity Tier 1 instruments (as defined in the Terms and Conditions); and (b) all other

subordinated instruments or obligations of the Issuer ranking or expressed to rank: (x) subordinated to the obligations of the Issuer under the Notes; or (y) *pari passu* with the ordinary shares of the Issuer and any other Common Equity Tier 1 instruments.

According to the first subparagraph of Article 48(7) BRRD, EU Member States shall ensure that, for (among others) institutions established in the EU, all claims resulting from own funds items have, in national laws governing normal insolvency proceedings, a lower priority ranking than any claim that does not result from an own funds item. A provision having such effect has not been included in the Resolution and Compulsory Winding-Up of Banks Act (*Zakon o reševanju in prisilnem prenehanju bank* - the "**ZRPPB-1**"). Further, according to the second subparagraph of Article 48(7) BRRD, to the extent that an instrument is only partly recognised as an own funds item, the whole instrument shall be treated as a claim resulting from an own funds item and shall rank lower than any claim that does not result from an own funds item. The wording of the ZRPPB-1 does not contain the part of the second subparagraph of the Article 48(7) BRRD stating "and shall rank lower than any claim that does not result from an own funds item". Therefore, ZRPPB-1 might be interpreted either (i) in a way that in the case of full derecognition of the Notes or other AT 1 Instruments of the Issuer from own funds, there is no mandatory override of the contractually agreed ranking in the Terms and Conditions which generally state that the Notes shall rank *pari passu* with all other present or future AT 1 Instruments of the Issuer, or (ii) in a way that subordinated claims resulting from other (former) own funds items of the Issuer, which would no longer be fully recognised as such, would rank senior to the Notes.

Therefore, claims resulting from the Notes may (depending on the above possible interpretation) potentially rank junior also to certain subordinated claims, including any obligations of the Issuer under the claims that result from other AT 1 Instruments, which are no longer fully recognised as own funds items.

Although the Notes may pay a higher rate of interest than other debt instruments which are not subordinated, there is a substantial risk that investors in subordinated notes such as the Notes will lose all or some of their investment, should the Issuer become insolvent or, following a write-down, either have insufficient profit to write up the Notes or decide in its sole discretion to not (or not fully) write up its Notes at all.

Holders must be aware that, in the circumstances described above, (a) the Issuer will make payments in respect of the Notes only in accordance with the subordination described above, and (b) the rights of the Holders under the Notes will be subject to the provisions of the ZRPPB-1 and the SRMR (as the Issuer may be subject to resolution tools and powers stipulated therein) and subsequently, the rights of the Holders under the Notes may be subject to the provisions of other (national) insolvency laws applicable to the Issuer from time to time. In a liquidation, dissolution, bankruptcy, composition, resolution or other proceeding for the avoidance of bankruptcy of, or against, the Issuer, it is very likely that the Holders may recover proportionately less than the holders of unsubordinated obligations of the Issuer or may recover nothing at all.

Furthermore, claims of the Issuer are not permitted to be set-off or netted against payment obligations of the Issuer under the Notes which are not, and may not become secured or subject to a guarantee or any other arrangement that enhances the seniority of the claim under the Notes. A Holder should therefore not expect to be able to set-off any obligations of the Issuer under the Notes against obligations of the Holder *vis-à-vis* the Issuer.

The Issuer is not prohibited from issuing further debt which may rank pari passu with or senior to the Notes.

The Terms and Conditions place no restriction on the amount of debt that the Issuer may issue or guarantee that ranks senior to, or *pari passu* with, the Notes. The Issuer may also issue debt instruments with trigger levels for write-down or conversion that are lower than those of the Notes (to the extent permitted by the Applicable Supervisory Regulations (as defined in the Terms and Conditions)), so that such debt instruments absorb losses after the Notes.

The issue or guaranteeing of any such debt instruments may reduce the amount recoverable by Holders upon the Issuer's insolvency. If the Issuer's financial condition were to deteriorate, the Holders could suffer direct and materially adverse consequences, including cancellation of interest and reduction of the principal amount of the Notes and, if the Issuer were liquidated, the Holders could suffer loss of their entire investment (total loss).

In addition, the Issuer is not prohibited from issuing or guaranteeing other instruments that share in, or which depend upon, Available Distributable Items (as defined below), thereby reducing the amount available for interest under the Notes. This could result in interest payments on the Notes being either reduced or even cancelled entirely.

"**Available Distributable Items**" means in respect of any payment of interest on the Notes the distributable items as defined in Article 4(1)(128) CRR, as amended from time to time, in respect of each financial year of the Issuer, as at the end of the latest financial year of the Issuer ended prior to the relevant Interest Payment Date for which such Relevant Financial Statements are available, all as determined in accordance with the accounting principles applied by the Issuer and as derived from the most recent Relevant Financial Statements.

The Issuer may, in its full discretion, cancel payments of interest on the Notes and/or any NLB Refund payment and may, in certain circumstances be required to cancel such payments. The cancellation of interest payments and/or any NLB Refund payment will be definitive and non-cumulative.

The Issuer, at its full discretion, may, at all times cancel, in whole or in part, any payment of interest on the Notes scheduled to be paid on any Interest Payment Date for an unlimited period and on a non-cumulative basis.

The Issuer may cancel (in whole or in part) any interest payment on the Notes and/or any NLB Refund payment at its discretion and may pay dividends on its shares notwithstanding such cancellation. In addition, the Issuer may without restriction use funds that could have been applied to make such cancelled payments to meet its other obligations as they become due.

In certain circumstances the Issuer will be required to cancel payments of interest on the Notes and/or any payments of NLB Refund under the WHT Refund Agreement, which cancellation will be definitive and non-cumulative.

Without prejudice to such full discretion of the Issuer to cancel interest at all times, any payment of interest scheduled to be paid on the Notes on any Interest Payment Date and/or

any NLB Refund payment pursuant to any WHT Refund Agreement shall be cancelled mandatorily and automatically, in whole or in part, if and to the extent that:

(i) the Issuer is insolvent, or the payment of the relevant amount would result in the insolvency of the Issuer; or

(ii) the amount of such interest payment or NLB Refund payment together with any further Relevant Distributions would exceed the Available Distributable Items, provided that, for such purpose, the Available Distributable Items shall be increased by an amount equal to what has been accounted for as expenses for payments of interest, dividends or distributions on Tier 1 Instruments (including payments of interest on the Notes and any NLB Refund payment) in the calculation of the profit on which the Available Distributable Items are based; or

(iii) the Competent Authority orders the relevant interest payment scheduled to be paid on the Notes to be cancelled in whole or in part; or

(iv) another prohibition or restriction to make an interest payment on the Notes, or to make such interest payment on the Notes when aggregated with any other applicable Relevant Distributions, is imposed by law or any authority.

In addition, if a Write-down occurs during any Interest Period, unpaid interest accrued on the Current Principal Amount to but excluding the Write-down Effective Date will be cancelled mandatorily and automatically in full.

With respect to cancellation of interest due to insufficient Available Distributable Items, see "*The level of the Issuer's Available Distributable Items is affected by a number of factors and insufficient Available Distributable Items will restrict the ability of the Issuer to make interest payments on the Notes and any NLB Refund payments.*" below.

The Applicable Supervisory Regulations give the Competent Authority certain supervisory measures and powers which would apply if the Issuer fails (or is likely to fail) to comply with applicable regulations. The Competent Authority has broad powers thereunder to impose requirements on the Issuer to strengthen its capital position, the effect of which could, among others, be to restrict or prohibit payments of interest on the Notes and/or payments of the NLB Refund. If the Competent Authority imposes such requirements, the Issuer will cancel interest payments in respect of the Notes and/or any NLB Refund payments. Such powers of the Competent Authority could be exercised even if the Issuer has sufficient Available Distributable Items and no Maximum Distributable Amounts restrictions apply at the time.

Prohibitions on interest payments imposed by law or any authority pursuant to paragraph (iv) include, but are not limited to,

(A) any restrictions of distributions as a result of non-compliance with the combined buffer requirement (howsoever defined in the Applicable Supervisory Regulations) applicable at the time;

(B) any prohibition of distributions in connection with the calculation of the maximum distributable amount relating to the Issuer and/or the NLB Group, as the case may be, required from time to time in accordance with the Applicable Supervisory Regulations ("**Maximum Distributable Amount**");

(C) the limit resulting from, or any other restriction operating as, any Maximum Distributable Amount in accordance with any legal or regulatory requirements applicable to the Issuer and/or the NLB Group at the time under the Applicable Supervisory Regulations.

See "*1.6 Regulatory risks - NLB may be required to increase its capital in future for a range of different reasons, including as a result of changing regulatory requirements (including MREL), and may experience material difficulty in raising any such additional capital and other NLB Group banks are subject to capital requirements in their own jurisdictions of operation and any failure by one or more of these banks to maintain appropriate levels of capital could have a material adverse effect on the NLB Group*" above and "*Strategy, Performance and Business Environment – Capital Requirements*" below for more details on the Combined Buffer Requirement applicable to the Issuer.

Under Article 141(2) (*Restrictions on distributions*) of the Capital Requirements Directive, EU member states must require that institutions that fail to meet the combined buffer requirement are subject to restricted discretionary payments (which includes distributions in connection with common equity tier 1, payments on AT 1 Instruments (such as the Notes) and payments of variable remuneration and discretionary pension benefits). In the event of a breach of the combined buffer requirement, the restrictions under Article 141(2) of the Capital Requirements Directive will be scaled according to the extent of the breach of the combined buffer requirement and calculated as a percentage of the institution's profits. Such calculation will result in a "maximum distributable amount" in each relevant period. As a consequence, in the event of breach of the Combined Buffer Requirement, the Issuer's discretionary payments will be restricted and the Issuer may be unable to make interest payments in respect of the Notes and, consequently, such interest payment shall be cancelled.

Additionally, pursuant to the EU Banking Package, a new Article 141a (*Failure to meet the combined buffer requirement*) was introduced in the Capital Requirements Directive to better clarify, for the purposes of restrictions on distributions in Article 141 (*Restrictions on distributions*) thereof, the relationship between the additional own funds requirements (i.e. the Pillar 2 Requirement (as defined below)), the minimum own funds requirements and the Combined Buffer Requirement (the so-called "**stacking order**"). Under this provision, an institution such as the Issuer will be considered as failing to meet the Combined Buffer Requirement for the purposes of Article 141 (*Restrictions on distributions*) of the Capital Requirements Directive where it does not have own funds in an amount and of the quality needed to meet at the same time the requirement defined in Article 128(6) of the Capital Requirements Directive (*i.e.*, the Combined Buffer Requirement) as well as each of the minimum own funds requirements and the additional own funds requirements. In addition, the new Article 16a of the BRRD was introduced to better clarify the stacking order between the Combined Buffer Requirement and the MREL. Pursuant to this provision, a resolution authority shall have the power to prohibit an entity from distributing more than the M-MDA (calculated in accordance with Article 16a(4) of the BRRD) where the Combined Buffer Requirement and the MREL requirements are not met. Article 16a of the BRRD includes a nine-month grace period whereby the Resolution Authority assesses on a monthly basis whether to exercise its powers under the provision before such resolution authority is compelled to exercise its power under the provisions (subject to certain limited exceptions).

Furthermore, a new Article 141b of the Capital Requirements Directive applicable only to global systemically important banks ("**G-SIBs**") was introduced to introduce a restriction on

distributions in the case of a failure to meet the leverage ratio buffer, with provision for the maximum distributable amount related to the leverage ratio ("**L-MDA**") to be calculated. Whilst the Issuer is not presently designated as a G-SIB, no assurance can be given that the L-MDA restrictions will not be extended to other systemically important institutions over time, which may include the Issuer.

The M-MDA and, if in the future applicable to the Issuer, the L-MDA will both limit the same distributions as the maximum distributable amount pursuant to Article 141 (*Restrictions on distributions*) of the Capital Requirements Directive and so may limit the aggregate amount of interest and redemption amounts that may be payable on the Notes and may thus result in the Issuer cancelling such interest payments.

Furthermore, Holders will bear the risk of changes to the Issuer's or the NLB Group's capital, leverage and/or MREL resources in general and, in particular, to the Issuer CET 1 Capital Ratio and the Group CET 1 Capital Ratio (as defined below). Any changes to the rules to include more onerous requirements, and/or any decrease in the Issuer's or the NLB Group's capital, leverage and/or MREL resources, and/or increase in such requirements applicable to the Issuer or the NLB Group, may increase the risk of the Issuer breaching its Combined Buffer Requirements and being bound by Article 141 (*Restrictions on distribution*) of the Capital Requirements Directive, the M-MDA or L-MDA, as applicable, which may, in turn, increase the risk of the Issuer cancelling interest payments in respect of the Notes. However, Holders may not be able to predict accurately the proximity of the risk of payments on the Notes being prohibited from time to time as a result of the operation of Article 141 (*Restrictions on distributions*) of the Capital Requirements Directive, the M-MDA or L-MDA, as applicable.

"**Group CET 1 Capital Ratio**" means the Common Equity Tier 1 Capital Ratio pursuant to Article 92(2)(a) CRR of the NLB Group on a (sub-)consolidated basis, as calculated in accordance with the Applicable Supervisory Regulations and "**Issuer CET 1 Capital Ratio**" means the Common Equity Tier 1 Capital Ratio pursuant to Article 92(2)(a) CRR of the Issuer on an individual basis, as calculated in accordance with the Applicable Supervisory Regulations.

Any interest payment cancelled in accordance with § 3(5) of the Terms and Conditions will be non-cumulative and will be cancelled permanently and no payments will be made, nor will any Holder be entitled to receive any payment or indemnity in respect thereof. Any such cancellation of interest will not constitute an event of default of the Issuer and will not impose any restrictions on the Issuer. The Issuer may use such cancelled payments without restrictions to meet its obligations as they fall due.

Any actual or anticipated cancellation of interest on the Notes and/or NLB Refund payments will likely have an adverse effect on the market price of the Notes. In addition, as a result of the interest cancellation provisions of the Notes, the market price of the Notes may be more volatile than the market prices of other debt securities on which interest accrues that are not subject to such cancellation and may be more sensitive generally to adverse changes in the Issuer's financial condition.

Moreover, any indication that the Issuer CET 1 Capital Ratio or the Group CET 1 Capital Ratio is trending towards the minimum applicable combined buffer or, more generally, a decline or perceived decline in the Issuer's or the NLB Group's capital, leverage and/or MREL resources towards a level at which a breach of the Combined Buffer Requirement, the M-

MDA or L-MDA, as applicable, may occur may have an adverse effect on the market price of the Notes.

The level of the Issuer's Available Distributable Items is affected by a number of factors and insufficient Available Distributable Items will restrict the ability of the Issuer to make interest payments on the Notes and any NLB Refund payments.

The Issuer will be required to mandatorily and automatically cancel, in whole or in part, any payment of interest scheduled to be paid on the Notes on an Interest Payment Date and/or any NLB Refund payment if and to the extent that the amount of such interest payment and/or NLB Refund payment together with any further Relevant Distributions would exceed the Available Distributable Items.

In order to determine whether the Issuer would be permitted, pursuant to the terms of the Notes, to make an interest payment on the Notes on any Interest Payment Date, first, a determination of Available Distributable Items in accordance with the terms of the Notes must be made.

The level of the Issuer's Available Distributable Items and available funding, and therefore its ability to make interest payments under the Notes, are a function of the existing and future profitability of the Issuer and the NLB Group and the ability of the Issuer's subsidiaries to distribute or dividend profits up to the Issuer. As at 31 December 2025, the Issuer's Available Distributable Items amounted to EUR 1,351,948,745, while as at 30 September 2026 EUR 1,193,001,778. In addition, the Issuer's Available Distributable Items available for making interest payments to Holders may also be adversely affected by the servicing of instruments ranking *pari passu* with or senior to the Notes, as well as on more junior ranking instruments such as dividends on the Issuer's ordinary shares.

Therefore, the Issuer's Available Distributable Items and its available funding, and consequently, the Issuer's ability to make interest payments under the Notes, may be adversely affected by the performance of the business of the Issuer and the NLB Group in general, factors affecting its financial position (including capital and leverage), the economic environment in which the Issuer and/or the NLB Group operates and other factors outside of the Issuer's control.

The actual level of the Issuer's Available Distributable Items may be significantly impacted by the Issuer's decisions to allocate sums to distributable and non-distributable reserves or to make any earnings adjustments as well as other factors that influence the Issuer's profitability in general.

In addition, the ability of the Issuer's subsidiaries to make distributions and the Issuer's ability to receive distributions and other payments from its investments in other entities is subject to the performance of those subsidiaries and entities enabling them to make payments to the Issuer (in the form of dividends or otherwise) and to applicable laws and other restrictions, including such subsidiaries' respective regulatory, capital and leverage requirements, statutory reserves (including the distributable nature thereof), financial and operating performance and applicable tax laws.

The level of the Issuer's Available Distributable Items may be further affected by changes to regulation, accounting rules or the requirements and expectations of applicable regulatory authorities.

Any of these factors could adversely affect the Issuer's Available Distributable Items in the future. Should the Issuer have insufficient Available Distributable Items, the Issuer shall mandatorily and automatically cancel the relevant interest payment on the Notes, as discussed in "*The Issuer may, in its full discretion, cancel payments of interest on the Notes and/or any NLB Refund payment and may, in certain circumstances be required to cancel such payments. The cancellation of interest payments and/or any NLB Refund payment will be definitive and non-cumulative.*" above.

The Issuer may be required to reduce the initial principal amount of the Notes to absorb losses, which would reduce any redemption amount and any interest payable on the Notes while the Notes are written down.

The Notes are issued in order to meet prudential capital requirements with the intention and purpose of being eligible as own funds of the Issuer. In the opinion of the Issuer, the Notes shall constitute AT 1 Instruments of the Issuer upon issue, i.e. AT1 Instruments pursuant to Article 52 CRR on a solo and/or (sub-)consolidated level of the Issuer. Such eligibility depends on a number of statutory conditions being satisfied. One of these conditions relates to the ability of the Notes and the proceeds of their issue to be available to absorb any losses of the Issuer. Accordingly, under the Terms and Conditions, if it has been determined that: (i) the Group CET 1 Capital Ratio and/or (ii) the Issuer CET 1 Capital Ratio fall to an amount that is lower than the applicable minimum trigger level of 5.125 per cent. (a "**Trigger Event**"), the Issuer will reduce the then Current Principal Amount of the Notes by the Write-down Amount (as defined in the Terms and Conditions).

For the avoidance of doubt, a Trigger Event may be determined at any time and may occur on more than one occasion and each Note may be subject to a write-down on more than one occasion. The occurrence of a Trigger Event, which would result in a write-down of the then Current Principal Amount of the Notes, is inherently unpredictable and depends on a number of factors, many of which may be outside the Issuer's control.

The Issuer's current and future outstanding junior securities might not include write-down or similar features with triggers comparable to those of the Notes and/or the write-down or conversion features of other loss absorbing instruments may not be fully effective in all circumstances. As a result, it is possible that the Notes will be subject to a write-down, while junior securities (including equity securities) remain outstanding and continue to receive payments and, as such, the Holders may be subject to losses ahead of holders of junior securities (including equity securities). It is also possible that Holders may be subject to greater losses if the write-down or conversion features of other loss absorbing instruments are not fully effective.

If a write-down pursuant to the Terms and Conditions occurs during any interest period, unpaid interest accrued on the then Current Principal Amount to but excluding the Write-down Effective Date (as defined in the Terms and Conditions) is cancelled. In accordance with the Terms and Conditions, the Notes shall bear interest on the then adjusted Current Principal Amount from and including the Write-down Effective Date.

Holders may lose all or some of their investment as a result of a write-down. If the Issuer is liquidated or becomes insolvent prior to the Notes being written up in full (if at all) pursuant to the Terms and Conditions, Holders' claims for principal and interest will be based on the then reduced Current Principal Amount of the Notes.

Upon the occurrence of a Trigger Event, there may be a write-down of the Notes even if other capital instruments of the Issuer are not written down or converted into Common Equity Tier 1 instruments.

The Terms and Conditions of other capital instruments already in issue or to be issued after the date hereof by the Issuer may vary and accordingly such instruments may not be written down at the same time as the Notes if the Notes are written down, or to the same extent, as the Notes, or at all. Alternatively, such other capital instruments may provide that they shall convert into Common Equity Tier 1 instruments, or become entitled to reinstatement of the principal amount of the Notes or other compensation in the event of a potential recovery of the Issuer and/or any other member of the Group or a subsequent change in the financial condition thereof. Such capital instruments may also provide for such reinstatement or compensation in different circumstances from those in which, or to a different extent to which, the principal amount of the Notes may be reinstated.

Upon the occurrence of a Trigger Event, to the extent that the prior or *pro rata* write-down or conversion of any other capital instruments issued by the Issuer is not applicable under their respective terms, or if applicable, does not occur for any reason, this shall not in any way affect the write-down of the Note.

The Issuer is under no obligation to reinstate any written down amounts.

The Issuer is under no obligation to reinstate any principal amounts which have been subject to any write-down up to a maximum of the Original Principal Amount, even if certain conditions (further described in the Terms and Conditions) that would permit the Issuer to do so were met. Any write-up of the Notes is at the sole discretion of the Issuer.

Moreover, the Issuer will, *inter alia*, only have the option to write-up the Current Principal Amount of the Notes if, at a time when the then Current Principal Amount of the Notes is less than their Original Principal Amount, (i) no Trigger Event is continuing nor would such write-up give rise to a Trigger Event, (ii) positive Profit is recorded on an individual basis and (sub-)consolidated basis, and (iii) if the Maximum Distributable Amount (if any) (when the amount of the write-up is aggregated together with other relevant discretionary distributions) would not be exceeded when operating a write-up, as further described in § 5(9) of the Terms and Conditions.

No assurance is given that these conditions will ever be met or that the Issuer will ever write up (fully or partially) the principal amount (i.e. the then Current Principal Amount) of the Notes following a write-down.

The market price of the Notes is expected to be affected by fluctuations in the Issuer CET 1 Capital Ratio and/or the Group CET 1 Capital Ratio. Any indication that the Issuer CET 1 Capital Ratio and/or the Group CET 1 Capital Ratio are approaching the level that would trigger a Trigger Event may have an adverse effect on the market price of the Notes.

Holders will bear the risk of changes in the Issuer CET 1 Capital Ratio and the Group CET 1 Capital Ratio.

The market price of the Notes is expected to be affected by changes in the Issuer CET 1 Capital Ratio and the Group CET 1 Capital Ratio. Changes in the Issuer CET 1 Capital Ratio and/or the Group CET 1 Capital Ratio may be caused by changes in the amount of CET 1

capital and/or risk exposure amounts, as well as changes to their respective definition and interpretation under the applicable banking regulations.

The Issuer only publicly reports the Issuer CET 1 Capital Ratio and Group CET 1 Capital Ratio at the end of each quarter. Therefore, during the quarter there is no update to these ratios, and there may be no prior warning of adverse changes to the Issuer CET 1 Capital Ratio and/or the Group CET 1 Capital Ratio. However, any indication that the Issuer CET 1 Capital Ratio and/or the Group CET 1 Capital Ratio is moving towards the level of a Trigger Event (as defined in the Terms and Conditions) or of a breach of the Maximum Distributable Amount (as defined in the Terms and Conditions) may have an adverse effect on the market price of the Notes.

In addition, the authority having primary responsibility for the prudential supervision of the Issuer and/or the NLB Group at the relevant time (the "**Competent Authority**"), as part of its supervisory activity, may instruct the Issuer to calculate such ratios as at any time, including if the Issuer and/or the NLB Group is subject to recovery and resolution actions by the relevant resolution authority, or the Issuer might otherwise determine to calculate such ratios in its own discretion at any time. Moreover, the relevant resolution authority is likely to allow a Trigger Event to occur rather than to resort to the use of public funds.

The circumstances surrounding a Trigger Event are unpredictable, and there are a number of factors that could affect the Issuer CET 1 Capital Ratio as well as the Group CET 1 Capital Ratio and, more generally, the Issuer's and the NLB Group's overall capital position.

The occurrence of a Trigger Event is inherently unpredictable and depends on a number of factors, including those discussed in greater detail in the following paragraphs, any of which may be outside the Issuer's control.

The calculation of the Issuer CET 1 Capital Ratio or the Group CET 1 Capital Ratio, and, more generally, their overall capital position, could be affected by one or more factors, including, among other things, changes in the mix of the NLB Group's business, major events affecting the NLB Group's earnings, dividend payments by the Issuer, regulatory changes (including changes to definitions and calculations of regulatory capital ratios and their components and the regulatory output floors contemplated by the so-called 'Basel IV' reform, which set floors in capital requirements calculated under internal models in terms of a percentage of the capital requirements that would result under the standardised approach) and the NLB Group's ability to manage its risk exposure amount in both its ongoing businesses and those which it may seek to exit. In addition, the NLB Group has capital resources and risk exposure amounts denominated in foreign currencies, and changes in foreign exchange rates will result in changes in the balance sheet value of foreign currency denominated capital resources and risk exposure amounts. As a result, the Issuer CET 1 Capital Ratio as well as the Group CET 1 Capital Ratio (and the Issuer and the NLB Group's overall capital position) are exposed to foreign currency movements.

The calculation of the Issuer CET 1 Capital Ratio and the Group CET 1 Capital Ratio (and overall capital position) may also be affected by changes in applicable accounting rules, or by changes to regulatory adjustments which modify the regulatory capital impact of accounting rules. Moreover, even if changes in applicable accounting rules, or changes to regulatory adjustments which modify accounting rules, are not yet in force as of the relevant

calculation date, the Competent Authority could require the Issuer to reflect such changes in any particular calculation of the Issuer CET 1 Capital Ratio.

Accordingly, accounting changes or regulatory changes may have a material adverse impact on the NLB Group's calculations of regulatory capital, including the Group CET 1 Capital Ratio.

The calculation of the Issuer CET 1 Capital Ratio and the Group CET 1 Capital Ratio and their constituent elements (and the overall capital position) and the levels at which the applicable trigger level is set may continue to vary from time to time. Because of the inherent uncertainty regarding whether a Trigger Event will occur, it will be difficult to predict when, if at all, a write-down may occur. Accordingly, the trading behaviour of the Notes is not necessarily expected to follow the trading behaviour of other types of security. Any indication that a Trigger Event may occur can be expected to have a material adverse effect on the market price of the Notes.

The Holders have no ownership or voting rights in the Issuer and the Issuer's interests may not be aligned with those of investors in the Notes.

An investment into the Notes is an investment into debt instruments, which does not confer any legal or beneficial interest in the equity of the Issuer or any of the subsidiaries thereof or any voting rights or rights to receive dividends or other rights which may arise from equity instruments. Holders therefore cannot influence any decisions by the Issuer concerning the capital structure or any other matters relating to the Issuer.

The Issuer CET 1 Capital Ratio as well as the Group CET 1 Capital Ratio, the Available Distributable Items and the Maximum Distributable Amount will depend in part on decisions made by the Issuer and/or other members of the NLB Group relating to their businesses and operations, as well as the management of their capital position. The Issuer and/or other members of the NLB Group will have no obligation to consider the interests of Holders in connection with their strategic decisions, including in respect of capital management and the relationship among the various members of the NLB Group.

The Issuer may decide not to raise capital at a time when it is feasible to do so, even if that would result in the occurrence of a Trigger Event. Moreover, in order to avoid the use of public resources, the Competent Authority and/or the Resolution Authority (as defined herein) may decide that the Issuer should allow a Trigger Event to occur at a time when it is feasible to avoid it.

Holders will not have any claim against the Issuer and/or other members of the NLB Group relating to decisions that affect the capital position of the Issuer and/or the NLB Group, regardless of whether they result in the occurrence of a Trigger Event. Such decisions could cause Holders to lose all or part of their investment in the Notes.

The ability of the Notes to count towards the Issuer's additional tier 1 capital is subject to permission from the Competent Authority and the regulatory classification of the Notes as AT 1 Instruments may be changed.

Pursuant to Article 178(2) of ZBan-4, the Issuer is required to obtain the permission of the Competent Authority to include the Notes in whole in the calculation of its additional tier 1 capital. No assurance is given that the Competent Authority will grant such permission. If such permission is given in due course, there is the risk that there is a change in the regulatory classification of AT 1 Instruments that would be likely to result in the exclusion of the Notes

from own funds or reclassification as a lower quality form of own funds. In either case, this can have a negative impact on the capitalisation of the Issuer and might lead, subject to further conditions being fulfilled, to the redemption of the Notes. Please also refer to the risk factor "*The Notes are perpetual and may not be redeemed at the option of Holders, any rights of the Issuer to redeem or repurchase Notes are subject to the prior permission of the Competent Authority, and redemption may occur at a time when the redemption proceeds are less than the market price of the Notes*".

The Notes are perpetual and may not be redeemed at the option of Holders. Any rights of the Issuer to redeem or repurchase Notes are subject to certain conditions, and redemption may occur at a time when the redemption proceeds are less than the market price of the Notes.

The Notes are perpetual and have no scheduled maturity date and shall not fall due for redemption except in the cases provided for in §§ 5(3), 5(4), 5(5) or 5(6) of the Terms and Conditions, in each case subject to the limitations and conditions in § 5(7) of the Terms and Conditions. The Issuer is under no obligation to redeem the Notes at any time before its liquidation (*likvidacija*) or normal insolvency proceedings (being compulsory liquidation *(prisilna likvidacija)* and bankruptcy proceedings *(stečaj)*).

As noted above, pursuant to Article 178(2) of ZBan-4, the Issuer is required to obtain the permission of the Competent Authority to include the Notes in whole in the calculation of its additional tier 1 capital. The Issuer may redeem the Notes at any time at the then Current Principal Amount plus accrued interest, subject to cancellation of interest pursuant to § 3(5) and § 5(8) of the Terms and Conditions, if, by 17 May 2027, the Issuer fails to obtain the permission of the Competent Authority pursuant to Article 178(2) of the ZBan-4 to include the Notes in whole in the calculation of its Additional Tier 1 capital. Pursuant to the Applicable Supervisory Regulations in effect on the date of this Prospectus, the Issuer may not be required to obtain the prior permission of the Competent Authority for such redemption.

In addition, the Issuer may, at its sole discretion,

(i) redeem the Notes at any time either for tax or regulatory reasons at the then Current Principal Amount plus accrued interest, subject to cancellation of interest pursuant to § 3(5) and § 5(8) of the Terms and Conditions;

(ii) redeem the Notes, on (i) the First Reset Date; and (ii) each Interest Payment Date following the First Reset Date (each, an "**Optional Redemption Date**") at the Current Principal Amount plus accrued interest, subject to cancellation of interest pursuant to § 3(5) and § 5(8) of the Terms and Conditions; or

(iii) redeem the Notes at any time the number of Notes outstanding and held by persons other than NLB Group has fallen to 25 per cent. or less of the Notes originally issued, at their Current Principal Amount together with accrued and unpaid interest, subject to cancellation of interest pursuant to §3(5) and § 5(8) of the Terms and Conditions.

Subject to the limitations and conditions in the Terms and Conditions, the Issuer may exercise its right to redeem the Notes at its option on Optional Redemption Dates only if the Current Principal Amount of each Note is equal to its Original Principal Amount.

Such optional redemption features are likely to limit the market price of the Notes, as during any period when the Issuer may decide to redeem the Notes, the market price of the Notes generally will not rise substantially above the price at which they can be redeemed.

Any such redemption in paragraphs (i), (ii) and (iii) above and any repurchase of the Notes (including any repurchase for market making purposes) are subject to the prior permission pursuant to Article 77 et seqq. CRR of the Competent Authority which is responsible to supervise the Issuer and/or the NLB Group and compliance with regulatory capital rules applicable from time to time to the Issuer. In addition, it might be possible that the Issuer also requires the prior permission by the Resolution Authority.

Under the CRR, the Competent Authority may only permit institutions to redeem AT 1 Instruments, if certain conditions prescribed by the CRR are complied with. These conditions, as well as a number of other technical rules and standards relating to regulatory capital requirements applicable to the Issuer, should be taken into account by the Competent Authority in its assessment of whether or not to permit any redemption or repurchase. It is uncertain how the Competent Authority and/or the Resolution Authority will apply these criteria in practice and such rules and standards may change during the tenor of the Notes. It is therefore difficult to predict whether, and if so, on what terms, the Competent Authority and/or the Resolution Authority will grant its prior permission for any redemption or repurchase of the Notes.

Furthermore, even if the Issuer would be granted the prior permission of the Competent Authority and/or the Resolution Authority, any decision by the Issuer as to whether it will redeem the Notes will be made at the absolute discretion of the Issuer, and the Issuer may have regard to external factors such as the economic and market impact of exercising a redemption right, regulatory capital requirements and prevailing market conditions. The Issuer disclaims, and investors should therefore not expect, that the Issuer will exercise any redemption right in relation to the Notes. Holders should therefore be aware that they may be required to bear the financial risks of an investment in the Notes perpetually.

The Holders have no rights to call for redemption of their Notes and should not invest in the Notes in the expectation that any redemption right will be exercised by the Issuer. Excluding the Holders' right to demand for redemption of the Notes is mandatory due to the applicable supervisory regulations. Thus, without redemption by Holders being excluded, the Issuer would not be able to issue the Notes at all. Investors should therefore carefully consider whether they think that a right of redemption only for the Issuer would be to their detriment, and should, if they think that this is the case, not invest in the Notes.

Even if the Issuer redeems the Notes in any of the circumstances mentioned above, there is a risk that the Notes may be redeemed at times when the redemption proceeds are less than the current market price of the Notes (i.e. if the Notes are trading above par or, in case of redemption for regulatory reasons, reasons of taxation or redemption for minimal outstanding Notes, if the Current Principal Amount is below par), which may result in a crystallisation of a loss for the Holders, in particular if the Current Principal Amount is less than the Original Principal Amount, in case of a redemption of the Notes for regulatory reasons, reasons of taxation or redemption for minimal outstanding Notes. See "*The Issuer may be required to reduce the initial principal amount of the Notes to absorb losses, which would reduce any redemption amount and any interest payable on the Notes while the Notes are written down*" above.

In the event that any Notes are redeemed, Holders may be exposed to risks, including the risk that their investment will have a lower than expected yield (risk of redemption).

According to the Terms and Conditions, the Issuer has the right to call the Notes in certain circumstances. If the Issuer redeems the Notes, a Holder is exposed to the risk that, due to such redemption, its investment will have a lower than expected yield. The Issuer might exercise its call right if the yield on comparable notes in the capital markets falls, which means that the Holders may only be able to reinvest the redemption proceeds in notes with a lower yield or with a similar yield of a higher risk, in particular if the Current Principal Amount is less than the Original Principal Amount.

The Notes do not include express events of default

The Terms and Conditions do not provide for events of default allowing acceleration of the Notes if certain events occur. Accordingly, if the Issuer fails to meet any obligations due and payable under the Notes (although in any case, payments of interest are at the sole discretion of the Issuer) investors will not have a right of acceleration of the Notes. Upon a payment default relating to any obligations under the Notes, the sole remedy available to Holders for recovery of amounts owing in respect of any such payment will be the institution of proceedings to enforce such payment. Notwithstanding the foregoing, the Issuer will not, by virtue of the opening of any such proceedings, be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it.

Holders are exposed to the risk of statutory loss absorption.

The BRRD entered into force in July 2014 and has been subsequently amended. The stated aim of the BRRD is to provide authorities with common tools and powers to address banking crises pre-emptively in order to safeguard financial stability and minimise taxpayers' exposure to losses. The BRRD, as amended, was implemented in Slovenia through the ZRPPB-1.

The Issuer is also subject to the SRM Regulation which gives specific powers to the Single Resolution Mechanism to exercise resolution powers similar to those under the BRRD.

The powers granted to the authorities designated by EU Member States to apply the resolution tools and exercise the resolution powers set forth in the BRRD ("**resolution authorities**") include the introduction of a statutory "write-down and conversion power" with respect to capital instruments and a "bail-in power", which will give the relevant resolution authority the power to cancel all or a portion of the principal amount of, or interest on, certain other eligible liabilities, whether unsubordinated or subordinated, of a failing financial institution and/or to convert certain debt claims into another security, including ordinary shares of the surviving group entity, if any, which may itself be written down.

The bail-in power can be used to recapitalise an institution that is failing or about to fail, allowing authorities to restructure it through the resolution process and restore its viability after reorganisation and restructuring. The write-down and conversion power can be used to ensure that tier 1 and tier 2 capital instruments fully absorb losses at the point of non-viability of an institution (or, if applicable, its group) and before any other resolution action is taken. The ZRPPB-1 specifies the order in which the bail-in tool should be applied in relation to the Issuer, reflecting the hierarchy of capital instruments under the Capital Requirements Directive and otherwise respecting the hierarchy of claims in an ordinary insolvency.

Accordingly, if cancellation in full of all ordinary shares and any other Common Equity Tier 1 instruments of the Issuer will not be sufficient to achieve the required loss absorption effect, the bail-in power or the statutory write-down and conversion power will be applied to the Notes and other AT1 Instruments before any higher ranking liabilities of the Issuer, such as Tier 2 Instruments or unsubordinated liabilities will be affected. The determination that all or a part of the principal amount of the Notes will be subject to bail-in or statutory write-down and/or conversion, is likely to be inherently unpredictable and may depend on a number of factors which may be outside of the Issuer's control. The application of the bail-in tool or the exercise of the statutory write-down and conversion power, may result in the cancellation of all or a portion of the principal amount of, or interest on, the Notes and/or the conversion of all, or a portion, of the principal amount of, or outstanding amount payable in respect of, or interest on, the Notes into ordinary shares or other securities of the Issuer or another person, including by means of a variation to the terms of the Notes to give effect to such application of the bail-in tool and/or the statutory write-down and/or conversion power (as the case may be).

Accordingly, potential investors in the Notes should consider the risk that the bail-in tool and/or the statutory write-down and/or conversion power may be applied in such a manner as to result in Holders losing all or a part of the value of their investment in the Notes or receiving a different security than the Notes, which may be worth significantly less than the Notes and which may have significantly fewer protections than those typically afforded to debt securities. Moreover, the Resolution Authority may exercise its authority to apply the bail-in tool and/or the statutory write-down and/or conversion power (as the case may be) without providing any advance notice to the Holders. Holders may also have limited or no rights to challenge any decision of the Resolution Authority to exercise the bail-in power and/or the statutory write-down and/or conversion power or to have that decision reviewed by a judicial or administrative process or otherwise.

In addition to the bail-in power and the statutory write-down and conversion power, the BRRD (as implemented through the ZRPPB-1) provides resolution authorities with broader powers to implement other resolution measures with respect to distressed banks, including the sale of business tool, the bridge institution tool and the asset separation tool. The resolution authorities will likely allow the use of financial public support only as a last resort after having assessed and exploited, to the maximum extent practicable, the resolution tools, including the bail-in tool and/or the statutory write-down and/or conversion powers. The resolution authorities are granted certain ancillary powers such as modifying the terms of debt instruments, such as the Notes (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments), and/or discontinuing the listing and admission to trading of financial instruments.

The exercise of any actions contemplated in the BRRD (as implemented through the ZRPPB-1) or any suggestion of such exercise would likely materially adversely affect the price or value of an investment in Notes and/or the ability of the Issuer to satisfy its obligations under the Notes and could lead to the Holders losing some or all of their investment in the Notes. Prospective investors in the Notes should consult their own advisors as to the consequences of the implementation of the BRRD.

Additionally, the ZRPPB-1 provides that an institution under resolution shall not be permitted to make any payments of principal or interest under its capital instruments (which may include the Notes), regardless of their maturity, unless prior approval of the Resolution Authority has been obtained. Therefore, should the Resolution Authority take a resolution

action in relation to the Issuer, it is likely that the Holder will not receive payments of principal or interest payable under the Notes when due. Accordingly, the application, announcement or expectations of resolution measures being applied to the Issuer would negatively impact the rights of the Holder, the value of the Notes and the performance of the Issuer's obligations in respect of the Notes.

Furthermore, the ZRPPB-1 provides that the Resolution Authority shall have the power to discontinue or suspend the admission to trading on a market or the official listing of financial instruments issued by an institution under resolution without the consent of the holders of such financial instruments. The exercise of such powers in relation to the Notes or even the announcement or expectations of resolution measures being applied to the Issuer would negatively impact the liquidity and the value of the Notes.

2.2 Risks associated with specific provisions of the Notes

The Notes are subject to the fixed rate interest rate applicable until the First Reset Date and thus, Holders are exposed to the risk that the market price of the Notes falls as a result of changes in the market yield.

The Notes bear interest at a fixed rate from and including 17 November 2026 (the "**Interest Commencement Date**") to but excluding 17 November 2031 (the "**First Reset Date**") and thereafter at the relevant Reset Rate (as defined below) for the relevant Reset Period (as defined in the Terms and Conditions).

During that time, Holders are exposed to the risk that the market price of the Notes may fall because of changes in the market yield. While the nominal interest rate (i.e., the coupon) of the Notes is fixed to but excluding the First Reset Date, and from each Reset Date to the next Reset Date thereafter, the market yield typically changes on a daily basis. As the market yield changes, the market price of the Notes typically changes in the opposite direction. If the market yield increases, the market price of the Notes typically falls. If the market yield falls, the market price of the Notes typically increases. Holders should be aware that movements of the market yield can adversely affect the market price of the Notes and can lead to losses for the Holders.

Holders should also be aware that the market yield has two components, namely the risk-free rate and the credit spread. The credit spread is reflective of the yield that investors require in addition to the yield on a risk-free investment of equal tenor as a compensation for the risks inherent in the Notes. The credit spread changes over time and can decrease as well as increase for a large number of different reasons. The market yield of the Notes can change due to changes of the credit spread, the risk-free rate, or both.

The interest rate on the Notes will reset on each Reset Date, which can be expected to affect the interest payment on an investment in the Notes and could affect the market value of the Notes

Subject to a cancellation of interest payments pursuant to §§ 3(5) and 5(8) of the Terms and Conditions, the interest rate on the Notes will initially be 7.400 per cent. *per annum*. However, the interest rate will be reset on each Reset Date such that the applicable interest rate *per annum* will be equal to the sum of the applicable Reference Rate (as defined in § 3(3)(b) of the Terms and Conditions) and a margin of 4.071 per cent. (the "**Reset Rate**"). The Reset Rate may be less than the initial interest rate and/or the interest rate that applies immediately prior to a Reset Date, which would result in the amount of any interest under the Notes being

lower than the interest prior to such Reset Date and so could affect the amount of any interest payments under the Notes and so the market value of the Notes.

The Notes are subject to certain risks related to the reset of the interest rate linked to the 5-year mid swap rate

After the First Reset Date, the Notes will bear interest at a rate which will be determined for each subsequent 5-year period at the 5-year mid swap rate for the relevant period plus a margin as determined on the issuance date.

Investors should be aware that the performance of the 5-year mid swap rate and the interest income on the Notes cannot be anticipated and neither the current nor the historical level of the 5-year mid swap rate is an indication of the future development of the 5-year mid swap rate. Due to varying interest income, investors are not able to determine a definite yield to maturity of the Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments having longer fixed interest periods. In addition, after receipt of any interest payments, investors are exposed to the reinvestment risk if market interest rates decline. That is, investors may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing.

Furthermore, during any Reset Period, it cannot be ruled out that the market price of the Notes may fall as a result of changes in the current interest rate on the capital market (market interest rate), as the market interest rate fluctuates. During that period, the investor is exposed to the same risk as described in the above risk factor (see - "*The Notes are subject to the fixed rate interest rate applicable until the First Reset Date and thus, Holders are exposed to the risk that the market price of the Notes falls as a result of changes in the market yield*").

Following the regulation and reform of "benchmarks", including the Euro Interbank Offered Rate (EURIBOR), benchmarks may perform differently than in the past or disappear entirely, or there could be other consequences which cannot be predicted. Any such consequence could have a material adverse effect on the Notes

Interest payable under the Notes is calculated by reference to the annual swap rate for swap transactions denominated in Euro with a term of 5 years, which appears on the Reuters Screen Page ICESWAP2.

This swap-rate, the Euro Interbank Offered Rate (EURIBOR) underlying the floating leg of this swap rate and other interest rates or other types of rates and indices which are deemed "benchmarks" (each a "**Benchmark**" and together, the "**Benchmarks**") have become the subject of regulatory scrutiny and recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such Benchmarks to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on the Notes.

International proposals for reform of Benchmarks include the Benchmarks Regulation. The Benchmarks Regulation could have a material impact on the Notes, including in any of the following circumstances:

- a rate or index which is a Benchmark may only be used if its administrator obtains authorisation or is registered and in case of an administrator which is based in a non-EU jurisdiction, if the administrator's legal benchmark system is considered equivalent

(Article 30 Benchmarks Regulation), the administrator is recognised (Article 32 Benchmarks Regulation) or the relevant Benchmark is endorsed (Article 33 Benchmarks Regulation) (subject to applicable transitional provisions). If this is not the case, Notes linked to such Benchmarks could be impacted; and

- the methodology or other terms of the Benchmark could be changed in order to comply with the terms of the Benchmarks Regulation, and such changes could have the effect of reducing or increasing the rate or level or affecting the volatility of the published rate or level, and could have an impact on the Notes, including determination of the rate by the Issuer, the Calculation Agent or an independent adviser, as the case may be.

In addition to the aforementioned Benchmarks Regulation, there are numerous other proposals, initiatives and investigations which may impact Benchmarks.

Following the implementation of any such potential reforms, the manner of administration of Benchmarks may change, with the result that they may perform differently than in the past, or Benchmarks could be eliminated entirely, or there could be other consequences which cannot be predicted.

Any changes to a Benchmark as a result of the Benchmarks Regulation or other initiatives, could have a material adverse effect on the costs of administering or otherwise participating in the setting of a Benchmark and complying with any such regulations or requirements. Investors should be aware that any changes to a relevant Benchmark may have a material adverse effect on the market price of the Notes.

Under the Terms and Conditions, certain benchmark replacement provisions may apply if a Benchmark (or any component part thereof) used as a reference for the calculation of interest amounts payable under the Notes were to be discontinued or otherwise became unavailable.

If a Benchmark Event occurs, the Issuer shall endeavour to determine in its reasonable discretion whether an officially recognised successor rate to the discontinued Benchmark exists, which, possibly after application of adjustments or spreads, can replace the discontinued Benchmark.

If the Issuer determines in its reasonable discretion that there is no officially recognised successor rate to the discontinued Benchmark but that there may be an alternative rate, then the Issuer shall endeavour to appoint an independent adviser, which must be an independent financial institution of international repute or other independent financial adviser experienced in the international debt capital markets. The independent adviser will attempt to find an alternative rate which, possibly after application of adjustments or spreads, can replace the discontinued Benchmark. Any adjustments or spreads determined by the Issuer or the independent adviser, as the case may be, are intended to be applied in order to produce an industry-accepted replacement benchmark rate, however the relevant adjustments or spreads may not be successful in doing so and the Notes may still perform differently than if the original Benchmark had continued to be used. If the Issuer determines a successor rate or the independent adviser determines an alternative rate (the "New Benchmark Rate"), such rate will replace the previous Benchmark for purposes of determining the relevant rate of interest. Such determination will be binding for the Issuer, the Paying Agent, the Calculation Agent and the Holders. Any amendments pursuant to these fallback

provisions will apply with effect from the respective effective date specified in the Terms and Conditions.

If the Issuer does not appoint an independent adviser or if the Issuer or the independent adviser appointed by it do not determine a New Benchmark Rate, an Adjustment Spread or Benchmark Amendments (if required) following a discontinuation of a relevant Benchmark, the reference rate applicable to the Reset Period shall be the applicable Fallback Rate.

If, in the determination of the Issuer, the determination of the Reference Rate would cause a Regulatory Event or could reasonably be expected to entitle the Issuer to redeem the Notes for regulatory reasons and/or would prejudice the qualification of the Notes as AT 1 Instruments, the Reference Rate applicable to the Reset Period shall be the applicable Fallback Rate (being, in case of first Reset Period, 3.329 per cent. *per annum*, or, in case of subsequent Reset Periods, the Reference Rate determined on the last preceding Reset Determination Date). The replacement of a Benchmark used to calculate the interest under the Notes could have adverse effects on the economic return of the Holders compared to the applicable original benchmark rate.

Risks related to the German Act on Debt Securities of 2009

Since the Terms and Conditions provide for meetings of Holders or the taking of votes without a meeting, the Terms and Conditions may be amended (as proposed or agreed by the Issuer) by majority resolution of the Holders and any such majority resolution will be binding on all Holders. Any Holder is therefore subject to the risk that its rights against the Issuer under the Terms and Conditions are amended, reduced or even cancelled by a majority resolution of the Holders. According to the German Act on Debt Securities of 2009 (*Gesetz über Schuldverschreibungen aus Gesamtemissionen (Schuldverschreibungsgesetz)* – "**SchVG**"), the relevant majority for Holders' resolutions is generally based on votes cast, rather than on the aggregate principal amount of the Notes outstanding. Therefore, any such resolution may effectively be passed with the consent of less than a majority of the aggregate principal amount of the Notes outstanding.

Under the SchVG, an initial common representative (*gemeinsamer Vertreter*) of the Holders (the "**Joint Representative**") may be appointed in the Terms and Conditions.

However, no initial Joint Representative might be appointed in the Terms and Conditions at the Issue Date. Any appointment of a Joint Representative at a later stage will, therefore, require a majority resolution of the Holders. If the appointment of a Joint Representative is delayed, this may make it more difficult for Holders to take collective action to enforce their rights under the Notes.

If a Joint Representative is appointed by majority decision of the Holders it is possible that Holders may be deprived of their individual right to pursue and enforce their rights under the Terms and Conditions against the Issuer, if such right was passed to the Joint Representative by majority vote who is then exclusively responsible to claim and enforce the rights of all the Holders.

2.3 Other material risks relating to the Notes

The risk associated with withholding tax and change in law or practice

According to the currently applicable Slovenian tax laws, the payment of interest under the Notes is treated as payment of income similar to dividends rather than as interest and, accordingly, shall be subject to withholding tax imposed by the Republic of Slovenia in the same circumstances as payments of dividends. The person who is considered a Slovenian payer of interest under the Notes pursuant to the Slovenian tax legislation, being the Issuer, shall be obliged to deduct from each payment of interest tax at the rate of 25 per cent. regardless of who is the holder of the Notes, see "*Taxation – Taxation in Slovenia – Taxation of interest payments*".

Pursuant to § 7(1) of the Terms and Conditions, in a situation where the Issuer would be required to make any withholding or deduction in respect of any payment of interest, the Issuer would not be required to increase the relevant interest payments by additional amounts. Accordingly, Holders will receive less than the full amount of interest under the Notes which may adversely affect the market value and/or the liquidity of the Notes and investors may be unable to sell their Notes easily or at the expected time or price, or at all.

Investors should be aware that the tax legislation of the investor's jurisdiction and of the Issuer's jurisdiction (including interpretation by tax authorities), as well as the tax treatment of the Notes, may change at any time. Any such change could have retrospective or prospective effect and may adversely affect the tax consequences of an investment in the Notes.

Neither the Issuer nor the Joint Lead Managers assumes any responsibility for the tax consequences of acquiring, holding or disposing of the Notes. Prospective investors should consult their own tax advisers regarding the tax consequences applicable to their particular circumstances.

Risk relating to the voluntary nature of the WHT Refund process established by the Issuer

Interest payments on the Notes are subject to withholding tax at the rate of 25 per cent. under the currently applicable Slovenian law. Holders eligible for a lower rate may claim a refund either directly from the Slovenian tax authorities or through the Issuer, as applicable, by following the instructions set out on the Issuer's website via https://www.nlbgroup.com/int-en/investor-relations/WHT-refund (see also "*Description of the voluntary withholding tax refund process*" on page 156 of the Prospectus).

Holders that would benefit from a lower rate based on a double tax treaty or Holders in respect of which the applicable tax rate is the general tax rate under Slovenian law (which, for legal entities amounts to 15 per cent.) and claiming the refund of withholding tax through the Issuer pursuant to the WHT Refund Agreement may be entitled to receive the whole or a part of the anticipated amount of refund within 15 business days after providing the Issuer with the complete documentation required to support the claim for such refund as an advance payment even if such amount has not yet been refunded by the Slovenian tax authorities. Such amount is referred to herein as the NLB Refund. However, the obligation of the Issuer to pay any such amount is subject to the same conditions, discretion, limitations and restrictions as set out for interest payments in the Terms and Conditions and hence a Holder may not receive the NLB Refund payment from the Issuer. If the Issuer does not make

any NLB Refund payment to a Holder or receives for such Holder a refund from the Slovenian tax authorities in an amount which is greater than the NLB Refund payment to such Holder, the Issuer shall transfer to the relevant Holder the amount or excess amount, as the case may be, so received as soon as reasonably practicable after receipt of such amount from the Slovenian tax authorities. Therefore, other than the aforementioned NLB Refund payment if and to the extent applicable, no additional refund of withholding tax will be payable by the Issuer or received by the relevant Holder unless such amount will be refunded by the Slovenian tax authorities, even if the Holder has entered into the WHT Refund Agreement and fulfilled all of its requirements.

Any Holder who is resident in the EU/EEA and would be eligible to claim in its country of residence a tax credit or other relief in respect of the WHT, but is unable to claim such credit/relief from the tax authorities of its country of residence under the applicable laws of such home jurisdiction and is claiming the refund of withholding tax through the Issuer pursuant to the WHT Refund Agreement, will only be entitled to receive an amount equal to the refund actually received by the Issuer from the Slovenian tax authorities in respect of such Holder's application, following such receipt from the Slovenian tax authorities.

There is also no guarantee that a withholding tax refund claim made to the Slovenian tax authorities will be successful or whether a refund (in whole or in part) will be made by the tax authorities. Such Holders may therefore still receive less than the full amount of interest under the Notes and will have to bear such shortfall.

No assurance can be given on the length of time that will actually take for any withholding tax refund process in relation to a particular Holder. Therefore, in the cases where Holders are only entitled to receive a refund once this is received by NLB from the Slovenian tax authorities, Holders will have to withstand any delays (which could be lengthy) between their submission of the relevant documentation required to support their refund claim and the actual receipt of the refund from NLB.

Because the Global Notes will be held by or on behalf of Euroclear and Clearstream, Luxembourg, Holders will have to rely on their procedures for transfer, payment and communication with the Issuer

The Notes will be represented by the Global Notes. The Global Notes will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Investors will not be entitled to receive definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. Investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg.

The Issuer will discharge its payment obligations under the Notes by making payments to or to the order of the common depositary for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes.

2.4 Market Risks relating to the Notes

Holders are exposed to the risk of partial or total inability of the Issuer to make interest and/or redemption payments under the Notes.

Holders are subject to the risk of a partial or total inability of the Issuer to make interest and/or redemption payments that are, subject to the limitations described in the Terms and Conditions, scheduled to be made under the Notes. Any deterioration of the creditworthiness of the Issuer would increase the risk of loss. A materialisation of the credit risk may result in partial or total inability of the Issuer to make interest and/or redemption payments.

Holders assume the risk that the credit spread of the Issuer widens resulting in a decrease in the market price of the Notes.

A credit spread is the margin payable by the Issuer to the holder of an instrument as a premium for the assumed credit risk. Credit spreads are offered and sold as premiums on current risk-free interest rates or as discounts on the price.

Factors influencing the credit spread include, among other things, the creditworthiness and credit rating of the Issuer, probability of default, recovery rate, remaining term of the Notes and obligations under any collateralisation or guarantee and declarations as to any preferred payment or subordination. The liquidity situation of the market, the general level of interest rates, overall economic developments, and the currency, in which the relevant obligation is denominated may also have a negative effect.

Holders are exposed to the risk that the credit spread of the Issuer widens resulting in a decrease in the price of the Notes.

Risk of change in rating.

Ratings assigned to the Issuer by certain independent rating agencies are an indicator of the Issuer's ability to meet its obligations in a timely manner. The lower the assigned rating is on the respective scale, the higher the respective rating agency assesses the risk that obligations will not be met at all or not be met in a timely manner. The market value of the Notes from time to time is likely to depend upon the level of credit rating assigned to the long-term debt of the Issuer. Rating agencies may change, suspend or withdraw their ratings at short notice. A rating change, suspension or withdrawal may affect the price and the market value of the outstanding Notes. An investor may thus incur financial disadvantages as he may not be able to sell the Notes at a fair price. The Notes have been assigned a credit rating by Moody's Investors Service Cyprus Limited ("**Moody's**"). The ratings may not reflect the potential impact of all risks related to the structure, market and additional factors discussed herein, and other factors that may affect the value of the Notes. In addition, Moody's or any other rating agency may change its methodologies for rating securities with features similar to the Notes in the future. This may include the relationship between ratings assigned to an issuer's senior securities and ratings assigned to securities with features similar to the Notes, sometimes called "notching". If the rating agencies were to change their practices for rating such securities in the future and the ratings of the Notes were to be subsequently lowered, this may have a negative impact on the trading price of the Notes.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not

been withdrawn or suspended). The list of registered and certified credit rating agencies published by ESMA on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

The Notes have been assigned a rating of Ba2 by Moody's. As at the date of this Prospectus, Moody's is a credit rating agency established in the EU and is registered under the CRA Regulation. As such, Moody's is included in the list of credit rating agencies published by ESMA on its website in accordance with the CRA Regulation. A rating is not a recommendation to buy, sell or hold notes and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

There is no active trading market for the Notes.

The Notes are new securities which may not be widely distributed and for which there is currently no active trading market. If a market does develop, it may not be very liquid. In particular, holdings in the Notes may be concentrated as they may be purchased by a limited number of initial investors, one or more of whom may hold a significant proportion of the total issuance.

If the Notes are traded after their initial issuance, they may be traded at a discount or at a premium to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. It is possible that the market for the Notes will be subject to disruptions or volatility. Any such disruption or volatility may have a negative effect on Holders, regardless of the Issuer's prospects and financial performance. As a result, there is no assurance that there will be an active trading market for the Notes. If no active trading market develops, Holders may not be able to resell a holding of the Notes at a fair value, if at all.

Although a request has been made for listing of the Notes on the Luxembourg Stock Exchange, there is no guarantee that the Notes will be actively traded. Consequently, there is no guarantee regarding development of trading and creating liquidity with the Notes on an organised market. It can thus happen that the Holder is unable to sell the Notes.

The Issuer has no agreement with any liquidity provider for trading with Notes. Should there be no active trading in these Notes, this could have a negative impact on the market price and liquidity of the Notes.

2.5 Risks relating to changes in law and regulation

Changes in laws, regulations or administrative practices could entail risks

The conditions of the Notes are based on German law save for the status provisions in § 2 of the Terms and Conditions which shall be governed by, and shall be construed exclusively in accordance with, Slovenian law in effect as at the date of issuance of the Notes. No assurance can be given as to the impact of any possible judicial decision or change to German law or Slovenian law or administrative practice after the date of this Prospectus. Furthermore, the Issuer operates in a heavily regulated environment and has to comply with extensive regulations imposed by the EU and the Republic of Slovenia. No assurance can be given as to the impact of any possible judicial decision or change to laws or administrative practices of the European Union or the Republic of Slovenia after the date of this Prospectus.

In addition, changes to regulatory provisions or to their interpretation, to regulatory procedures or measures adopted by supervisory or other regulatory bodies following the issue of the Notes could have a negative impact on the value of the Notes or the rights of the Holders arising from the Notes.

PERSONS RESPONSIBLE, THIRD PARTY INFORMATION, EXPERTS' REPORTS AND COMPETENT AUTHORITY APPROVAL

RESPONSIBILITY

The Issuer, with its registered office in Ljubljana, Slovenia, accepts responsibility for the information contained in and incorporated by reference into this Prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

The Issuer further confirms that (i) this Prospectus contains all information with respect to the Issuer and its (sub-)consolidated subsidiaries taken as a whole (the "**NLB Group**" or the "**Group**") and to the Notes which is material in the context of the issue and offering of the Notes, including all information which, according to the particular nature of the Issuer and the Notes is necessary to enable investors and their investment advisers to make an informed assessment of the assets and liabilities, financial position, profits and losses, and prospects of the Issuer and the Group and of the rights attached to the Notes; (ii) the statements contained in this Prospectus relating to the Issuer, the Group and the Notes are in every material respect true and accurate and not misleading; (iii) there are no other facts in relation to the Issuer, the Group or the Notes the omission of which would, in the context of the issue and offering of the Notes, make any statement in this Prospectus misleading in any material respect; and (iv) reasonable enquiries have been made by the Issuer to ascertain such facts and to verify the accuracy of all such information and statements.

Each investor contemplating purchasing any Notes should consult its own independent professional advisers and make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer as well as the tax consequences of acquiring, holding or disposing of the Notes. This Prospectus does not constitute an offer of Notes or an invitation by or on behalf of the Issuer or the Joint Lead Managers to purchase any Notes. Neither this Prospectus nor any other information supplied in connection with the Notes should be considered as a recommendation by the Issuer or the Joint Lead Managers to a recipient hereof and thereof that such recipient should purchase any Notes.

To the extent permitted by the laws of any relevant jurisdiction, none of the Joint Lead Managers, any of their respective affiliates or any other person mentioned in this Prospectus, except for the Issuer, accepts responsibility for the accuracy and completeness of the information contained in this Prospectus or any other documents incorporated by reference and accordingly, and to the extent permitted by the laws of any relevant jurisdiction, none of these persons accept any responsibility for the accuracy and completeness of the information contained in any of these documents. The Joint Lead Managers have not independently verified any such information and accept no responsibility for the accuracy thereof. The Joint Lead Managers have not provided any tax, legal, regulatory, accounting or investment advice or guidance to any party and investors should seek their own professional advisers on such matters.

THIRD PARTY INFORMATION

With respect to any information included herein and specified to be sourced from a third party (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information available to it from such third party, no facts have been omitted the omission of which would render the reproduced information inaccurate or misleading and (ii) neither the Issuer nor any Joint Lead Manager has independently verified any such information and neither the Issuer nor any Joint Lead Manager accepts any responsibility for the accuracy thereof.

COMPETENT AUTHORITY APPROVAL

The *Commission de Surveillance du Secteur Financier, Luxembourg* ("**CSSF**") as competent authority under the Prospectus Regulation has approved this Prospectus. The CSSF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. By approving this Prospectus, the CSSF gives no undertaking as to the economic and financial soundness of the transaction or the quality or solvency of the Issuer. Such approval should neither be considered as an endorsement of the Issuer that is subject of this Prospectus nor of the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes.

INTEREST OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Certain of the Joint Lead Managers and their respective affiliates may be customers of, borrowers from or creditors of the Issuer and its affiliates. In addition, certain Joint Lead Managers and their respective affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and its affiliates in the ordinary course of business. They have received, or may in the future receive, customary fees and commissions for these transactions. In particular, in the ordinary course of their business activities, the Joint Lead Managers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its affiliates. The Joint Lead Managers and/or their affiliates may receive allocations of Notes (subject to customary closing conditions), which could affect future trading of the Notes. Certain of the Joint Lead Managers have been allocated Notes in the offering and so on settlement may hold a portion of the Notes. Such Joint Lead Managers may sell these in the secondary market but are under no obligation to do so. Certain of the Joint Lead Managers or their respective affiliates may have a lending relationship with the Issuer and in such case routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Joint Lead Managers and their respective affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes. Any such positions could adversely affect future trading prices of the Notes. The Joint Lead Managers and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

There are no interests of natural and legal persons involved in the issue, including conflicting ones, that are material to the issue.

CREDIT RATINGS ASSIGNED TO THE NOTES

The Notes have been rated as follows:

Ba2[2] by Moody's.

Moody's and S&P are each established in the European Union and registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended, (the "**CRA Regulation**"). Moody's and S&P are each included in the "List of registered and certified CRA's" published by the European Securities and Markets Authority on its website (*www.esma.europa.eu*) in accordance with the CRA Regulation. Investors in the Notes should be aware that a credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

[2] Moody's defines "Ba2" as follows: "Obligations rated Ba are judged to have speculative elements and are subject to substantial credit risk. Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category."

USE OF PROCEEDS AND EXPENSES OF THE ADMISSION TO TRADING

USE OF PROCEEDS

In connection with the issue of the Notes, the Issuer will receive net proceeds of EUR 350,000,000. The Issuer intends for the Notes to constitute Additional Tier 1 capital of the Issuer, with the purpose of strengthening and optimising its capital structure on an individual and consolidated level, and to use the net proceeds from the issuance of the Notes for general corporate purposes.

EXPENSES OF ADMISSION TO TRADING

The total expenses related to the admission to trading of the Notes are expected to amount to EUR 12,800.

STRATEGY, PERFORMANCE AND BUSINESS ENVIRONMENT

GENERAL INFORMATION ON NLB

Incorporation, Corporate Seat, History

NLB is a company organised in accordance with the Slovenian Companies Act (*Zakon o gospodarskih družbah* – the "**ZGD-1**") in the form of a joint stock company (*delniška družba*) and is registered in the court register (*sodni register*) under identification number (*matična številka*) 5860571000. NLB's corporate seat is in Ljubljana, its registered office is Trg republike 2, 1000 Ljubljana, Republic of Slovenia, and its telephone number is +386 1 476 39 00. The legal entity identifier (LEI) of the Issuer is: 5493001BABFV7P27OW30.

NLB traces its origins back to 1889 (when Mestna hranilnica ljubljanska was established). NLB was established in the Republic of Slovenia under its current name on 27 July 1994, with certain assets of Ljubljanska banka transferred to NLB. As at 31 December 2025, NLB had a network of 69 branches in its domestic market providing services to corporate and retail clients and had 2,469 employees. NLB pursues a universal banking model comprising retail banking operations and corporate and investment banking. It is also a leading bank in Slovenia with, according to the BSI, 33.1 per cent. market share (by total assets) as at 31 December 2025. NLB's shares are listed on the Prime Market of the Ljubljana Stock Exchange and the global depositary receipts ("**GDRs**") representing shares are listed on the Main Market of the London Stock Exchange. The largest shareholder is the Republic of Slovenia which holds 25 per cent. plus one share of the share capital of NLB as at 31 December 2025.

The official website of NLB can be found at: www.nlb.si. The information on the website does not form part of this Prospectus unless that information is incorporated by reference into this Prospectus.

As at 31 December 2025, NLB had total assets on an unconsolidated basis of EUR 19,061 million, loans and advances to customers[3] of EUR 9,555 million, deposits from customers[4] of EUR 13,450 million, and EUR 3,003 million in equity.

As a significant institution, NLB is supervised directly by the ECB in cooperation with BSI under the Single Supervisory Mechanism.

History of NLB

NLB was established under its current name by the Slovenian Constitutional Act (*Ustavni zakon o dopolnitvah ustavnega zakona za izvedbo Temeljne ustavne listine o samostojnosti in neodvisnosti Republike Slovenije – UZITUL-A*) on 27 July 1994.

Pursuant to the Constitutional Act, NLB took over part of the assets, liabilities and operations of Ljubljanska banka.

Since 1994, a number of events have contributed to the NLB Group's current form. After having consolidated its leading market position in its home market of the Republic of

[3] Loan and advances to customers represents loans and advances to customers, measured at amortised cost and non-trading loans and advances to companies, mandatorily at fair value through profit or loss.

[4] Deposits from customers represents following line item of statement of financial position: financial liabilities measured at amortised cost - due to customers.

Slovenia in the late 1990s and early 2000s, NLB focused on expanding its business in the rest of SEE between 2000 and 2008.

In 2001, the Republic of Slovenia adopted a privatisation programme for NLB. The first phase of privatisation concluded in 2002 with a 34 per cent. stake being purchased by the Belgian banking and insurance group, KBC Bank ("**KBC**"), and a 5 per cent. stake by the European Bank for Reconstruction and Development ("**EBRD**"). EBRD withdrew from NLB's ownership structure in 2008 by way of a sale of its stake to the private equity arm of the financial group Poteza.

From the onset of the global financial crisis in 2008, NLB began reducing the number of companies in the NLB Group (including withdrawal from the leasing and factoring sectors to comply with an EC requirement as a consequence of state aid). From 2010 onwards, the NLB Group has been in the process of divesting non-core subsidiaries based on its strategy and a restructuring plan (the "**Restructuring Plan**").

In March 2011, NLB completed a EUR 250 million capital increase, with the Republic of Slovenia subscribing for 97.35 per cent. of the newly issued shares due to a lack of interest from private investors and paying in a total amount of EUR 243.4 million, with other investors subscribing for 2.65 per cent. of the capital increase. In line with relevant EU legislation, the Slovenian authorities notified the measure to the EC and, with a decision dated 7 March 2011, the EC authorised such recapitalisation as emergency aid on the basis of Article 107(3)(b) of the Treaty on the Functioning of the European Union ("**TFEU**") upon the submission of the Restructuring Plan.

In 2012, NLB's Tier I capital was further increased by more than EUR 500 million through the provision of a hybrid loan of EUR 320 million by the Republic of Slovenia, the issue of new shares to Pension Fund Management ("**KAD**") and the Slovenian Restitution Fund ("**SOD**") in the amount of EUR 61 million, and through net profit of EUR 153 million recorded during 2012 as a result of the repurchase of certain of NLB's existing subordinated instruments at a discount. Although, in a decision dated 2 July 2012, the EC concluded that this recapitalisation constituted state aid pursuant to Article 107(1) of the TFEU, it was found that it was temporarily compatible with the internal market as rescue aid for reasons of financial stability until a final decision was issued on the Restructuring Plan. At the same time, the EC initiated the procedure set out in Article 108(2) of the TFEU relating to the formal investigation of NLB's Restructuring Plan. In order to comply with the EC's decision, the Republic of Slovenia additionally increased NLB's capital by an amount of EUR 1.9 million at a discounted share price, which brought the total amount of state aid received by NLB in 2012 to EUR 382.9 million. In December 2012, its share in NLB capital further increased after KBC sold its existing 22.04 per cent. stake to the Republic of Slovenia, resulting in KBC's complete withdrawal from the ownership structure of NLB.

In 2013, the principal and interest of the EUR 320 million hybrid loan was converted into NLB's common equity as a result of the fulfilment of conditions for its conversion.

In January 2013, the Republic of Slovenia submitted a draft of the Restructuring Plan to the EC. On the basis of the Restructuring Plan and commitments provided by the Republic of Slovenia to the EC on 13 December 2013 and as amended on 11 May 2017, on 18 December 2013 the EC issued the "decision SA.33229 (2012/C) — (ex 2011/N) — Restructuring of NLB — Slovenia which Slovenia is planning to implement for NLB of 18 December 2013 on State Aid" (the "**EC Decision**"), approving the state aid received by

NLB up to that point (EUR 243.4 million in 2011 and EUR 382.9 million in 2012) and the state aid which was received by NLB in December 2013 (EUR 1,558 million and the transfer of impaired assets to the Bank Assets Management Company ("**BAMC**") with an aid element of EUR 130 million as discussed below).

Pursuant to the BSI Decision on extraordinary measures of 17 December 2013, which was issued in relation to the EC Decision, all Qualified Liabilities of NLB were terminated, including NLB's share capital and the subordinated liabilities, and the Republic of Slovenia paid in EUR 1,551 million into the capital of NLB (NLB's share capital was simultaneously reduced to zero via the termination of liabilities therefrom and the rescission and deletion of NLB's shares and then increased to EUR 200 million). On 20 December 2013, impaired assets with a gross value of EUR 2.2 billion were transferred from NLB to the BAMC, a so-called "bad bank" (i.e. a bank that is to hold the illiquid and/or high risk assets) established by the Republic of Slovenia, for which NLB received bonds issued by the BAMC (and guaranteed by the Republic of Slovenia) in compensation.

From 2014 onwards there has been a significant increase in NLB's market penetration and improvements to its organisational structure.

The main milestones of the transformation programme have been achieved or exceeded in 2015 and 2016, when all the NLB Group's members in core international markets including North Macedonia, Bosnia and Herzegovina, Montenegro, Kosovo and Serbia, where the NLB Group operates through its banking subsidiaries (together with the NLB Group's members in the Republic of Slovenia, the "**Core NLB Group Members**") as well as all core business segments recorded profits.

Since May 2016, all subsidiary banks have operated under the uniform brand "NLB Banka" with the goal of improving brand recognition and enabling the NLB Group to achieve targeted synergies.

The first phase of privatisation of the Bank was concluded on 14 November 2018, after which the Republic of Slovenia reduced its shareholding in NLB from 100 per cent. to 35 per cent. of NLB's share capital. On 19 June 2019, the second phase of the privatisation process of NLB was completed by way of an accelerated book building of 10 per cent. of the Republic of Slovenia's stake in the NLB's share capital minus one share. After the completion of these phases, the Republic of Slovenia remains the largest shareholder of NLB, owning a 25 per cent. stake plus one share. Upon conclusion of the privatisation almost all restrictions resulting from the commitments made by the Republic of Slovenia to the EC were lifted.

In accordance with its commitments to the EC, the Bank was required to divest its interests in the insurance company NLB Vita, življenjska zavarovalnica d.d., Ljubljana ("**NLB Vita**"). On 29 May 2020, the Bank sold its 50 per cent. stake in the share capital of NLB Vita in a joint sales process together with KBC.

On 26 February 2020, the Bank entered into a share purchase agreement with the Republic of Serbia for the acquisition of 83.23 per cent. of the ordinary shares of Komercijalna Banka, Beograd. On 30 December 2020, the Bank completed the acquisition. As a result of the acquisition, the NLB Group obtained three banks (Komercijalna Banka, Beograd; Komercijalna Banka, Podgorica; and Komercijalna Banka, Banja Luka) and the investment fund company Kombank Invest, Beograd. The process continued with the merger of NLB Banka, Podgorica and Komercijalna Banka, Podgorica being completed on 12 November 2021, followed by the

Komercijalna Banka, Beograd sale of 100 per cent. of its ordinary shares of Komercijalna Banka, Banja Luka to Banka Poštanska štedionica, Beograd, on 9 December 2021.

On 30 April 2022, NLB's Serbian subsidiaries, Komercijalna Banka, Beograd and NLB Banka, Beograd, merged; with the new entity taking the name NLB Komercijalna banka a.d. Beograd ("**NLB Komercijalna Banka, Beograd**"). On 13 July 2022, NLB successfully squeezed out the remaining shareholders of NLB Komercijalna Banka, Beograd and thereby became a 100 per cent. owner of the subsidiary. As of 1 September 2026, the bank changed its name to NLB Banka a.d. Beograd.

NLB Group also re-entered the leasing services sector once again when its newly established provider NLB Lease&Go, Ljubljana entered the Slovenian market on 29 May 2020.

On 22 December 2021, NLB executed the transfer of ownership of Leasing Ljubljana – in liquidation to NLB Lease&Go, Ljubljana and in June 2024, NLB Leasing, Ljubljana – in liquidation merged with NLB Lease&Go, Ljubljana. Before this, two new leasing services on the biggest markets of NLB Group's operations in SEE region were established by the Group. In September 2022, the leasing company NLB Liz&Go, Skopje was established (in December 2022, the company was renamed to NLB Lease&Go, Skopje). In November 2022, NLB Group acquired the leasing company Zastava Istrabenz Lizing, Serbia which was renamed to NLB Lease&Go Leasing, Beograd on 17 January 2023.

In March 2022, NLB took important steps to help ensure the stability of the Slovenian banking system. On 1 March 2022, the SRB in coordination with BSI (as national resolution authority) decided to adopt a resolution scheme in respect of former Sberbank Slovenia, which envisaged the application of the sale of business tool and BSI issued a decision for the sale of 100 per cent. Sberbank Slovenia shares. The SRB decided to transfer all the shares issued by Sberbank Slovenia to NLB for a purchase price of EUR 5,109,000. Therefore, as of 1 March 2022, NLB became a 100 per cent. owner of Sberbank Slovenia, later (on 11 April 2022) renamed to N Banka. On 3 August 2023, NLB received the authorisation of the ECB for the merger of N Banka. On 1 September 2023, the legal merger between N Banka and NLB was successfully completed.

On 10 November 2023, NLB Skladi d.o.o., Ljubljana ("**NLB Skladi**") concluded a purchase agreement with the company Generali Investments for the purchase of the majority ownership of the company Generali Investments AD Skopje. The acquisition was successfully completed on 22 May 2024, with the acquired company being rebranded to NLB Fondovi, Skopje on 7 August 2024. On 19 September 2024, NLB Skladi successfully completed the acquisition of KomBank Invest, Beograd. With this, the NLB Group consolidated the ownership of the asset management companies under the umbrella of NLB Skladi, Ljubljana.

On 30 November 2023, NLB entered into a sale and purchase agreement with funds managed by affiliates of Apollo Global Management Inc. and the EBRD to acquire a 100 per cent. shareholding in SLS HOLDCO, holdinška družba, d.o.o., the parent company of Summit Leasing Slovenija d.o.o. ("**Summit Leasing Slovenija**") and its subsidiaries. In August 2024, NLB obtained all required regulatory and supervisory approvals to acquire a 100 per cent. shareholding in SLS HOLDCO, holdinška družba, d.o.o., the parent company of Summit Leasing Slovenija and its Croatian subsidiary Mobil Leasing d.o.o., Zagreb, thus becoming the leading provider of leasing services on the Slovenian market and after almost three decades also once again entered the Croatian market. On 9 May 2025, the merger of SLS HOLDCO,

holdinška družba, d.o.o. and Summit Leasing Slovenija was completed, while the merger of NLB Lease&Go, Ljubljana and Summit Leasing Slovenija has been completed on 4 July 2025.

In October 2024, the new company NLB Car&Go d.o.o. was established by NLB Lease&Go, Ljubljana, which signed an agreement with AMZS[5] to acquire the online vehicle sales platform doberavto.si as one of the steps to strengthen the leasing activities. The transaction was concluded in February 2025.

History of the NLB Group

NLB Group is a Slovenian banking and financial group. From 2000 to 2008 the NLB Group focused on expanding its business in SEE. Thereafter, it pursued a strategy of reducing the number of companies in the NLB Group, changes to corporate governance and organisational structure, and strengthening control mechanisms.

From 2011, the NLB Group implemented a strategy of focusing on its core activities while gradually withdrawing from other (non-core) activities, with a view to improving its competitive position and financial performance.

The NLB Group has successfully undertaken a restructuring strategy since 2016 and thereby stabilised its business and returned to profit in all of its core markets.

On 30 December 2020, the NLB Group concluded the acquisition of 83.23 per cent. of the ordinary shares of Komercijalna banka a.d. Beograd (Komercijalna Banka, Beograd), which is currently 100 per cent. owned. This acquisition strengthened the NLB Group's presence in SEE, enables the NLB Group to extend the number of products and services it offers and allows for greater cross-border activity within the NLB Group.

On 1 March 2022, NLB became a 100 per cent. owner of Sberbank Slovenia which was renamed N Banka on 11 April 2022. On 3 August 2023, NLB received the authorisation of the ECB for the merger of N Banka. On 1 September 2023, the legal merger between N Banka and NLB was successfully completed.

As at 31 December 2025, NLB Group's core and non-core activities consisted of seven banks (including NLB) and several companies located in the Republic of Slovenia, SEE and elsewhere. The core activities of the NLB Group principally comprise of banking, asset management and increasing importance of leasing activities and real estate activities. The key core market of the NLB Group is NLB's home market, the Republic of Slovenia, where 36.7 per cent. of the NLB Group's profit before tax was generated in the year ended 31 December 2025. Other core markets include those markets where the NLB Group carries out banking activities; namely, Bosnia and Herzegovina, Montenegro, Kosovo, North Macedonia and Serbia. The market shares (by total assets) of subsidiary banks exceeded 10 per cent. in five out of six markets (based on information available from central banks and the assessment of management of NLB). The strategic foreign market segment of the NLB Group is a major profit-maker, contributing 56 per cent. of the NLB Group's profit before tax in 2025. The NLB Group continues to work towards creating synergies between its subsidiaries and seeking to streamline its operations.

[5] AMZS - Automobile and Motorcycle Association of Slovenia

As of 31 December 2025, the NLB Group had a total of 381 branches (409 as at 31 December 2024), total assets of EUR 31,475 million, loans and advances to customers[6] of EUR 18,705 million, deposits from customers[7] of EUR 24,510 million, EUR 3,782 million of equity and 8,107 employees.

Recent Events

On 29 April 2026, the convocation of shareholders General Meeting was announced. The General Meeting took place on 15 June 2026, whereas the shareholders have, among other things, decided on the allocation of distributable profit.

On 13 May 2026, NLB published the Offering Memorandum for its voluntary public takeover offer aimed at acquiring control of Addiko Bank AG, an Austrian-listed bank operating across six CSEE markets (Austria, Croatia, Slovenia, Bosnia & Herzegovina, Serbia and Montenegro). Furthermore, on 1 June 2026 NLB announced its intention to increase the price per share to EUR 33.50 (from previous EUR 29.00). The acceptance period ended on 22 July 2026. On 3 August 2026, NLB announced that its voluntary public takeover offer for Addiko Bank AG did not receive a sufficient number of acceptance declarations (only 31.22 per cent. of all issued Addiko's shares had been accepting NLB offer). As the minimum acceptance condition of 50 per cent. plus one share was not met, the settlement of the offer has not taken place, and the offer has not been extended.

On 18 September 2026, it was announced that NLB Group has entered into a share purchase agreement with Skupina PRVA d.d. and its related parties as well as with KD Group d.d. for the acquisition of more than 55 per cent. of the voting rights in total in Deželna banka Slovenije d.d. (DBS). Both transactions are expected to be completed following receipt of all required regulatory approvals, most likely in the second half of the year 2027. In the meantime, NLB is open to discuss the acquisition of a larger strategic share with the remaining shareholders.

On 20 October 2026, NLB issued new 10NC5 subordinated Tier 2 notes of EUR 400 million for strengthening of capital position. The inclusion of the Tier 2 notes into capital is subject to obtaining regulatory approval.

On 21 October 2026, the ECB issued a new SREP decision for the NLB Group, pursuant to which the Pillar 2 Requirement was reduced from 2.10 per cent. to 2.07 per cent., while the Pillar 2 guidance remained unchanged at 0.75 per cent. The new SREP decision will apply from 1 January 2027.

On 4 November 2026, the convocation of shareholders General Meeting was announced. The General Meeting will take place on 14 December 2026, whereas the shareholders will, among other things, decide on the allocation of the second tranche of the distributable profit and splitting of shares (1:5 share split; in case of positive decision of the General Meeting it is expected to take effect in February 2027).

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6 Loans and advances to customers represents loans and advances to customers, measured at amortised cost and non-trading loans and advances to companies, mandatorily at fair value through profit or loss.

7 Deposits from customers represents the following line item of statement of financial position: financial liabilities measured at amortised cost - due to customers.

Ratings

Moody's and S&P Global Ratings Europe Ltd. ("**S&P**") currently assign ratings to the Issuer. As at the date of this Prospectus, the Issuer's ratings are as follows:

	Moody's	S&P
Long-term debt	A3	BBB+
Short-term debt	P-1	A-2
Rating outlook	Stable	Positive

Note: Credit or corporate ratings may not reflect all risks. One or more independent rating agencies may assign ratings to the Notes and/or the Issuer. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed in this section, and other factors that may affect the value of the Notes or the standing of the Issuer. A credit rating and/or a corporate rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

BUSINESS OVERVIEW

Activities

The NLB Group is one of the largest Slovenian banking and financial groups in the Republic of Slovenia[8] with an exclusive strategic focus on selected markets in SEE. The NLB Group is principally involved in retail banking and corporate banking, offering a comprehensive range of products and services.

The NLB Group provides universal banking services to retail and corporate clients, as well as asset management, bancassurance, and leasing products.

NLB is a universal bank whose objects are to provide banking and other financial services, as authorised by the BSI, as well as to perform other business operations in accordance with applicable regulations. NLB may perform business operations in the Republic of Slovenia and abroad.

NLB Group's segments are defined in accordance with long-term strategy and divided into two major categories: core and non-core.

As at 31 December 2025, NLB Group's business comprised the following core and non-core segments:

Core Segments:

Retail Banking in Slovenia includes banking with individuals and micro companies, asset management (NLB Skladi, Ljubljana), and part of the subsidiary NLB Lease&Go, Ljubljana[9] operating with retail clients, as well as part of the result of the associated company Bankart.

Corporate and Investment Banking in Slovenia include banking with key corporate clients, SMEs, cross-border corporate financing, investment banking and custody, trade finance, restructuring and workout, and part of NLB Lease&Go, Ljubljana operating with corporate clients.

[8] Source: Based on the market share by total assets (source: BSI).

[9] Merged entity: The legal merger between Summit Leasing Slovenija, Ljubljana and NLB Lease&Go, leasing, Ljubljana was completed on 4 July 2025, followed by the operational merger on 7 July 2025. The merged entity operates under the name NLB Lease&Go, leasing, Ljubljana.

Financial Markets in Slovenia include treasury activities and trading with financial instruments, while also presenting the results of asset and liability management (ALM) in NLB and in NLB Lease&Go, Ljubljana.

Strategic Foreign Markets consist of strategic banks in the Group operating in the strategic markets (Serbia, North Macedonia, Bosnia and Herzegovina, Kosovo, and Montenegro), as well as the asset management companies (NLB Fondovi, Skopje and NLB Fondovi, Beograd), NLB DigIT, Beograd, and the leasing companies (NLB Lease&Go Skopje, NLB Lease&Go Leasing Beograd, and Mobil Leasing, Zagreb).

Other activities include categories whose operating results cannot be allocated to specific segments (including tax on the balance sheet), as well as the NLB MUZA, Ljubljana, Real Estate entities from 2024 onward (except NLB Real Estate, Podgorica, which was classified as a non-core member in 2025), and the company NLB Car&Go, Ljubljana.

Non-core Segment:

Non-core Members include the operations of non-core NLB Group members, i.e. entities in liquidation, LHB, NLB Srbija, NLB Crna Gora, SLS HOLDCO, Ljubljana and NLB Real Estate, Podgorica (classified as a non-core member in 2025).

The table below sets out the contribution of each operating segment to the NLB Group's loss/profit before tax, and total net operating income, derived from the NLB Group's consolidated financial statements for the years ended 31 December 2025 and 31 December 2024.

	NLB Group's loss/profit before income tax for the year by activity		NLB Group's total net operating income[(i)]	
	Year ended 31 December			
	2025	2024	2025	2024
	(in millions of Euros)			
Retail banking (Slovenia)	245.5	247.3	474.0	448.3
Corporate and Investment banking (Slovenia)	54.5	95.2	167.1	178.8
Financial markets (Slovenia)	21.8	(14.4)	33.7	(0.8)
Strategic Foreign Markets	329.7	338.0	639.1	619.0
Non-core Members	2.3	(4.1)	1.7	1.3
Other	(60.4)	(53.8)	10.3	10.9
Total	**593.4**	**608.1**	**1,325.9**	**1,257.5**

(i) Note: The sum of net revenues and costs of the segments is greater than items from the leading income statement for the year ended 31 December 2025 and 31 December 2024, as disclosed in FS of the NLB Group for 2025. The difference results from the activities between the segments, since the effects of these activities appear as revenue on one segment and as a cost to the second segment, and therefore are not netted on the segment level.

The table below sets out the contribution of each operating segment to the NLB Group's total assets as at 31 December 2025 and 31 December 2024.

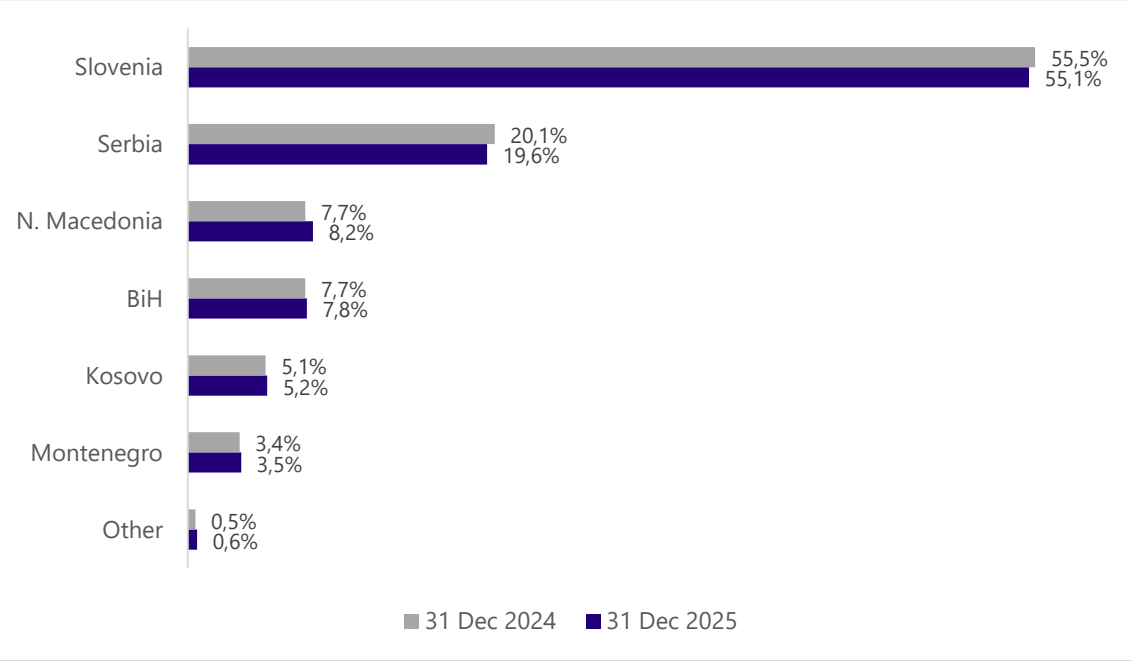
	NLB Group's assets for the year by activity	
	As at 31 December	
	2025	2024
	(in millions of Euros)	
Retail banking (Slovenia)	5,375	4,763
Corporate and Investment banking (Slovenia)	4,137	3,911
Financial markets (Slovenia)	7,347	6,391

Strategic Foreign Markets	14,109	12,455
Non-core Members	18	29
Other	488	487
Total	**31,475**	**28,035**

The NLB Group has a banking presence across SEE. The following table sets out the NLB Group member banks by total asset (before intercompany elimination adjustments) and market share (based on data provided by the central banks of individual countries) in local markets as at 31 December 2025.

NLB Group member	**Total assets**	**Market share by total assets in local markets**	
	(in millions of Euros)	**Local market**	*(in per cent.)*[10]
NLB, Ljubljana	19,061	Slovenia	33.1
NLB Komercijalna Banka, Beograd	6,062	Serbia	10.2
NLB Banka, Skopje	2,551	North Macedonia	16.8
NLB Banka, Banja Luka	1,334	BiH-Republika Srpska	21.5
NLB Banka, Sarajevo	1,140	BiH-Federation	6.3
NLB Banka, Podgorica	1,153	Montenegro	14.6
NLB Banka, Prishtina	1,634	Kosovo	17.1

The following figure sets out the composition of the NLB Group's total assets by country as at 31 December 2025[(i)]:



(i) The geographical analysis includes a breakdown of items with respect to the country in which individual NLB Group members are located.

10 Source: Data from BSI, the National Bank of the Republic of North Macedonia, the Central Bank of Bosnia and Herzegovina, the National Bank of Serbia, the Central Bank of Kosovo and the Central Bank of Montenegro, each of which is the competent institution of its country.

STRATEGY

Introduced in 2024, NLB Group's Strategy 2030 sets a clear vision for sustainable growth and operational excellence. The strategy equally prioritises revenue generation through best-practice lines such as housing financing, bancassurance, consumer finance, trade finance, transition finance, and payments, as well as the transformation of NLB into the leading operating platform in the region. This transformation is driven by rigorous simplification and digitalisation, while maintaining its prudent risk practices.

The introduced Group Strategy 2030 is accompanied by key performance indicators, outlining the vision and objectives for future development. The strategy is designed to address the changing banking environment, upcoming challenges, and emerging opportunities, while reinforcing the Group's ambition to deliver sustainable growth that supports individuals, businesses, and society. Overall, the strategy foresees doubling the NLB Group's balance sheet to more than EUR 50 billion in assets, recurring revenues of more than EUR 2 billion, and a profit of more than EUR 1 billion by 2030. These objectives will be pursued through a combination of organic growth, strategic plays, and selected M&A across the SEE region.

Strategic focus

Be regional champion: The NLB Group aims to further strengthen its role as a systemically important financial institution in the SEE region and strives to be a market leader in all of its core markets. The Group focuses on ensuring stability by being a trustworthy partner and a systemic provider of client-relevant universal financial services across all SEE target markets. This commitment extends to supporting the economy, the community, and sustainability initiatives, as well as promoting culture and sports.

Prioritising customers' needs: The Group is committed to continuously enhancing the user experience for both external and internal customers across all channels by providing reliable support, products, and solutions. This includes providing all mass banking services and ensuring a seamless experience through digital platforms, leveraging advanced technology to deliver fast, secure, and convenient solutions.

Grow its market position: The NLB Group is working to protect and strengthen its market position as a systemically important bank in its home region. It also works to actively participate in the expected growth and consolidation of the market, while focusing on increasing profitability through a more customer-centric approach and digitalisation. The Group also invests in developing employees by enhancing and renewing their skills while fostering a culture of growth and innovation.

Monetise opportunities and synergies: Significant strategic business efforts have been made to achieve business synergies across the NLB Group regarding costs and operational efficiency. In Slovenia, the Bank has achieved further synergies with the full integration of N Banka in 2023. The Bank is pursuing growth through entering and expanding its presence into selected adjacent businesses (such as leasing and bancassurance) and diversifying its services on a horizontal level. Further to the organic growth capacities, the Bank is simultaneously monitoring and analysing additional potential M&A opportunities in banking and adjacent businesses (to consolidate processes in the financial sector in the SEE) and, where appropriate, discussing potential transactions with potential counterparties on a confidential basis. NLB Group has an exclusive strategic interest in its home region –

Southeast Europe. The Group is also committed to delivering excellent returns to its shareholders, targeting an increase in the payout ratio to 50–60 per cent. of the previous year's profit after tax throughout the period.

Continuing transformation and digitalisation

The NLB Group has identified a series of projects and initiatives and has also dedicated considerable investment funds for their implementation. The backbone of the strategy is strengthening customer-centricity by establishing customer-based market management, improving the understanding of the clients, reimagining digital client journeys and accelerating innovation to provide lifestyle and value chain services to lock relationships.

By 2030, the Group's strategic ambition in the retail banking segment is to become the leading bank in SEE, increase its customer base to over 3 million, and achieve more than 80 per cent. digital penetration. The strategy is built on three core pillars: i) optimising monetisation of the existing client base, ii) doubling down on attractive sub-segments, and iii) scaling product verticals around key customer needs. At the same time, the Group will introduce additional success markers, accelerate the digitalisation of its franchise, and transition to a customer-centric delivery model with mobile as the core channel. Branches will increasingly focus on providing advisory services, while the Group seeks to enhance the customer experience in line with international best practices. Furthermore, the Group aims to make a positive contribution to the societies it serves, with a strong commitment to developing the regional markets for investments and financial protection, including insurance.

The Group aims to become the strategic banking partner for corporate clients across the SEE region, positioning itself as the leading local corporate and investment banking institution, achieving profitable growth across markets, and maintaining strict risk controls. The strategy is based on three core pillars: i) consistently strengthening performance in its existing core business; ii) becoming the regional leader in transition finance while driving growth in SME and trade finance; and iii) upholding its role as a steward of prudent risk management. To enable the strategy, the Group will innovate its end-to-end operating model by digitising and streamlining processes, particularly in onboarding and underwriting. At the same time, the Group remains deeply committed to the region and will position its Corporate and Investment Banking segment as the leader in transition finance in SEE by 2030 – leveraging NLB's balance sheet and creating attractive investment opportunities for external investors.

The Group's ambition in payments is to support NLB's growth path towards becoming the leading bank in SEE by introducing best practices across customer and operating models, deploying digital payment solutions, and driving the cash transition in its markets. By 2030, the Group's strategic goal is to have the share of active mobile users exceed 80 per cent. The strategy is built on the solid foundation of the existing payments framework and is structured around three key pillars: accelerating the regional cashless transition, expanding merchant acquisition, and developing new propositions.

Sustainability and ESG integration in the business model

As an NLB Group-wide initiative, sustainability is strategically governed across the NLB Group's business lines, and encompasses three pillars: sustainable operations, sustainable finance, and contribution to society. In 2020, NLB developed the basis for the intensive integration of ESG factors into the NLB Group's business model. Moreover, NLB became the

first bank from Slovenia to commit to the UN Principles for Responsible Banking. Additionally in May 2022, NLB officially joined the Net-Zero Banking Alliance (NZBA) and in 2023 published its first targets related to reducing the NLB Group's footprint in carbon intensive industries. Since 2023 NLB continued to advance its sustainability agenda, with a strong focus on developing and implementing its net-zero business strategy and measuring portfolio emissions. In addition, in 2025 the Group also began operationalising its first targets aimed at reducing its financed emissions across carbon intensive industries and continued to develop and publish additional targets in other carbon intensive sectors.

In 2024, NLB conducted an updated double materiality assessment to evaluate key sustainability topics based on their impact on the environment and society, as well as their significance to stakeholders. The results represented an important step in further aligning the sustainability strategy with the actual expectations of both internal and external stakeholders.

In November 2024, NLB obtained an ESG risk rating by Sustainalytics of low risk 10.5 point, ranking NLB Group among the top 5th percentile among all banks assessed by Sustainalytics. In November 2025, NLB obtained also the Global ESG score of 59 by S&P.

ESG risk ratings may vary amongst ESG risk ratings agencies as the methodologies used to determine ESG risk ratings may differ. The Issuer's ESG risk ratings are not necessarily indicative of its current or future operating or financial performance, or any future ability to service the Notes and are only current as of the dates on which they were initially issued. ESG risk ratings shall not be deemed to be a recommendation to buy, sell or hold the Notes. Currently, the providers of such ESG risk ratings are not subject to any regulatory or other similar oversight in respect of their determination and award of ESG risk ratings. Prospective investors must determine for themselves the relevance of any such ESG risk rating information contained in this Prospectus or elsewhere in making an investment decision.

In 2025, NLB further implemented sustainability agenda, embedded climate-related targets into its risk and credit process and expanded its offering of sustainable financial products to support the transition of its clients.

COMPETITION FACING THE NLB GROUP

The NLB Group is a banking and financial services group, headquartered in Ljubljana and with an exclusive focus on the Republic of Slovenia and on SEE markets (Croatia, Serbia, North Macedonia, Bosnia and Herzegovina, Kosovo and Montenegro).

Slovenia

NLB classifies its competitors in the Republic of Slovenia into the following categories: domestic banks, foreign banks, investment banking, brokerage firms, leasing companies and asset management companies. In the financial services market, NLB faces competition from domestic banks and subsidiaries of foreign banks such as OTP Group, UniCredit Banka Slovenija, Addiko Bank, Gorenjska banka and major regional banks such as Banka Intesa Sanpaolo.

Since the Republic of Slovenia entered the EU, the presence of foreign banks in the region has increased considerably in both corporate and retail banking. However, there has been an ongoing consolidation of Slovenian banks in the last few years. Further consolidation may change NLB's market position. In specialised services, such as investment banking, NLB's competitors are specialised companies (in particular, stock brokerage companies).

Neobanks, primarily Revolut and N26, are present in the Slovenian market and currently account for an estimated 10-12 per cent. of banking users, based on client research. These institutions are predominantly used as secondary banking options, serving niche client needs such as account-to-account transfers, basic savings, and trading services. At present, none of the neobanks actively engage in marketing or acquisition campaigns within Slovenia. Furthermore, their solutions are not available in the local language, which limits their appeal to the broader mass market. Despite these constraints, neobanks have gained notable popularity among younger users aged 18 to 35, reflecting a growing trend toward digital-first banking solutions.

As of 31 December 2025, the Slovenian leasing market was relatively concentrated with activity predominantly conducted by bank-owned leasing companies. Data published by the Slovenian Banking Association (ZBS) indicate that 15 leasing companies operated in the market end of 2025. NLB Lease&Go is the leading market participant, followed by other key participants.

Croatia

According to the Croatian Financial Services Supervisory Agency (HANFA), 15 leasing companies were active under its supervision as of end of 2025. The market was moderately concentrated, with a few dominant players accounting for the bulk of new leasing business while smaller firms occupied niche segments. The largest providers – PORSCHE LEASING d.o.o., UniCredit Leasing Croatia d.o.o., OTP Leasing d.d., and Erste & Steiermärkische S-Leasing d.o.o. – collectively generated nearly 60 per cent. of all new leasing volume in 2025. Mobil Leasing d.o.o., Zagreb, achieved the highest annual growth rate in new leasing investments and the company secured a 6.6 per cent. share of the market for new leasing volumes, positioning it as the sixth-largest player by market share.

Serbia

The Serbian banking market remains highly competitive with 20 banks operating in the market as of 31 December 2025. However, following the merger of Eurobank Direktna with AIK Banka on 31 March 2026, the number of banks decreased to 19. The sector is experiencing consolidation, with expectations that the number of banks may halve in the coming years. As of 31 December 2025, NLB Komercijalna Banka, Beograd (now NLB Banka a.d. Beograd) is in sixth position on the Serbian market and increased its market share by 10 per cent. in terms of assets. The market is dominated by major players such as Banca Intesa, OTP Banka Srbija, UniCredit Bank Serbia, Raiffeisen Banka, NLB Komercijalna Banka, Beograd, Poštanska štedionica, AIK Banka, Erste Banka a.d. Novi Sad, and Eurobank. Despite high competition in the region, the NLB Group sees significant potential in the Serbian market and plans to expand its activities further.

As of 31 December 2025, the Serbian leasing market consisted of around 12 licensed leasing companies supervised by the National Bank of Serbia and was moderately concentrated, with mainly bank-owned providers. NLB Lease&Go Leasing Beograd has steadily strengthened its market presence and secured a 10.8 per cent. market share in new production, positioning itself among the leading leasing industry players. Other key market participants are OTP Leasing Srbija d.o.o., Intesa Leasing d.o.o., Erste Leasing d.o.o., Raiffeisen Leasing d.o.o. and Unicredit Leasing Srbija.

North Macedonia

As of 31 December 2025, North Macedonia's banking sector consisted of 13 banks. The market is highly concentrated, with the top five banks—Komercijalna Banka Skopje, Stopanska Banka Skopje, NLB Banka Skopje, Sparkasse Banka Skopje, and Halkbank AD Skopje - holding a combined market share of 81 per cent. in total assets. NLB Banka Skopje is a systemically important bank, ranking first in retail loans and fifth in corporate loans.

The leasing market of North Macedonia is small in scale and concentrated with seven leasing companies operating as of 31 December 2025. Within this market structure, Sparkasse Lizing held the leading market position, while NLB Lease&Go Skopje achieved a market share of 26.81 per cent. as of 31 December 2025, based on data published by the Central Registry of North Macedonia.

Bosnia and Herzegovina

Bosnia and Herzegovina ("**BiH**") consists of two entities, i.e. the Republic of Srpska and the Federation of BiH, with banking supervision performed by both the Banking Agency of the Republic of Srpska and the Banking Agency of the Federation of BiH. Currently 21 banks are operating on the whole BiH market. Federation of BiH: As of 31 December 2025, the largest banks are UniCredit Bank, Raiffeisen Bank, and Intesa Sanpaolo. NLB Banka Sarajevo ranks sixth, with a market share of 6.3 per cent. in total assets. Republic of Srpska: As of 31 December 2025, NLB Banka Banja Luka ranks as the second-largest bank, holding a 21.5 per cent. market share in total assets. Nova banka Banja Luka is the largest bank with 28 per cent. and UniCredit Bank the third with 13 per cent. market share in total assets.

Kosovo

Kosovo's banking sector as at 31 December 2025 comprises 11 commercial banks. NLB Banka Prishtina stands as the second-largest bank by total assets and net loans, maintaining a strong and stable position in both retail and corporate banking. The Bank is a leader in the housing loan segment, with its mortgage portfolio representing around one-third of the total housing loans in the system.

The sector is highly concentrated and predominantly foreign-owned, with foreign banks accounting for approximately 85 per cent. of total assets as of 31 December 2025, according to the Central Bank of the Republic of Kosovo. Competitive dynamics are shaped by banks with foreign ownership originating from Austria (Raiffeisen Bank Kosovo), Slovenia (NLB Banka Prishtina), Germany (ProCredit Bank Kosovo), Albania (Banka Kombëtare Tregtare), and Turkey (TEB Bank, İş Bankası, Ziraat Bankası, and BKT), which dominate lending, deposits, and payment services.

NLB Banka Prishtina, together with Raiffeisen Bank Kosovo, ProCredit Bank Kosovo, and Banka Kombëtare Tregtare, forms the group of four largest banks, collectively accounting for nearly two-thirds of total gross loans in Kosovo's banking system as at 31 December 2025.

Montenegro

In Montenegro's relatively small banking market, the sector comprises eleven operating banks. As of 31 December 2025, NLB Banka Podgorica ranks as the third-largest bank by total assets, holding a market share of 14.6 per cent. The leading banks in the market are CKB (OTP Group), Hipotekarna Banka, NLB Banka Podgorica, Erste Bank AD Podgorica, and Zapad Bank

Podgorica. After a year of strong performance in 2024, when all eleven banks reported positive results, the banking sector recorded a moderation in profitability in 2025. For the twelve months ended 31 December 2025, the eleven banks operating in Montenegro generated a combined net profit of EUR 147.3 million, representing a year-on-year decrease of 8.7 per cent.

CREDIT PORTFOLIO

Quality of credit portfolio[11]

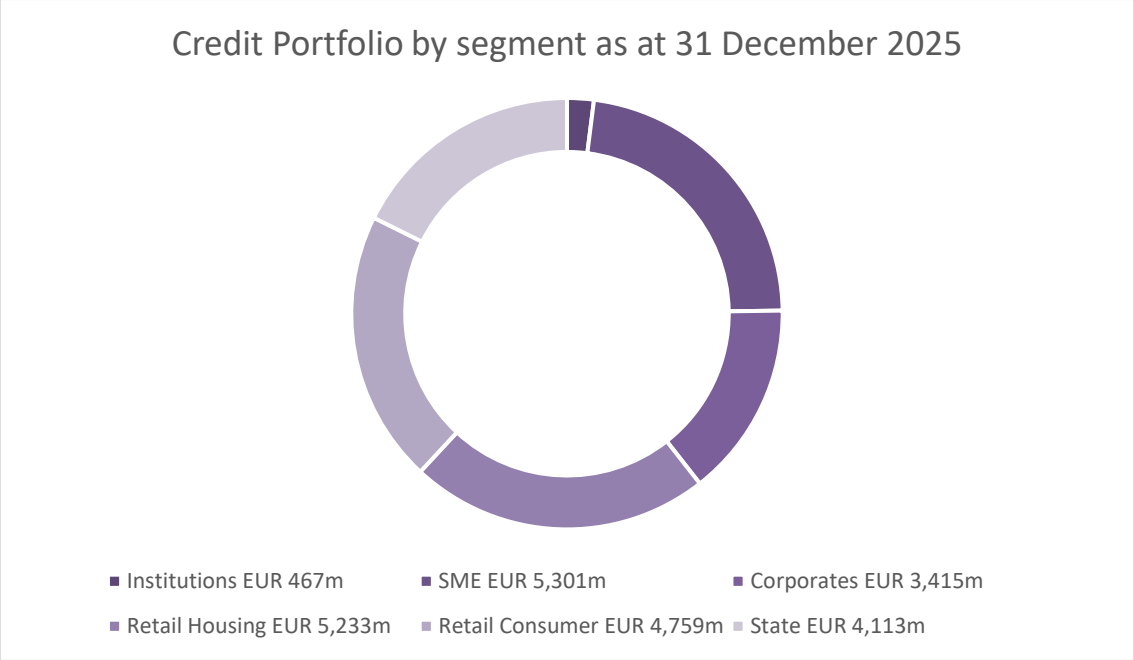
Maintaining an adequate credit portfolio quality is the most important goal, focusing on cautious risk-taking and the quality of new loans, and leading to a diversified portfolio of customers.

Although the NLB Group is concentrated in SEE, the NLB Group's credit portfolio of EUR 23.3 billion as at 31 December 2025 is diversified without any large concentration in any specific industry or client segment. The share of the retail portfolio within the whole credit portfolio is substantial with housing loans prevailing. As at 31 December 2025, the portfolio consisted of 15 per cent. large corporates, 23 per cent. SMEs and micro companies (each as defined in the relevant local legislation where such companies are incorporated) and 43 per cent. retail loans. The remainder of the portfolio consists of other liquid assets. Geographically, loans (including cash balances at central banks and other demand deposits at commercial banks, loans to non-financial clients, including leasing, utilised overdraft facilities and credit cards, as well as receivables from purchased claims) in the Republic of Slovenia accounted for 46 per cent. of the total portfolio and 78 per cent. were denominated in Euros as at 31 December 2025. In the assessment of the Issuer, the credit portfolio remains diversified with no large concentration in any specific industry or client segment.

The global automotive industry, which significantly influences the European market, is currently facing unfavourable trends. These challenges could affect Slovenia's economy, as its automotive industry is export-oriented and integrated into the European supply chain. The NLB Group has identified companies involved in the manufacturing of automotive components that could be adversely affected by current market circumstances, leading to the re-staging of certain exposures during 2025. Clients in the automotive industry are subject to closer monitoring under the Early Warning System (EWS) and may consequently be classified under Stage 2 or Stage 3. Financing for both automotive industry segments – manufacturing of automotive components and car sales and maintenance services – represents a small part of the Bank's portfolio, with manufacturing accounting for 1.6 per cent. and sales activities for 2.5 per cent.

The following figure sets out the NLB Group structure of the credit portfolio (gross loans) by segment as at 31 December 2025 (in millions of Euros). The State's credit portfolio includes exposures to central banks. The credit portfolio also includes account balances and required reserves at central banks, as well as demand deposits at banks.

[11] Credit portfolio relates to gross loans before deduction of allowances for impairment.



The following tables provide the overview of NLB Group corporate credit portfolio by industry as at 31 December 2025 and 31 December 2024. The European Classification of Economic Activities was updated in 2025, which contributed to changes in the portfolio's industry breakdown. Some of the changes in industry exposure in 2025 can be attributed to this methodological change.

	NLB Group			
	As at 31 December 2025		As at 31 December 2024	
	Credit portfolio	per cent.*	Credit portfolio	per cent.*
	(in EUR millions)		*(in EUR millions)*	
Corporate sector by industry				
Accommodation and food service activities	322.2	3.7	241.9	3.1
Administrative and support service activities	174.0	2.0	150.8	1.9
Agriculture, forestry and fishing	440.8	5.1	383.9	4.9
Arts, sports and recreation	21.6	0.2	20.9	0.3
Construction and Real estate activities	1,366.0	15.7	1,216.2	15.7
Education	28.4	0.3	23.2	0.3
Electricity, gas, steam and air conditioning supply	622.9	7.1	616.5	7.9
Financial and insurance activities	295.1	3.4	229.1	2.9
Human health and social work activities	63.4	0.7	48.0	0.6
Telecommunication, computer programming, consulting, computing infrastructure and other information service activities	211.6	2.4	216.3	2.8
Publishing, broadcasting, and content production and distribution activities	17.1	0.2	17.4	0.2
Manufacturing	2,049.0	23.5	1,764.5	22.7
Mining and quarrying	39.1	0.4	42.5	0.5
Professional, scientific and technical activities	418.9	4.8	348.1	4.5
Public admin., defence, compulsory social security	268.0	3.1	213.9	2.8
Other service activities	63.1	0.7	19.5	0.3
Transportation and storage	602.7	6.9	634.6	8.2
Water supply, sewerage, waste management and remediation activities	71.6	0.8	66.1	0.9
Wholesale and retail trade	1,640.8	18.8	1,517.3	19.5
Other	0.1	0.0	0.1	0.0
Total Corporate sector	**8,716.5**	**100.0**	**7,770.7**	**100.0**

* Related to the total corporate credit portfolio.

	NLB Group			
	As at 31 December 2025		As at 31 December 2024	
	Credit portfolio	per cent.*	Credit portfolio	per cent.*
	(in EUR millions)		*(in EUR millions)*	
Main manufacturing activities				
Manufacture of food products	539.1	6.2	303.4	3.9
Manufacture of basic metals	242.3	2.8	192.1	2.5
Manufacture of fabricated metal products, except machinery and equipment	201.5	2.3	203.4	2.6
Manufacture of electrical equipment	116.0	1.3	183.4	2.4
Manufacture of other non-metallic mineral products	114.5	1.3	118.7	1.5
Manufacture of motor vehicles, trailers and semi-trailers	93.0	1.1	98.5	1.3
Manufacture of chemicals and chemical products	90.7	1.0	38.2	0.5
Manufacture of machinery and equipment n.e.c.	88.4	1.0	86.8	1.1
Manufacture of basic pharmaceutical products and pharmaceutical preparations	76.2	0.9	74.5	1.0
Manufacture of rubber and plastic products	74.8	0.9	85.7	1.1
Other manufacture activities	412.5	4.7	379.8	4.9
Total manufacturing activities	**2,049.0**	**23.5**	**1,764.5**	**22.7**

* Related to the total corporate credit portfolio.

	NLB Group			
	As at 31 December 2025		As at 31 December 2024	
	Credit portfolio	per cent.*	Credit portfolio	per cent.*
	(in EUR millions)		*(in EUR millions)*	
Main wholesale and retail trade activities				
Wholesale trade, except of motor vehicles and motorcycles	921.2	10.6	832.5	10.7
Retail trade, except of motor vehicles and motorcycles	442.8	5.1	460.3	5.9
Wholesale and retail trade and repair of motor vehicles and motorcycles	276.8	3.2	224.4	2.9
Total wholesale and retail trade	**1,640.8**	**18.8**	**1,517.3**	**19.5**

* Related to the total corporate credit portfolio.

The corporate credit portfolio is well diversified, with no large concentration existing in any specific industry. This diversification is essential to maintain as geopolitical tensions, the green transition, and other macro factors could impact specific economic sectors.

Companies' financing also includes financing of real estate activities and special lending projects, primarily in solar and wind energy production, both of which represent a smaller segment of the overall portfolio. The risks associated with real estate financing depend on the specific phase of the construction process – whether the project is still in the development stage or already operational – as well as on the source of repayment. Projects are carefully

monitored throughout each construction phase, and no material disruptions have been identified.

Approximately 64.8 per cent. of the total NLB Group corporate and retail credit portfolio has a fixed interest rate and the rest of the mentioned portfolio is linked to a floating interest rate (mostly by reference to EURIBOR). The following table shows the breakdown of the NLB Group credit portfolio by interest type and segment as at 31 December 2025.

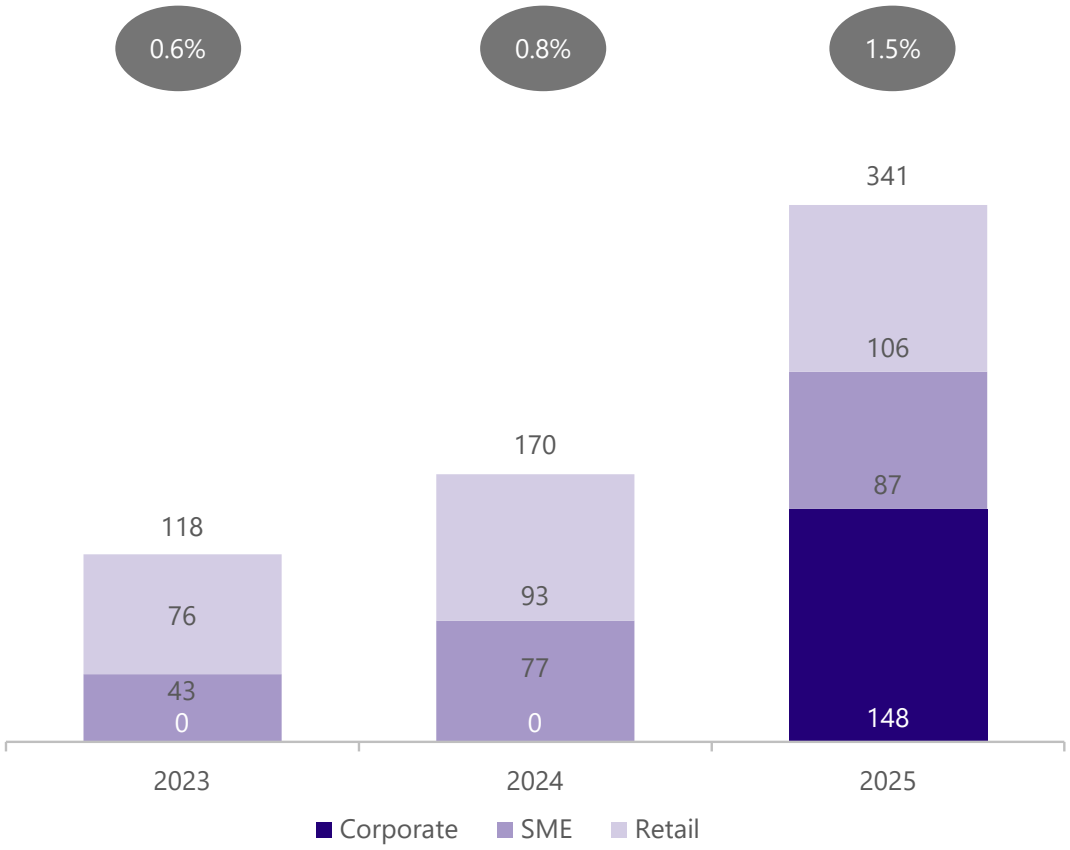
	NLB Group	
	As at 31 December 2025	
	Fixed	Floating
	(per cent.)	
Corporate (incl. SME)	45.4	54.6
Consumer	81.4	18.6
Housing	81.8	18.2

As at 31 December 2025, the NLB Group credit portfolio contained EUR 10.0 billion in retail loans, comprising 52.4 per cent. retail housing loans and 47.6 per cent. retail consumer loans.

The NLB Group applies a conservative, disciplined and sustainable credit policy and regularly monitors effectiveness of its risk management processes to identify, monitor and control or mitigate material risks, including loan approval processes, proactive handling of problematic customers, changes in credit processes and early warning systems for detecting increased credit risk. A prudent credit approach and the improved economic environment in the NLB Group's core countries of operation have resulted in cumulatively low new formation of NPL and a sustainable, relatively low cost of risk.

The global economy experienced a slowdown in 2025, with GDP growth rates projected to remain below the long-term average and downside risks intensifying. Despite measures implemented to reduce the riskiness of the NLB Group portfolio, the Bank experienced increased NPL formation in 2025, particularly in the corporate segment in Slovenia. For the year ended 31 December 2025, NPL formation amounted to EUR 341.2 million, representing 1.5 per cent. of the total loan portfolio. Nevertheless, due to cautious lending standards and effective early warning systems, the Group's credit portfolio remains of solid quality, with a sustainable share of NPLs and above EU average provision coverages to limit potential losses.

The following figure shows the NLB Group's gross NPL formation by segment for the year ended 31 December 2025, 31 December 2024 and 31 December 2023 (in EUR million):



Note:

The new formation is defined as the volume of performing loans (in gross value before deduction of loan loss allowances) that were downgraded to non-performing credit ratings (D or E) during the observed period.

As at 31 December 2025 and 31 December 2024, the gross NPL formation as a percentage of gross loans was 1.5 per cent. and 0.8 per cent.[12], respectively.

The most important clients for NLB and the NLB Group are large corporate customers, SMEs and individuals.

Precisely defined targets and various proactive workout approaches have supported the management of the non-performing portfolio in 2025. The Group's NPL management framework places strong emphasis on restructuring, complemented by other active NPL management tools, such as collateral foreclosure, sale of claims, and pledged assets. Amid the volatile macroeconomic conditions in 2025, inflows of new NPLs exceeded repayments and recoveries of existing NPLs; this dynamic was especially evident in the corporate segment. As a result, the NPL portfolio recorded a net increase of EUR 139.1 million in 2025. The Group's non-performing credit portfolio stock increased to EUR 469.5 million by the end

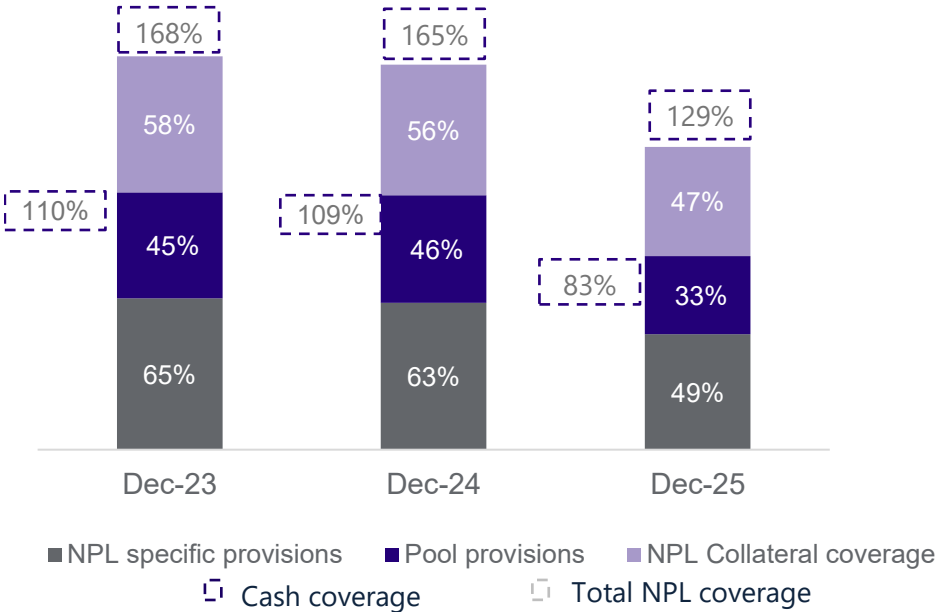
[12] Cumulative new NPLs formation in selected period divided by gross loans stock.

of 2025, compared with EUR 330.5 million at the end of 2024.[13] Despite this increase in the non-performing credit portfolio, combined with credit growth in a higher-quality portfolio, the NPL ratio remained at merely 2.0 per cent. Based on the EBA methodology, the internationally comparable NPE ratio stood at 1.4 per cent. and the Group's gross NPL ratio was 2.4 per cent. In addition, EUR 191.6 million of NPLs showed no payment delays.

Due to the experience gained in the last few years dealing with clients with financial difficulties, resulting primarily from legacy portfolios, the NLB Group has developed a knowledge base both in the prevention of financial difficulties for clients (including restructuring viable clients in case of need), and to efficiently work out exposures with no realistic recovery prospects. This extensive knowledge base is available throughout the NLB Group and risk units as well as restructuring and workout teams are properly staffed and have the capacity to deal, if needed, with considerably increased volumes in a professional and efficient manner.

In 2025, the NPL coverage ratio 1 (coverage of gross NPLs with impairments for all loans) decreased to 82.7 per cent., reflecting lower coverage of newly recognised corporate NPLs, which on average carry a lower coverage ratio than the legacy NPL portfolio. Furthermore, the Group's NPL coverage ratio 2 (coverage of gross NPLs with impairments for NPLs) stood at 49.4 per cent., remaining well above the EU average published by the EBA (41.4 per cent. for Q4 2025). Additionally, NPLs are covered by collateral, which serves as a secondary source of repayment. At the end of Q4 2025, the NPL collateral coverage ratio (EBA def.) was 46.7 per cent.

The following figure shows NPL collateral coverage (cash coverage calculated including both individual and pool provisions) of the NLB Group (in terms of shares) as at 31 December 2023, 31 December 2024 and 31 December 2025:



[13] Non-performing credit portfolio stock corresponds to the total non-performing loans as defined in the Alternative Performance Measures.

Notes:

NPL specific provisions represent NPL coverage ratio 2 (coverage of gross non-performing loans with impairments for non-performing loans).

Cash coverage represents NPL coverage ratio 1 (coverage of gross non-performing loans with impairments for all loans).

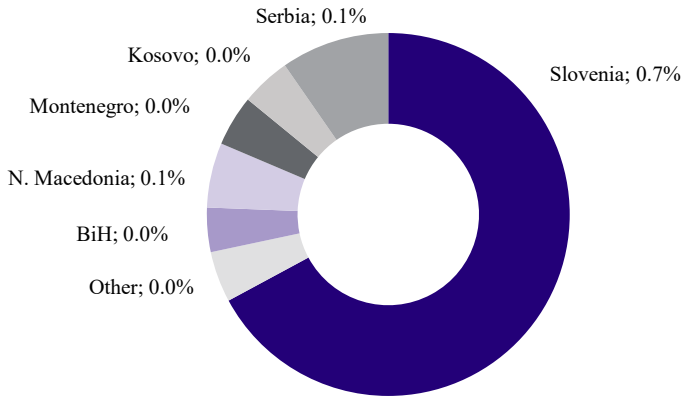
Pool provisions represent the differences between all provisions, called cash coverage, and NPL specific provisions.

NPL collateral coverage represents the collateral received for NPLs (coverage of the gross non-performing loan portfolio with collateral for non-performing loans).

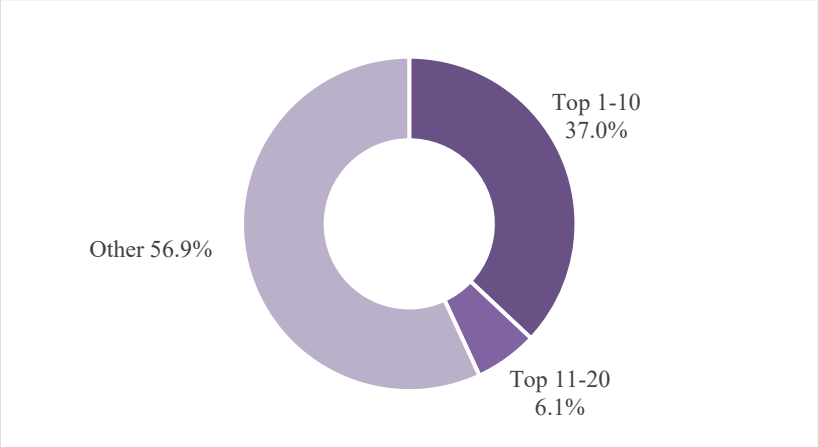
Total NPL coverage represents the coverage of NPLs with provisions (cash coverage) and received collaterals for NPLs (NPL collateral coverage).

The NLB Group strives to ensure the best possible collateral for long-term loans, namely mortgages. Thus, real-estate mortgages are the most common form of loan collateral for corporate and retail clients. In corporate loans, it is followed by government and corporate guarantees. In retail loans, other most frequent types of loan collateral are insurance policies issued by insurance companies and guarantors.

The following figure shows NPL (in terms of volume) by geographical location of the NLB Group as at 31 December 2025:



The following figure shows the top 20 NPLs (in terms of volume) of the NLB Group as at 31 December 2025:



Impairment methodology

The NLB Group assesses specific and collective loan impairments at the end of each month for all exposures measured at amortised cost under IFRS 9, a method that came into force on 1 January 2018. IFRS 9 requires a shift from an incurred loss model to an expected loss model that provides an unbiased and probability-weighted estimate of credit losses by evaluating a range of possible outcomes incorporating forecasts of future economic conditions. The expected loss model requires the NLB Group to recognise not only credit losses that have already occurred, but also losses that are expected to occur in the future. An allowance for ECL is required for all loans and other debt financial assets not held at FVTPL (fair value through profit and loss), as well as loan commitments and financial guarantee contracts.

The allowance is based on the ECL associated with the probability of default over the next 12 months unless there has been a significant increase in credit risk since initial recognition, in which case, the allowance is based on the probability of default over the life of the financial asset ("**LECL**"). When determining whether the risk of default has increased significantly since the initial recognition, the NLB Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the NLB Group's historical data, experience, expert credit assessment and incorporation of forward-looking information.

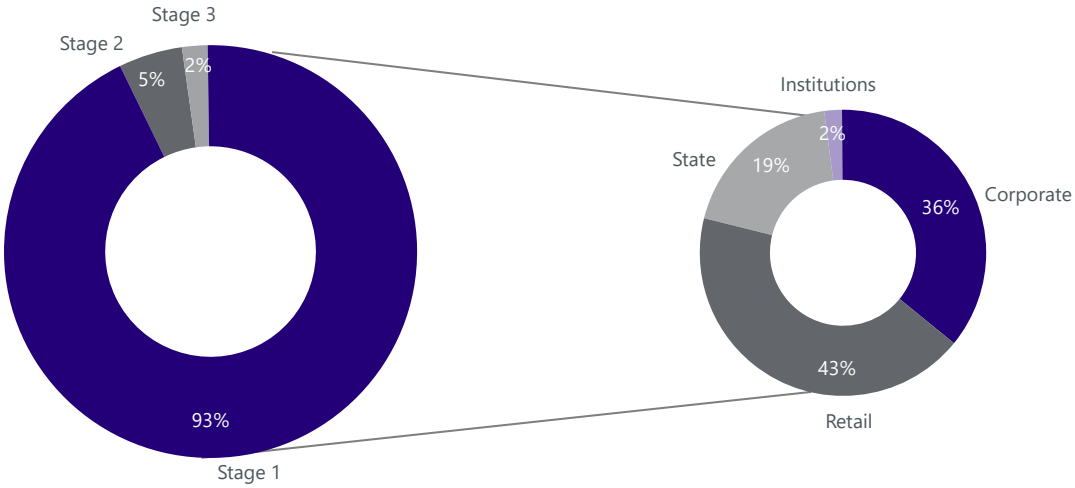
The NLB Group has prepared a methodology for ECL that defines the criteria for classification into stages, the transition criteria between stages, the calculation of risk indicators and the validation of models. The NLB Group classifies financial instruments into Stage 1, Stage 2 and Stage 3 based on the applied ECL allowance methodology as described below:

- Stage 1 – performing portfolio: no significant increase in credit risk since the initial recognition, NLB Group recognises an allowance based on a 12-month period;
- Stage 2 – underperforming portfolio: significant increase in credit risk since the initial recognition, NLB Group recognises an allowance for a lifetime period; and
- Stage 3 – impaired portfolio: NLB Group recognises lifetime allowances for these defaulted financial assets. The Bank uses a unified definition of past due and default exposures aligned with Article 178 of Regulation EU 575/2013. Defaulted clients are rated under the Bank's internal rating system, including clients with material delays

over 90 days, as well as those assessed as unlikely to pay. Retail clients are rated on their facility level. However, the rating can be reduced based on the rating of other credit facilities of the same clients.

The majority of the NLB Group's credit portfolio as at 31 December 2025 is classified in Stage 1 (93.0 per cent.), followed by 5.0 per cent. in Stage 2, and 2.0 per cent. in Stage 3. Loans in Stages from 1 to 3 are booked at amortised cost, no fair value loans measured through P&L (FVTPL) have been recognised as at 31 December 2025.

The following figure sets out the NLB Group credit portfolio by stages as at 31 December 2025:



Note:

The right chart shows the Stage 1 structure by client segment.

The following table sets out the NLB Group credit portfolio by stages as at 31 December 2025 (in EUR million):

	Credit portfolio								
	Stage1			Stage2			Stage3 & FVTPL		
	Credit portfolio	Share of Total	YTD change	Credit portfolio	Share of Total	YTD change	Credit portfolio	Share of Total	YTD change
Total NLB Group	21,658.9	93.0%	2,345.1	1,160.3	5.0%	123.5	469.6	2.0%	139.1
o/w Corporate.....	7,832.0	89.9%	871.4	573.7	6.6%	-52.7	310.8	3.6%	127.1
o/w Retail.....	9,248.2	92.6%	1,070.2	585.4	5.9%	175.1	158.8	1.6%	12.1
o/w State.....	4,111.5	100.0%	344.8	1.2	0.0%	1.2	0.0	0.0%	0.0
o/w Institutions....	467.7	100.0%	58.7	0.0	0.0%	0.0	0.0	0.0%	-0.2

	Provisions and FV changes for credit portfolio					
	Stage1		Stage2		Stage3 & FVTPL	
	Provision Volume	Provision Coverage	Provision Volume	Provision Coverage	Provisions & FV changes	Coverage with provisions and FV changes
Total NLB Group	88.0	0.4%	68.2	5.9%	231.9	49.4%
o/w Corporate.....	46.7	0.6%	21.7	3.8%	126.6	40.7%
o/w Retail.....	39.3	0.4%	46.5	7.9%	105.3	66.3%

o/w State.....	1.9	0.0%	0.1	5.0%	0.0	81.6%
o/w Institutions....	0.2	0.0%	0.0	0.0%	0.0	100.0%

In the current macroeconomic environment, the Group's asset quality remains robust. The majority of the loan portfolio is classified as Stage 1 (93.0 per cent.), with a relatively small share in Stage 2 (5.0 per cent.) and Stage 3 (2.0 per cent.). The increase in Stage 2 allocation was primarily observed in the retail segment, driven by improved statistical models and the SICR identification system implemented in subsidiaries in Q2 2025. Despite this shift, the overall share of the Stage 2 portfolio remains moderate, and 77.8 per cent. of Stage 2 retail exposure shows no payment delays. In the corporate segment, previously identified risk triggers resulted in a transfer of certain exposures from Stage 2 to Stage 3 in Q4 2025. Loans classified under Stages 1 to 3 are measured at amortised cost (AC), while no receivables are measured at fair value through profit or loss (FVTPL).

A significant increase in credit risk is assumed:

- when a credit rating significantly deteriorates at the reporting date, in comparison to the credit rating at initial recognition;
- when a financial asset has material delays regarding repayment over 30 days (days-past due are also included in the credit rating assessment);
- if the NLB Group grants forbearance to the borrower; or
- if the facility is on the watch list ("**WL**").

The WL is an internal list of performing clients identified (at an early stage) as experiencing financial difficulty. The WL is divided into:

- WL1: where the seriousness of a client's financial deterioration is relatively small or temporary and where it can be expected that such a client should eliminate the anomalies in a relatively short period of time; and
- WL2: where the seriousness of a client's financial deterioration is large and results from structural or strategic problems in the client's operations and profitability.

The process of identifying clients experiencing financial difficulty aims to rapidly detect potential problems with performing customers based on early warning indicators (financial and non-financial) of increased credit risk. The EWS has been put in place at the bank for this purpose. EWS identifies any anomalies affecting performing clients on a daily, monthly, and other basis and makes proposals for their inclusion in the WL.

ECL for Stage 1 financial assets is calculated based on twelve-month probabilities of default ("**PD**") or shorter period PDs, if the financial asset's maturity is shorter than one year. The twelve-month PD already includes the macroeconomic impact effect. Allowance in Stage 1 is designed to reflect ECL that has been incurred in the performing portfolio, but has not been identified.

LECL for Stage 2 financial assets is calculated based on lifetime PDs ("**LPD**") as their credit risk has increased significantly since their initial recognition. This calculation is also based on forward-looking assessments that consider several economic scenarios to recognise the probability of losses associated with a range of predicted macro-economic forecasts.

For financial instruments in Stage 3, the same treatment is applied as for instruments considered to be credit impaired. Exposures below the materiality threshold give rise to a collective allowance calculated using PD 100 per cent. Financial instruments will be transferred out of Stage 3 if they no longer meet the criteria for being credit-impaired after a probation period. Special treatment applies for purchased or originated credit-impaired financial instruments, where only the cumulative changes in the lifetime expected losses since initial recognition are recognised as a loss allowance.

RISK MANAGEMENT

One of the NLB Group's key strategies for supporting a sustainable and profitable business is to pursue, and incrementally improve upon, a risk management framework that holistically and proactively monitors all relevant risk categories of the NLB Group. Such a robust risk management framework is comprehensively integrated into decision making, steering and mitigation processes within the NLB Group. The NLB Group places high importance on risk culture and awareness of all relevant risks within the entire NLB Group.

The NLB Group's risk management policy is consistently applied throughout the NLB Group's organisational structure and aims to ensure the prudent and efficient use of the NLB Group's capital and compliance with all legal, regulatory and best practice requirements. Governance and risk management tools enable adequate oversight of the NLB Group's risk profile. Moreover, they support business operations and enable efficient risk management by incorporating escalation procedures into NLB Group's operations.

The NLB Group's risk management framework supports business decision-making on strategic and operational levels, comprehensive steering, and proactive risk management by incorporating:

- risk appetite statements and risk strategy orientations;
- regular reviews of strategic business goals, budgeting, and the capital planning process;
- the internal capital adequacy assessment process (ICAAP) and the internal liquidity adequacy assessment process (ILAAP);
- recovery plan activities;
- other internal stress-testing capabilities and ongoing risk analysis; and
- regulatory and internal management reporting.

Risk management focuses on managing and mitigating risks in line with the NLB Group's risk appetite and risk strategy, representing the foundation of the NLB Group's risk management framework. Within this framework, the NLB Group monitors a range of risk metrics in order to ensure the NLB Group's risk profile is in line with its risk appetite. Risk limits are monitored and potential deviations from limits and target values are reported regularly to the relevant committees and/or the Management Board of NLB. A comprehensive risk report is reviewed quarterly by the Management Board, the Risk Committee of the Supervisory Board and the Supervisory Board. Additionally, the NLB Group has set up early warning systems in different risk areas with the intention of strengthening the existing internal controls and ensuring timely responses when necessary.

The NLB Group management is focussed on a prudent risk profile, optimal capital usage and profitable operations in the long-term. Management of credit risk, representing the Group's most important risk, focuses on the taking of moderate risks – diversified credit portfolio, adequate credit portfolio quality, sustainable cost of risk and ensuring an optimal return considering the risks assumed.

The liquidity risk tolerance is low. The NLB Group must maintain an appropriate level of liquidity at all times to meet its short-term liabilities, even if a specific stress scenario is realised. Further, with the aim of minimising this risk, the Group pursues an appropriate structure of sources of financing. The Group limited exposure to credit spread risk, arising from the valuation risk of debt securities portfolio servicing as liquidity reserves, to the medium level. The NLB Group's basic orientation in the management of interest rate risk is to limit unexpected negative effects on revenues and capital that would arise from changed market interest rates and, therefore, a medium tolerance for this risk is stated. Moreover, in 2025, the Group additionally enhanced the existing interest rate risk management. When assuming operational risk, the NLB Group pursues the orientation that such risk must not significantly impact its operations. Risk appetite for operational risks is low to medium, with focus on mitigation actions for important risks and key risk indicators serving as an early warning system. To adequately manage ICT risks and ensure compliance with the requirements of DORA, a dedicated second line of defence within risk management function and ICT risk management framework were established. The conclusion of transactions in derivative financial instruments at NLB is primarily limited to servicing customers and hedging Bank's own positions. In the area of currency risk, the NLB Group thus pursues the goals of low to moderate exposure. Based on environmental and climate risk assessment, the impact of these risks is estimated as low, except for transition risk in the area of credit risk which is assessed as low to medium. The tolerance for all other risk types, including non-financial risks, is low with a focus on minimising their possible impacts on the Group's operations.

In its operations, the NLB Group is above all exposed to credit risk, the risk of losses due to the failure of a debtor to settle its liabilities to the NLB Group. For this reason, the NLB Group proactively and comprehensively monitors and assesses credit risk and follows IFRS, relevant regulations as well as ECB and EBA guidelines. In addition, credit risk management is governed in detail by the NLB Group's internal methodologies and procedures, particularly those contained in its risk appetite, risk strategy and credit policy. The NLB Group manages credit risk at two levels; at the level of the individual customer or group of customers and at the level of the quality of the credit portfolio.

For the purposes of an efficient risk mitigation process, the NLB Group applies a single set of standards to retail and corporate loan collateral, which is a secondary source of repayment, with the aim of efficient credit risk management and optimal capital consumption. The NLB Group has a system for monitoring and reporting collateral at fair market value in accordance with the international valuation standards. When hedging market risks, the NLB Group follows the principle of natural hedging or by using derivatives in line with hedge accounting principles.

Each of the banking subsidiaries within the NLB Group has adapted a corresponding approach to its internal risk management policies, which are aligned with key NLB Group risk management guidelines and tailored for the requirements arising from local regulations.

CAPITAL REQUIREMENTS

The European Union's legal framework for banks which applies to the NLB Group is based on the Basel III guidelines. In this regard, the Issuer is required to satisfy applicable minimum capital requirements pursuant to the CRR (the "**Pillar 1 Requirement**") at all times. This includes a CET 1 capital ratio of at least 4.5 per cent., a Tier 1 capital ratio of at least 6 per cent. and a total capital ratio of at least 8 per cent. These requirements apply on a consolidated basis.

In addition to this Pillar 1 Requirement, the Bank must at all times meet the capital requirements that are imposed by the ECB following the SREP (the "**Pillar 2 Requirement**", and together with the Pillar 1 Requirement, the ("**TSCR**")).

Furthermore, the Issuer is required to satisfy at all times a Combined Buffer Requirement within the meaning of Article 271 of ZBan-4, in the form of CET 1 capital. For the Issuer, the Combined Buffer Requirement consists of the sum of: (i) a capital conservation buffer, (ii) a countercyclical buffer, (iii) an O-SII Buffer, and (iv) a systemic risk buffer, in each case, on a consolidated basis. The TSCR and the Combined Buffer Requirement make up the Bank's OCR, which operates as its maximum distributable amount threshold.

As of 31 December 2025, NLB is required to maintain, on a consolidated basis, an OCR of at least 14.75 per cent., being slightly higher (by 0.25 percentage points) compared to the 31 December 2024, due to an increase in the Combined Buffer Requirement, driven by a higher countercyclical buffer and lower systemic risk buffer (consisting of 10.32 per cent. CET 1 capital; 12.22 per cent. Tier 1 capital), consisting of a 10.12 per cent. of total SREP capital requirement (consisting of 5.69 per cent. CET 1 capital; 7.59 per cent. Tier 1 capital) and a 4.63 per cent. Combined Buffer Requirement (consisting of a 2.5 per cent. capital conservation buffer, 1.25 per cent. other systemically important buffer, 0.80 per cent. countercyclical buffer[14], and 0.08 per cent. systemic risk buffer[15] to be made up of CET 1 capital only).

The Issuer must also follow Pillar 2 guidance, a capital recommendation over and above the OCR, set by the ECB through the SREP. Pillar 2 guidance amounts to 1.0 per cent. of CET 1 capital as at 31 December 2025.

In 2025, capital buffer rates across the Group's region developed as follows:

- The countercyclical capital buffer rate increased in Slovenia from 0.5 per cent. to 1.0 per cent., and in North Macedonia from 1.25 per cent. to 1.75 per cent. Montenegro introduced a 0.5 per cent. countercyclical buffer in April 2025, and Kosovo a 2 per cent. buffer in July 2025. As of December 2025, the NLB Group CCYB buffer was 0.80 per cent., reflecting all CCYB rates of countries to which the NLB Group is exposed.
- In January 2025, the sectoral systemic risk buffer for retail exposures, secured by residential real estate, decreased from 1.0 per cent. to 0.5 per cent. Consequently, the

[14] In 2025, the Bank of Slovenia increased the countercyclical capital buffer for exposures in Slovenia from 0.5 per cent. to 1 per cent. The level of the countercyclical capital buffer applicable to the NLB Group is also affected by all other CCYBs of countries to which the Group is exposed.

[15] The Bank of Slovenia introduced a mandatory systemic risk buffer for sectoral exposures for banks. From January 2025, the required rate is 0.5 per cent. for all retail exposures to natural persons.

Systemic Risk Buffer was 0.08 per cent. in December 2025, with no changes in the third or fourth quarters.

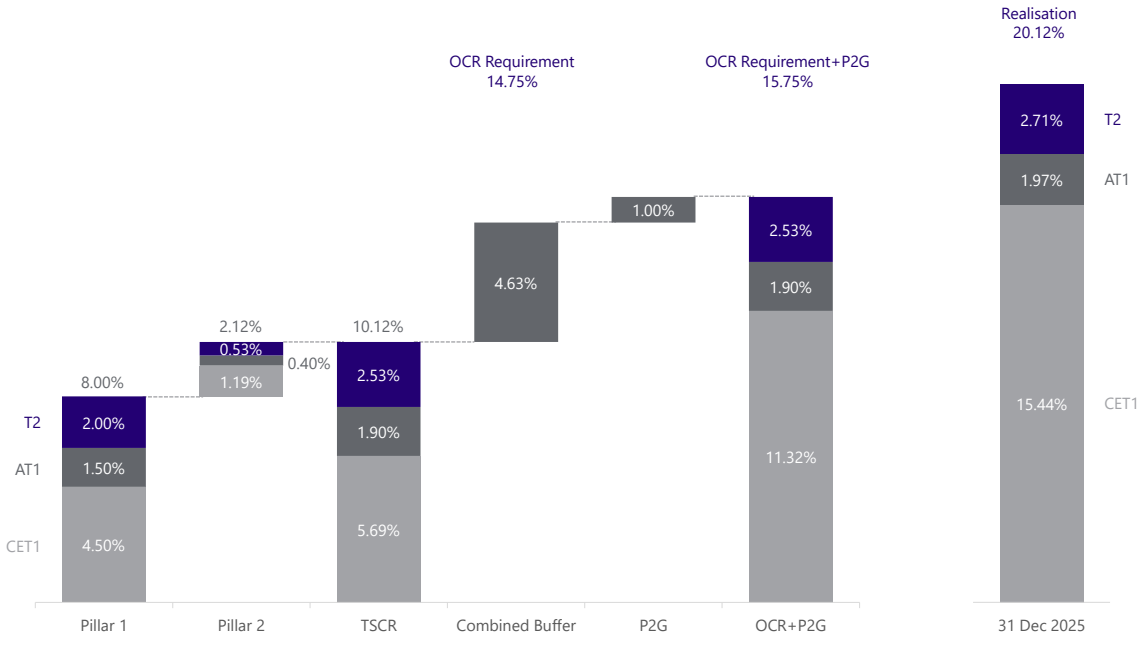
On 28 October 2025, the ECB Banking Supervision issued a new SREP 2025 Decision for NLB to comply with on a consolidated basis. The total SREP capital requirement (TSCR) is 10.10 per cent. valid from 1 January 2026. The Pillar 2 Requirement was reduced by 0.02 per cent. to 2.10 per cent., reflecting an improved SREP assessment. The P2G was also lowered from 1.0 per cent. to 0.75 per cent., thus reducing OCR + P2G to 15.48 per cent. (down from 15.75 per cent. previously). On 21 October 2026, the ECB issued a new SREP decision for the NLB Group, pursuant to which the Pillar 2 Requirement was reduced from 2.10 per cent. to 2.07 per cent., while the Pillar 2 guidance remained unchanged at 0.75 per cent. The new SREP decision will apply from 1 January 2027.

The capital of the Bank and the NLB Group meets all the regulatory capital requirements, including capital buffers, as well as the Pillar 2 guidance.

To strengthen and optimise the NLB Group's capital structure, the Bank has issued Tier 2 and AT1 instruments. For further details, see above "*Funding - Outstanding subordinated liabilities*".

As at 31 December 2025, the Total Capital Ratio for the NLB Group stood at 20.1 per cent. (1.4 percentage points increase than at the end of 2024) and for NLB at 26.4 per cent. (2.0 percentage points higher than at the end of 2024). The CET 1 capital ratio stood at 15.4 per cent. (0.1 percentage points higher than at the end of 2024). The higher total capital adequacy primarily derives from higher capital (EUR 514.3 million year-over-year), which counterbalanced the RWA increase of EUR 1,293.7 million year-over-year. The Group's capital was strengthened mainly through the inclusion of part of the 2025 profit (EUR 226.6 million) and the issuance of an AT1 instrument (EUR 300.0 million).

The following figure shows NLB Group Capital requirements and realisation as at 31 December 2025:

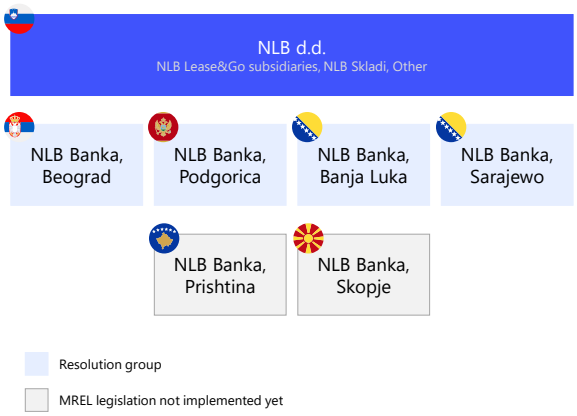


The dividend pay-out in 2025 was split into two tranches. The first instalment of EUR 128.6 million was paid in June 2025, while the second was paid in the same amount of EUR 128.6 million in December 2025, contributing to the 2025 cumulative dividend pay-out of EUR 257.2 million.

The preferred resolution strategy for the NLB Group is based on the Multiple Point of Entry (MPE) strategy. Bail-in at the level of NLB is the primary resolution tool to be applied during the stabilisation phase.

Within the NLB Group, separate resolution groups are designated. The resolution group in the Banking Union is headed by NLB, and the remaining resolution groups are headed by the banking subsidiaries located in non-EU countries (Bosnia and Herzegovina, Montenegro, and Serbia, while Kosovo and North Macedonia have not yet implemented MREL legislation).

The following figure shows resolution groups within NLB Group.



The NLB Resolution Group consists of NLB as the only banking member and other non-banking members, the latter representing 13 per cent. of TREA. On 21 December 2023, NLB received a decision of the BSI relating to the MREL requirement where NLB must comply with the MREL requirement on a consolidated basis at NLB Resolution Group level which amounts to 30.66 per cent. of TREA (excluding Combined Buffer Requirement) and 10.69 per cent. of the LRE and has to be complied as of 1 January 2024. On 31 December 2024, NLB's MREL ratio amounted to 37.47 per cent. of TREA and 21.43 per cent. of LRE, demonstrating adequate buffer above MREL requirements.

On 16 March 2026, NLB received a new decision regarding the MREL requirement, which supersedes the previous decision from 18 March 2025 (which amounted to 29.93 per cent. of TREA (excluding CBR) and 11.24 per cent. of the LRE). According to the new decision, NLB has to ensure its own funds and eligible liabilities towards the MREL requirement to be met at all times from and including the notification date, which amounts to 30.15 per cent. of TREA (excluding Combined Buffer Requirement) and 11.71 per cent. of the LRE.

SEE banking members in Bosnia and Herzegovina and Montenegro are subject to local MREL requirements, set as per Total Liabilities and Own Funds (TLOF), while banking members in Serbia are subject to local MREL requirement set as per TREA.

As at 31 December 2025, the Issuer's Available Distributable Items amounted to EUR 1,351,948,745 and as at 30 September 2026 EUR 1,193,001,778. Distance to MDA on the

NLB Group level as at 31 December 2025 amounted to 5.12 per cent. and as at 30 September 2026 to 4.01 per cent. (CET1 buffer of 4.03 per cent. above the 10.34 per cent. requirement, less 0.02 per cent. AT1 covered by CET1).

Distance to AT1 Notes trigger (5.125 per cent.) for write-down on the NLB Group level as at 31 December 2025 amounted to 10.31 per cent. and as at 30 September 2026 amounted to 9.25 per cent.

INFORMATION TECHNOLOGY

The Group remains committed to providing its clients with sustainable and efficient services supported by highly reliable and secure technology platforms. The Bank is also advancing its technology transformation programme and consolidating core banking systems. IT has made significant progress in the consolidation process at the Group level. The NLB Group is aiming to centralise and unify governance, applications, and infrastructure. Additionally, the Bank has rolled out further group-wide business solutions, including the launch of a new web portal, the implementation of a new Electronic Document Management System (EDMS), and the enhancement of digital channels across multiple group members. To address the increased risk in cyber security, the Bank has prioritised investments in additional resources and products to strengthen its overall cyber security resilience.

With the adoption and publication of the new Business strategy 2030 (New Horizon) and the conclusion of the current IT Strategy, work on the new IT Strategy for the period of 2025–2030 is underway. The key elements of the new IT Strategy are:

- transformation of IT to support the implementation of the new Business Strategy;
- continue to implement agile ways of development to ensure better deliverables and support for business;
- enhance architecture with a focus on cloud-native solutions;
- future development and enhancement of information and cyber security capabilities.

Cyber security

The NLB Group places a special focus and effort on cyber security, assuring the confidentiality, integrity, availability and authenticity of data, information, and IT systems that support banking services and products for clients. Cyber security within the Group is constantly tested and upgraded through security assessments, independent reviews, and penetration testing. It also belongs to the First Line of Defence, following three lines of defence concept and methodology.

Cyber security is regularly discussed at the Bank's NLB Group Information Security Steering Committee, Operational Risk Committee and Management Board meetings.

In 2025, key activities focused on strengthening digital cyber resilience and enhancing anti-fraud capabilities, reflecting increasing regulatory expectations and the growing sophistication of cyber financial crime. To improve productivity, accountability, and delivery speed, the IT Security function was organisationally restructured to create a clear separation between IT Security Engineering and IT Security Operations. The Group IT Security function now comprises 29 full-time equivalents ("**FTEs**"), supported by 9 FTEs within IT Security

Operations, while 27 FTEs operate within the Second Line of Defence (CISO function), ensuring independent oversight and control.

Management continues to strongly support security functions and investments in the cyber security domain. Investments in security are expected to increase in the coming years, driven by ongoing digitalisation, evolving regulatory requirements, and the need to further strengthen cyber resilience capabilities.

In 2025, significant efforts were dedicated to the implementation of an advanced anti-fraud protection solution, enhancing real-time fraud detection and prevention across digital banking channels. In parallel, brand-protection capabilities were strengthened to mitigate phishing, impersonation, and external abuse of the Group's brand. Data Loss Prevention (DLP) and Cloud Access Security Broker (CASB) capabilities were technically implemented, with a strong emphasis on cloud environments, improving visibility and enforcement of data-protection controls. Strengthening monitoring, detection, and response capabilities remains a key priority, aligned with industry best practices and digital operational resilience principles.

All employees in the NLB Group are continuously educated about the importance of information/cyber security, as well as social engineering techniques. The NLB Group banks provide employees and customers with security notifications, especially for threats in the (global) environment with potential impact on the NLB Group banks IT systems, services, products, and clients. The Bank also tests the awareness of its employees with social engineering attack simulations. Threat intelligence data is shared by the NLB Group team with all NLB Group members, providing information on the latest threats and recommendations on mitigation measures. In conjunction with routine phishing simulations, the NLB Group cyber security team has deployed its proprietary phishing platform and effectively executed simulated internal employee phishing tests across all NLB Group members.

COMPLIANCE

NLB's compliance and integrity programme is managed by the Compliance and Integrity organisational unit in NLB ("**Compliance and Integrity**"), through a four-pillar structure: (i) regulatory compliance and prevention; (ii) internal investigations and physical and technical security; (iii) AML and Counter-terrorism Financing (CTF) protocols and (iv) information security. While AML and Counter-Terrorism Financing (CTF) activities are organisationally embedded within Compliance and Integrity, they are performed as a functionally independent control function with clearly defined responsibilities, governance and reporting lines.

The Compliance and Integrity addresses the following risk areas:

- fraud prevention and investigation;
- AML and CTF including financial sanctions;
- Privacy, data protection and information security;
- regulatory compliance;
- corruption prevention;
- conflict of interest, gifts and hospitality management;

- assuring fit and proper members of the management bodies and key function holders (through participation in fit and proper assessment procedures), with the emphasis on the "proper" component;
- identification, enterprise-wide assessment and management of compliance and integrity risks at the NLB and NLB Group level;
- oversight, monitoring, steering and managing the compliance function in the NLB Group and the NLB Group compliance programme (established by standards for compliance and integrity for the NLB Group and implementation of monitoring by off-site data analysis and on-site visits);
- business ethics and corporate integrity; and
- physical / technical security.

Compliance and Integrity performs the compliance function in NLB with respect to the activities for identification and monitoring of compliance risks, regular compliance monitoring and independent internal investigations in cases of suspected compliance or ethics breaches. In close cooperation with different organisational units, Compliance and Integrity also helps in assessing and managing compliance risks in different areas of operations in NLB. Compliance and Integrity reports quarterly to the Supervisory Board and the Management Board. It also reports on individual compliance issues at the request of the Supervisory Board or the Management Board or when such reports may be otherwise needed. Compliance and Integrity has direct and unrestricted access to the Supervisory Board and may report to it directly, and the Supervisory Board likewise has direct access to Compliance and Integrity. It also advises the Management Board and NLB senior management with regard to compliance, including the development of regulations and standards applicable to NLB. It also responds to queries from other employees regarding compliance and ethics. The AML/CTF function operates with functional independence from business lines and operational units and is free from undue influence in the performance of its duties. It is headed by a designated Money Laundering Reporting Officer ("**MLRO**"), who is responsible for the implementation of AML/CTF framework, decision-making in relation to suspicious activity reporting and escalation of material AML matters. The MLRO has direct and unrestricted access to the Management Board and the Supervisory Board, and the Supervisory Board has direct access to the MLRO. MLRO has ultimate responsibility and decision-making authority in relation to suspicious activity reporting, transaction monitoring outcomes and customer-related AML decisions. The AML/CTF function has unrestricted access to all relevant information, systems and personnel necessary to perform its duties and it forms part of the second line of defence.

The main activities of Compliance and Integrity are:

- conducting compliance checks at various areas covered by Compliance and Integrity (compliance reviews), identifying shortcomings in this regard, suggesting mitigation measures to be undertaken and monitoring of improvement;
- managing the system/channels for reporting suspected harmful behaviour and conducting internal investigations of reported and detected cases;
- providing advisory services on compliance-related issues and regular analysis of compliance trends or observed problems and weaknesses in NLB;

- identifying and assessing compliance and integrity risks in the process of (new) product and service developments, projects and other material changes in the NLB Group's business;
- providing compliance communication, training, workshops and targeted surveys for all NLB employees, together with its Board members;
- overseeing the regulatory compliance management system (monitoring, reporting and adopting changes required in NLB's legal environment);
- managing and monitoring all communication with regulators and monitoring the implementation status of regulators' recommendations and measures; and
- ensuring implementation of harmonised policies and procedures for compliance and integrity throughout the NLB Group, following the principle of proportionality and a risk-minimisation based approach.

The Bank complies with national and European regulations on AML and CTF, including the Guidelines of the BSI. Moreover, the Bank complies with major financial sanctions regimes. The Republic of Slovenia is a member of the EU and thus is subject to the standards of the FATF and the European legislation based on them. For the NLB Group, it is important to effectively mitigate the risk of money laundering and terrorism financing and breach of applicable sanctions regimes. As such, the rules, procedures and technology in the area of AML and CTF are the subject of strict and unified policies and standards. The same approach is applied for sanctions and embargo screening. The NLB Group AML/CTF function upgraded and introduced further enhancements of NLB Group AML governance in line with directions set by the BSI. The headquarters exercises constant onsite and off-site monitoring of the implementation and oversight of standards throughout the NLB Group. Such oversight does not affect the functional independence of local AML functions, which retain full responsibility and independent judgement for risk-based decision-making, reporting obligations and escalation in accordance with applicable laws and internal policies.

The Bank monitors AML and CTF indicators and, whenever necessary, transactions are reported to the relevant competent national authority pursuant to AML and CTF legislation. Furthermore, business relationships are terminated where certain criteria are met in relation to AML and CTF legislation. Decisions regarding reporting of suspicious transactions and related measures are taken independently within the AML function, in accordance with applicable legal and regulatory requirements. The Bank has adopted additional measures to prevent the onboarding of clients with new types of AML and CTF indicators. The Bank's employees in AML functions continuously attend the internationally recognised education and training. Moreover, all NLB Group employees annually conduct AML/CTF and financial sanctions training. The Bank complies with UK, US, UN, EU sanctions regimes moreover the Bank has zero tolerance to breach of above mentioned sanctions regimes.

NLB Banka, Skopje, NLB Banka, Banja Luka, NLB Banka, Beograd, NLB Banka, Podgorica, NLB, Ljubljana, NLB Banka, Prishtina are currently undergoing, or have recently undergone, an ordinary course supervisory review by the Central Bank of N. Macedonia, Banking Agency of Republika Srpska, Central Bank of Serbia, Central Bank of Montenegro, Slovenian Central Bank and Securities Markets Agency and Central Bank of Kosovo, respectively, in each case in relation to the areas of AML, CTF and financial sanctions including proliferation financing.

Currently NLB Group banking members have no overdue regulatory findings and recommendations in the area of AML, CTF and financial sanctions.

An internal periodical survey on ethics and compliance was conducted in 2023 to understand the pulse and perception of these topics among employees. In combination with the assessment of compliance risks (so-called Enterprise Compliance Risk Assessment), the management team of the Bank and Compliance and Integrity teams in particular can plan its activities, all with the aim to reduce or mitigate the compliance and integrity risks. As part of the compliance programme, Compliance and Integrity is also involved, *inter alia*, in risk assessments regarding new and changed products, fit and proper assessments for key function holders, outsourcing and other changes materially affecting the Bank's business.

As a standard Compliance function, several workshops and compulsory e-education on ethics, the prevention of corruption, conflicts of interest, protection of personal data, AML and CTF, Information Security, Physical/Technical Security and other relevant topics related to everyday work were prepared. For all employees, annual e-trainings are mandatory on subjects such as prevention of insider trading and market manipulation, ethics, anti-corruption, mitigation of conflict of interest, personal data protection, information security and similar themes. The NLB Group seeks to promote a corporate culture that facilitates compliance, including by continuously raising awareness through communication via its monthly compliance newsletter, which details important regulatory changes as well as current information and case studies on various compliance and ethics topics.

Additional measures due to listing of shares and GDRs on the Ljubljana and London Stock Exchanges

Certain additional requirements apply as a result of the fact that the Bank's shares are listed on the Prime Market of the Ljubljana Stock Exchange, such as financial reporting requirements in accordance with IFRS, the publication of information in English, the publication of quarterly statements, the publication of a statement of compliance with the Slovenian Corporate Governance Code for Public Companies and the publication of a financial calendar. The fact that the GDRs are admitted to listing on the Official List of the FCA and to trading on the Main Market for listed securities of the London Stock Exchange gives rise to the application of provisions of the FCA's Listing Rules and Disclosure Guidance and Transparency Rules relating to methods of publication of regulated information which apply to issuers of securities listed in the UK regardless of their home EEA Member State.

Related to the rules on transparency, the requirements in relation to the disclosure of periodic and ongoing information regarding issuers whose securities are admitted to trading on a regulated market situated or operating within the EU (i.e. Public Companies) are set out in Directive 2004/109/EC (as amended, the "**Transparency Directive**") and the national legislation implementing the Transparency Directive. The Bank is required to observe primarily provisions of Slovenian law relating to the disclosure of periodic and ongoing information by the Bank, as well as those transparency rules in the UK that apply to the GDRs that are listed on the London Stock Exchange.

Information security and personal data protection

The information security area, *inter alia*, focused on the implementation of measures for increasing the level of information/cyber security, as well testing the resilience of systems and people took place (penetration-tests, phishing tests). Furthermore, in line with the

Information Security Strategy 2025 - 2027 and the annual CISO work plan, the NLB Group performed a comprehensive set of continuous assurance, monitoring and review activities throughout 2025. These activities included internal assessments and compliance checks based on the ISO/IEC 27001 standard, Group-wide CISO reviews, CIS-based control assessments and regular verification of information security controls across NLB Group members. In accordance with internal policies and the established governance framework, the effectiveness of information security controls is systematically monitored through periodic internal reviews, self-assessments, vulnerability testing and independent assessments. Such activities ensure that key controls, policies and processes are reviewed within a defined cycle and that identified weaknesses are addressed through appropriate mitigation measures. Special attention is also devoted to the management of third-party and outsourcing risks. External providers, including outsourcing partners, data processors and external software providers, are subject to structured information security reviews, questionnaires and compliance checks aligned with applicable regulatory requirements, including the EBA outsourcing guidelines. This approach supports the consistent application of contractual, regulatory and information security requirements across the NLB Group. As part of preventive measures in this area, the NLB Group also maintains a continuous awareness and training programme for employees. This includes mandatory annual e-training, targeted phishing simulations, awareness testing related to social engineering and regular communication campaigns. The results of these activities are monitored and reported to management, supporting a risk-based approach to strengthening employee awareness and resilience, as well as addressing identified weaknesses.

The Bank runs its operations in line with Regulation (EU) 2016/679 (General Data Protection Regulation -"**GDPR**") and Slovenian Personal Data Protection Act (*Zakon o varstvu osebnih podatkov – ZVOP-2*) requirements, including the retention and processing of personal data, dedicated Data Privacy Officer, education, and training of employees.

Fraud prevention and investigation

The NLB Group has implemented a unified system for preventing and investigating suspected misconduct. This framework enables anyone, both internal and external stakeholders, to report potential misconduct through several different communication channels, ensuring anonymity if desired. Protection of the informant is comprehensively taken care of. The Bank uses various measures to ensure complete and total protection of the informant from any potential retaliation they could endure due to well-intended reporting of a suspicion of harmful conduct and adheres to commitments outlined in the Reporting Persons Protection Act (*Zakon o zaščiti prijaviteljev – ZZPri*). A specialised team centrally handles all reports received, following the established internal procedures. Throughout the investigation the team actively provides suggestions on how to improve the process.

Furthermore, the Bank has implemented effective and appropriate reporting mechanisms for management bodies. Emphasis is placed on raising employee awareness and targeted training sessions for various employee segments, all employees, and specific target groups based on the identified risks.

In the past year, the Bank has enhanced the protection of its brand by implementing a brand protection tool. The Bank has also implemented a range of additional controls in web & mobile e-banking channels.

The Bank is committed to ensuring the security of its customers and employees, and as such, has strengthened its approaches to managing risks related to cyber security and preventing unauthorised payment transactions. The Bank actively participates in the initiatives of the Slovenian Bank Association (*Združenje bank Slovenije – GIZ (ZBS)*) and plays a pivotal role in educating the public about cyber and payment fraud prevention.

The Bank devotes significant attention to employee training, informing about identified patterns of various types of fraud, and providing recommendations for process improvement. Emphasis is placed on raising employee awareness and targeted training sessions for various employee segments, all employees, and specific target groups based on identified risks.

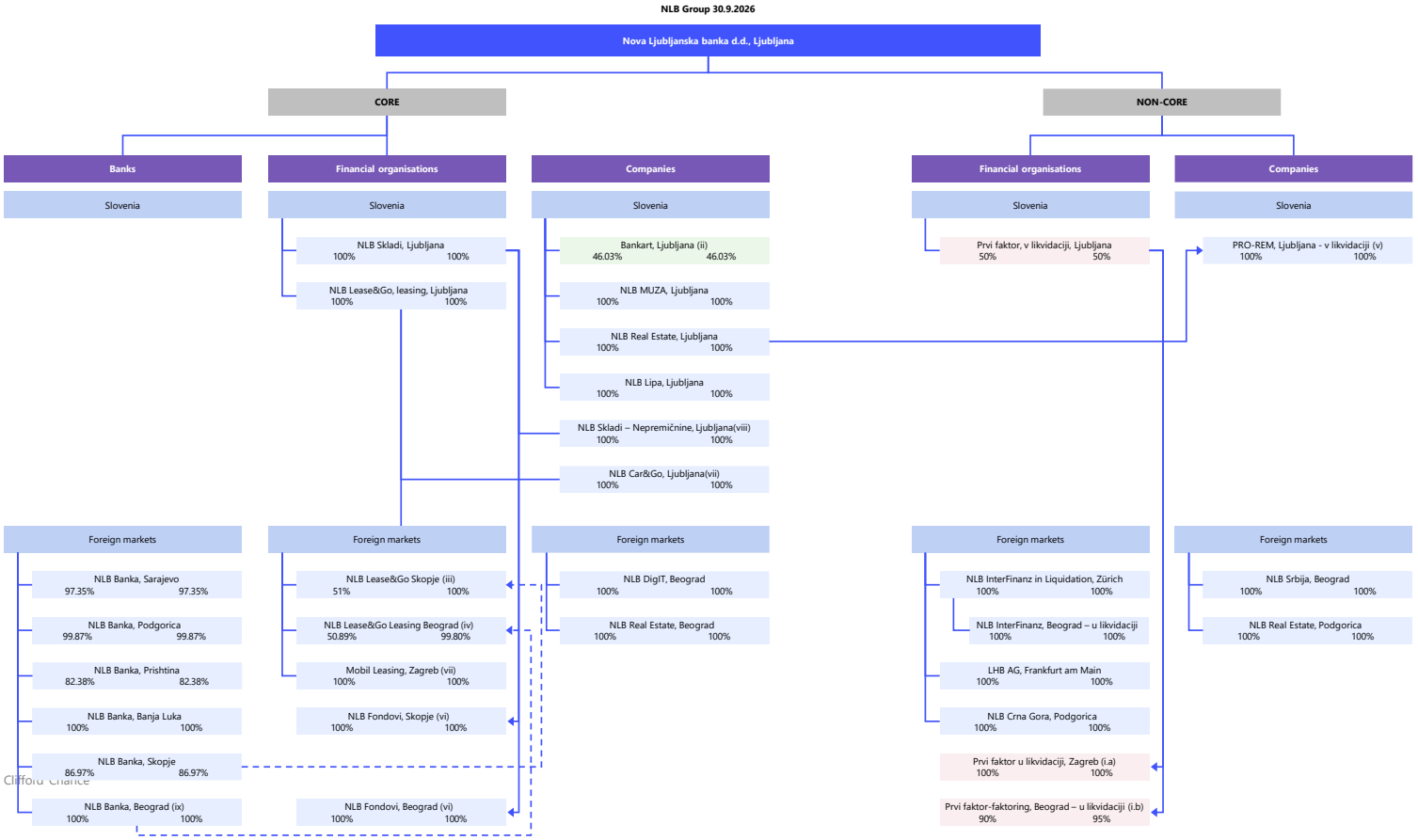
Fraud prevention in loan origination processes is intricately linked to operational risk and requires a comprehensive approach. The Bank has implemented rigorous verification processes for new loan applications, including identity verification checks, thorough credit history analysis, and cross-referencing of information from multiple sources to identify any inconsistencies or fraudulent indicators.

The Bank's involvement in these activities underscores its dedication to fostering a secure and transparent business environment. The Bank continues to uphold its standards of business ethics, ensuring that its customers can engage with its brand in a transparent manner.

ORGANISATIONAL STRUCTURE

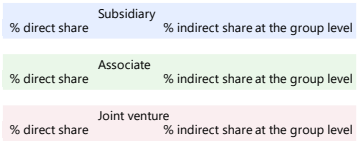
NLB, which is the NLB Group's (as defined below) largest operating entity (representing 60.6 per cent. of the consolidated total assets of the NLB Group as at 31 December 2025), is the parent company of the NLB Group and as such is responsible for its strategic direction. In addition, it sets the objectives of the individual subsidiaries, provides operational support and monitors risks.

The following diagram presents an overview of the organisational structure of the NLB Group as at 30 September 2026:



Clifford Chance

Legend:
The chart shows voting rights shares. The Group includes entities according to the definition in the Financial Conglomerates Act (Article 2).



(i.a) 100% direct ownership Prvi Faktor d.o.o., v likvidaciji, Ljubljana

(i.b) 90% direct ownership Prvi Faktor d.o.o., v likvidaciji, Ljubljana, 5% NLB d.d., 5% SID banka d.d.

(ii) - 46.03% direct ownership NLB d.d.

- Abanka merged into Nova KB and, in addition, in September 2024 Nova KBM and SKB merged into OTP banka d.d., therefore the share in Bankart increased from 29.22% to 43.06%. This is over the 25% threshhold set in the Founding agreement - no shareholder other than NLB can have more than 25% capital share in Bankart.

(iii) 51% direct ownership NLB Lease&Go, leasing, d.o.o. Ljubljana, 49% NLB Banka AD Skopje

(iv) 50.89% direct ownership NLB Lease&Go, leasing, d.o.o. Ljubljana, 48.91% NLB Komercijalna banka AD Beograd

TREND INFORMATION AND SIGNIFICANT CHANGES IN FINANCIAL PERFORMANCE

There has been no material adverse change in the prospects of NLB or the NLB Group since 31 December 2025.

There has been no significant change in the financial position or performance of NLB and the NLB Group, which has occurred since 30 September 2026.

TERMS AND CONDITIONS OF THE NOTES

§ 1
CURRENCY, DENOMINATION, FORM, CERTAIN DEFINITIONS

(1) *Currency, Denomination*. This series of subordinated notes is being issued by Nova Ljubljanska banka d.d., Ljubljana (the "**Issuer**") in Euro ("**EUR**") (the "**Specified Currency**") in the aggregate principal amount of EUR 350,000,000 (in words: three hundred and fifty million) in the denomination of EUR 200,000 (the "**Original Principal Amount**") each (the "**Notes**" and each a "**Note**").

(2) *Form*.

(a) The Notes are issued in bearer form.

(b) The Notes are initially represented by a temporary global note (the "**Temporary Global Note**") without interest coupons. The interests in the Temporary Global Note will be exchangeable for the interests in the permanent global note (the "**Permanent Global Note**", and the Temporary Global Note and the Permanent Global Note together, the "**Global Notes**" and each a "**Global Note**") without interest coupons. The Temporary Global Note and the Permanent Global Note shall each be only valid if they bear the signatures of two authorised representatives of the Issuer and have been authenticated by or on behalf of the Paying Agent. Definitive notes and interest coupons will not be issued and the right of the Holders to request the issue and delivery of definitive notes and interest coupons shall be excluded.

(c) The interest in the Temporary Global Note shall be exchangeable for the interest in the Permanent Global Note from a date not earlier than 40 days after the date of issue of the Temporary Global Note. Such exchange shall only be made upon and to the extent of delivery of certifications to the effect that the beneficial owner or owners of the Notes represented by the Temporary Global Note is not a U.S. person (other than certain financial institutions or certain persons holding Notes through such financial institutions) as required by U.S. tax law. Payment of interest on Notes represented by a Temporary Global Note will be made only after delivery of such certifications. A separate certification shall be required in respect of each such payment of interest. Any such certification received on or after the 40th day after the date of issue of the Temporary Global Note will be treated as a request to exchange such Temporary Global Note pursuant to this § 1(2)(c). Any securities delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States (as defined below).

(3) *Clearing System*. The Global Note will be deposited by or on behalf of a Clearing System until all obligations of the Issuer under the Notes have been satisfied.

"**Clearing System**" means Clearstream Banking S.A. ("**CBL**") and Euroclear Bank SA/NV ("**Euroclear**") (CBL and Euroclear are each an "**ICSD**" (*International Central Securities Depositary*) and together the "**ICSDs**") and any successor in such capacity.

The Notes are issued in classical global note ("**CGN**") form and are deposited with a common depositary on behalf of both ICSDs.

On an exchange of a portion only of the Notes represented by the Temporary Global Note, the Issuer shall procure that details of such exchange shall be entered *pro rata* in the records of the ICSDs.

(4) *Certain Definitions*.

"**Applicable Supervisory Regulations**" means, at any time, any requirements under laws and any regulations, requirements, standards, guidelines, policies or other rules thereunder applicable from time to time (including, but not limited to, the guidelines and decisions of the European Banking Authority, the European Central Bank, the Competent Authority, the Single Resolution Board and/or the Resolution Authority, the administrative practice of any such authority, any applicable decision of a court and any applicable transitional provisions) relating to prudential requirements and/or resolution and applicable to the Issuer and/or the NLB Group, on an individual and/or (sub-)consolidated basis, as the case may be, from time to time, including but not limited to the provisions of the ZBan-4, the ZRPPB-1, the ZFPPIPP, the BRRD, the SRMR, the CRD IV and the CRR, or such other law, regulation or directive as may come into effect in place thereof, as applicable to the Issuer and/or the NLB Group on an individual and/or (sub-)consolidated basis, as the case may be, at the relevant time.

"**AT 1 Instruments**" means any directly issued capital instrument of the Issuer that qualifies as additional tier 1 instruments pursuant to Article 52 CRR at the relevant time, including any capital instrument or other instrument that qualifies in whole or in part as an additional tier 1 item pursuant to the transitional provisions under the CRR at the relevant time.

"**BRRD**" means the Directive 2014/59/EU, as amended or replaced from time to time, and any references to relevant provisions of the BRRD in these Terms and Conditions include references to any applicable provisions of law amending or replacing such provisions from time to time.

"**Business Day**" means a day (other than a Saturday or a Sunday) (i) on which the Clearing System is open to effect payments and (ii) which is a T2 Business Day.

"**Common Equity Tier 1 instruments**" means any capital instruments of the Issuer that qualify as Common Equity Tier 1 instruments pursuant to Article 28 CRR or Article 31 CRR, including any capital instruments or other instruments that qualify in whole or in part as Common Equity Tier 1 items pursuant to the transitional provisions under the CRR at the relevant time.

"**Competent Authority**" means the competent authority pursuant to Article 4(1)(40) CRR and/or Article 9(1) SSMR, in each case, which is responsible for supervising the Issuer and/or the NLB Group on an individual basis and/or (sub-)consolidated basis.

"**Compulsory Liquidation**" means compulsory liquidation (*prisilna likvidacija*) pursuant to the provisions of section 3.2 of the Resolution and Compulsory Winding-Up of Banks Act (*Zakon o reševanju in prisilnem prenehanju bank*; ZRPPB-1), as in force as of the date of issuance of the Notes, or any equivalent or similar proceedings under the provisions of law amending or replacing such provisions from time to time.

"**CRD IV**" means the Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 (*Capital Requirements Directive*), as amended or replaced from time to time, and any references to relevant provisions of the CRD IV in these Terms and Conditions include

references to any applicable provisions of law amending or replacing such provisions from time to time.

"**CRR**" means the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 (*Capital Requirements Regulation*), as amended or replaced from time to time, and any references to relevant provisions of the CRR in these Terms and Conditions include references to any applicable provisions of law amending or replacing such provisions from time to time.

"**Current Principal Amount**" means initially the Original Principal Amount (as defined in § 1(1)), which from time to time, on one or more occasions, may be reduced by a Write-down (as defined in § 5(8)(a)(iv)) and, subsequent to any such reduction, may be increased by a Write-up (as defined in § 5(9)), if any (up to the Original Principal Amount).

"**Holder**" means any holder of a proportionate co-ownership or other comparable right in the Global Note which may be transferred to a new Holder in accordance with applicable law and the rules and regulations of the Clearing System.

"**NLB Group**" means the Issuer and its (sub-)consolidated Subsidiaries.

"**Redemption Amount**" for the purposes of these Terms and Conditions shall mean the Current Principal Amount per Note.

"**Resolution Authority**" means the authority pursuant to Article 4(1)(130) CRR and/or Article 7(1) SRMR, as applicable, which is responsible for recovery or resolution of the Issuer on an individual and/or (sub-) consolidated basis, as the case may be.

"**SRMR**" means the Regulation (EU) No 806/2014, as amended or replaced from time to time, and any references to relevant provisions of the SRMR in these Terms and Conditions include references to any applicable provisions of law amending or replacing such provisions from time to time.

"**SSMR**" means the Regulation (EU) No 1024/2013 (including any applicable regulatory instrument supplementing that Regulation), as amended or replaced from time to time, and any references to relevant provisions of the SSMR in these Terms and Conditions include references to any applicable provisions of law amending or replacing such provisions from time to time.

"**Subsidiary**" means any subsidiary of the Issuer pursuant to Article 4(1)(16) CRR.

"**T2 Business Day**" means a day on which the real-time gross settlement system operated by the Eurosystem (T2), or any successor or replacement system, is open for the settlement of payments in Euro.

"**Terms and Conditions**" means these terms and conditions of the Notes.

"**Tier 1 Instruments**" means (i) Common Equity Tier 1 instruments and (ii) AT 1 Instruments.

"**Tier 2 Instruments**" means any directly issued capital instruments of the Issuer that qualify as Tier 2 instruments pursuant to Article 63 CRR, including any capital instruments that qualify as Tier 2 items pursuant to transitional provisions under the CRR at the relevant time.

"**United States**" means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).

"**ZBan-4**" means Slovenian Banking Act (*Zakon o bančništvu*) as amended or replaced from time to time, and any references in these Terms and Conditions to relevant articles of the ZBan-4 include references to any applicable provisions of law amending or replacing such articles from time to time.

"**ZFPPIPP**" means the Slovenian Financial Operations, Insolvency Proceedings, and Compulsory Dissolution Act (*Zakon o finančnem poslovanju, postopkih zaradi insolventnosti in prisilnem prenehanju*), as amended or replaced from time to time, and any references in these Terms and Conditions to relevant articles of the ZFPPIPP include references to any applicable provisions of law amending or replacing such articles from time to time.

"**ZRPPB-1**" means the Slovenian Resolution and Compulsory Winding-Up of Banks Act (*Zakon o reševanju in prisilnem prenehanju bank*), as amended or replaced from time to time, and any references in these Terms and Conditions to relevant articles of the ZRPPB-1 include references to any applicable provisions of law amending or replacing such articles from time to time.

§ 2
STATUS

(1) *Ranking*. The obligations under the Notes constitute direct, unsecured and subordinated obligations of the Issuer and are intended to qualify as AT 1 Instruments. Subject to mandatory provisions of law, in the event of normal insolvency proceedings (being Compulsory Liquidation (*prisilna likvidacija*) and bankruptcy proceedings (*stečaj*)) or liquidation (*likvidacija*) of the Issuer, all claims under the Notes will rank:

(a) junior to all present or future:

(i) unsubordinated instruments or obligations of the Issuer;

(ii) Tier 2 Instruments and any instruments or obligations which rank *pari passu* with or senior to Tier 2 Instruments; and

(iii) other instruments or obligations of the Issuer ranking or expressed to rank subordinated to any unsubordinated instruments or obligations of the Issuer (other than instruments or obligations referred to in § 2(1)(b) and (c) below);

(b) *pari passu:*

(i) among themselves;

(ii) with all other present or future AT 1 Instruments; and

(iii) with all other present or future instruments or obligations ranking or expressed to rank *pari passu* with the AT 1 Instruments;

(c) senior to all present or future:

(i) ordinary shares of the Issuer and any other Common Equity Tier 1 instruments; and

(ii) all other subordinated instruments or obligations of the Issuer ranking or expressed to rank:

(A) *subordinated* to the obligations of the Issuer under the Notes; or

(B) *pari passu* with the ordinary shares of the Issuer and any other Common Equity Tier 1 instruments.

The rights of the Holders to payment of principal on the Notes are at any time conditional as set forth in these Terms and Conditions and limited to a claim for the prevailing Current Principal Amount.

References in these Terms and Conditions to the terms "insolvent" and "insolvency" shall have the meaning of the equivalents of such terms in the Slovenian language (being "*insolventen*" and "*insolventnost*") for the purposes of Slovenian law.

(2) *Priority of Payments.* In the event of normal insolvency proceedings (Compulsory Liquidation and bankruptcy proceedings (*stečaj*)) or liquidation (*likvidacija*) of the Issuer, the Holders will be entitled to payments, if any, under the Notes only if all other creditors (other than creditors the claims of which rank or are expressed to rank *pari passu* with or junior to the Notes) of the Issuer have been satisfied first and before any payments are made in respect of the ordinary shares of the Issuer or any other claims ranking or expressed to rank junior to the Notes.

(3) No Set-off/Netting. The Notes are not subject to any set-off arrangements or netting rights that would undermine their capacity to absorb losses in resolution, insolvency or liquidation (*likvidacija*) of the Issuer.

(4) *No Security/Guarantee and No Enhancement of Seniority*. The Notes are neither secured, nor subject to any guarantee that enhances the seniority of the claims under the Notes. The Notes are not subject to any arrangement, contractual or otherwise, that enhances the seniority of the claims under the Notes in insolvency or liquidation (*likvidacija*). No security or guarantee of whatever kind is, or shall at any time be, provided by the Issuer or any other person securing rights of the Holders.

(5) *Note on the possibility of statutory resolution measures*. Prior to any normal insolvency proceedings of the Issuer (being Compulsory Liquidation and bankruptcy proceedings (*stečaj*)), under the Applicable Supervisory Regulations, the Resolution Authority may exercise the power to write down (including to zero) the obligations of the Issuer under the Notes, convert the Notes into shares or other instruments of ownership of the Issuer, in each case in whole or in part, or apply any other resolution tool or action, including (but not limited to) any deferral or transfer of the obligations to another entity, an amendment of the Terms and Conditions or a cancellation of the Notes. The Holders shall be bound by the exercise of the power to write down or convert or the taking of any resolution action in respect of the Notes. No Holder shall have any claim or other right against the Issuer arising out of any exercise of the power to write down or convert or the taking of any resolution action. In particular, any exercise of the power to write down or convert or the taking of any resolution action shall not constitute a default by the Issuer.

Upon the Issuer being informed or notified by the Resolution Authority of the actual exercise of any statutory resolution tool or action with respect to the Notes, the Issuer shall notify the Holders without undue delay. Any delay or failure by the Issuer to notify the Holders shall not

affect the validity and enforceability of the statutory resolution tool or action nor the effects on the Notes described in this § 2(5).

§ 3
INTEREST

(1) *Interest Rates and Interest Payment Dates*. Subject to a cancellation of interest payments pursuant to §§ 3(5) and 5(8), the Notes shall bear interest on the Current Principal Amount at a rate *per annum* equal to the Rate of Interest (as defined below) from and including 17 November 2026 (the "**Interest Commencement Date**").

Subject to a cancellation of interest payments pursuant to §§ 3(5) and 5(8), interest shall be scheduled to be paid annually in arrear on 17 November in each year (each such date, an "**Interest Payment Date**"), commencing on 17 November 2027.

Interest will only fall due to the extent permitted in, and subject to, the provisions set out in §§ 3(5), 4(4) and 5(8).

The applicable "**Rate of Interest**" will be,

(a) from and including the Interest Commencement Date to but excluding 17 November 2031 (the "**First Reset Date**"), a fixed rate of 7.400 per cent. *per annum*; and

(b) from and including the First Reset Date, the relevant Reset Rate (as determined according to § 3(3)(a)) for the relevant Reset Period.

(2) *Calculation of Amount of Interest*. If the amount of interest scheduled to be paid under the Notes is required to be calculated for any period of time such amount of interest for any Interest Period shall be calculated by the Calculation Agent by applying the prevailing Rate of Interest to the Current Principal Amount, multiplying such amount by the Day Count Fraction (as defined below), and rounding the resultant figure to the nearest EUR 0.01 with EUR 0.005 being rounded upwards or otherwise in accordance with the applicable market convention.

If a Write-down occurs during any Interest Period, unpaid interest accrued on the Current Principal Amount to but excluding the Write-down Effective Date (as defined in § 5(8)) is cancelled in accordance with § 3(5)(c) and the Notes shall bear interest on the adjusted Current Principal Amount from and including the Write-down Effective Date.

If, pursuant to § 5(9), the Current Principal Amount of the Notes is subject to a Write-up, during an Interest Period, the Notes shall, from and including the Write-up Effective Date, bear interest on the Current Principal Amount as increased by such Write-up as if such Interest Period were comprised of two or more (as applicable) consecutive Interest Periods, with interest calculations based on the number of days for which each Current Principal Amount was applicable.

"**Interest Period**" means the period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including an Interest Payment Date to but excluding the next succeeding Interest Payment Date.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on the Note for any period of time (from and including the first day of such period to but excluding the last day of such period) (the "**Calculation Period**"):

(a) if the Calculation Period is equal to or shorter than the Determination Period during which the Calculation Period ends, the number of calendar days in such Calculation Period divided by the number of calendar days in such Determination Period; or

(b) if the Calculation Period is longer than the Determination Period during which the Calculation Period ends, the sum of:

(i) the number of calendar days in such Calculation Period falling in the Determination Period in which the Calculation Period begins divided by the number of calendar days in such Determination Period; and

(ii) the number of calendar days in such Calculation Period falling in the next Determination Period divided by the number of calendar days in such Determination Period.

Where:

"**Determination Period**" means each period from and including a Determination Date in any year to but excluding the next Determination Date; and

"**Determination Date**" means 17 November in any year.

(3) *Determination of the Reset Rate.*

(a) *Reset Rate*. The rate of interest for each Reset Period (each a "**Reset Rate**") shall be the sum of the Reference Rate (as defined below) and the Margin (as defined below provided that, for the purposes of the determination of any Reset Rate if the relevant Reference Rate is not expressed as an annual rate, such sum will be converted to an annual basis in a commercially reasonable manner).

The Calculation Agent will determine the relevant Reset Rate for each Reset Period in accordance with this § 3(3) on the relevant Reset Determination Date (as defined below).

(b) *Reference Rate*. The "**Reference Rate**" for each Reset Period will be determined by the Calculation Agent on the relevant Reset Determination Date prior to a Reset Date on which the relevant Reset Period commences as follows:

(i) If the relevant Reset Period is commencing prior to the occurrence of the Effective Date (as defined in § 3(3)(d)(vii)), the following will apply:

(A) The Reference Rate will be equal to the Original Benchmark Rate on the relevant Reset Determination Date.

(B) If the Original Benchmark Rate does not appear on the Screen Page as at the relevant time on the relevant Reset Determination Date, the Reference Rate shall be equal to the Original Benchmark Rate on the Screen Page on the last day preceding the relevant Reset

Determination Date on which such Original Benchmark Rate was displayed.

(ii) If a Reset Period is commencing on or after the relevant Effective Date, the Reference Rate on the relevant Reset Determination Date will be determined in accordance with § 3(3)(d).

(iii) If, in the determination of the Issuer, the determination of the Reference Rate would cause a Regulatory Event or could reasonably be expected to entitle the Issuer to redeem the Notes for regulatory reasons pursuant to § 5(5)(a) and/or would prejudice the qualification of the Notes as AT 1 Instruments, the Reference Rate applicable to the first and each subsequent Reset Period shall be the applicable Fallback Rate (as defined in § 3(3)(d)(vi)).

Where:

"**Margin**" means 4.071 per cent. *per annum*.

"**Original Benchmark Rate**" on a T2 Business Day means the annual Euro Mid Swap Rate (expressed as a percentage *per annum*) as at 11:00 a.m. (Frankfurt am Main time), as displayed on the Screen Page as at or around 11:00 a.m. (Frankfurt am Main time) (or a later time at which the Euro Mid Swap Rate becomes available on the Screen Page) on such T2 Business Day. For these purposes "**Euro Mid Swap Rate**" means the arithmetic mean of the bid and offered rates for the annual fixed leg of a fixed-for-floating interest rate swap transaction in Euro which (x) has a term of five years and (y) has a floating leg based on the 6-month EURIBOR rate (or the EURIBOR rate for such other tenor as is the then prevailing market standard tenor for such fixed-for-floating interest rate swap transactions in Euro).

"**Reset Date**" means the First Reset Date and each fifth anniversary thereof for as long as the Notes remain outstanding.

"**Reset Determination Date**" means the second T2 Business Day prior to the relevant Reset Date.

"**Reset Period**" means each period from and including the First Reset Date to but excluding the next following Reset Date and thereafter from and including each Reset Date to but excluding the next following Reset Date.

"**Screen Page**" means the Reuters screen "ICESWAP2" under the heading "EURIBOR BASIS" and the caption "11:00 AM Frankfurt am Main time" (as such headings and captions may appear from time to time) (the "**Original Screen Page**"). If the Original Screen Page permanently ceases to exist or permanently ceases to quote the Original Benchmark Rate but such quotation is available from another page selected by the Issuer in its reasonable discretion (the "**Replacement Screen Page**"), the "Screen Page" shall be the Replacement Screen Page with effect from the date on which the Replacement Screen Page is selected by the Issuer.

(c) *Notification of Reset Rate*. The Calculation Agent will cause any Reset Rate to be notified to the Issuer, any stock exchange on which the Notes are from time to time listed at the initiative of the Issuer (if required by the rules of such stock exchange) and to the Holders in accordance with § 11 as soon as possible after its determination.

(d) *Benchmark Event*. If a Benchmark Event occurs in relation to the Original Benchmark Rate, the Reference Rate and the interest on the Notes in accordance with § 3(3)(a) and § 3(3)(b) will be determined as follows:

(i) *Successor Benchmark Rate or Alternative Benchmark Rate.*

(A) If the Issuer determines in its reasonable discretion that there is a Successor Benchmark Rate (as defined in § 3(3)(d)(vi)), then the Issuer shall determine in its reasonable discretion such Successor Benchmark Rate, the Adjustment Spread (as defined in § 3(3)(d)(vi)) and any Benchmark Amendments (in accordance with § 3(3)(d)(vi)) (if required) as soon as this is required following the occurrence of the Benchmark Event and prior to the relevant Reset Determination Date.

(B) If the Issuer determines in its reasonable discretion that there is no Successor Benchmark Rate but that there may be an Alternative Benchmark Rate (as defined in § 3(3)(d)(vi)), then the Issuer shall, as soon as this is required following the occurrence of the Benchmark Event and prior to the relevant Reset Determination Date, endeavour to appoint an Independent Adviser, who will determine the Alternative Benchmark Rate, the Adjustment Spread and any Benchmark Amendments.

(ii) *New Benchmark Rate*.

(A) If the Issuer determines in accordance with § 3(3)(d)(i)(A) that there is a Successor Benchmark Rate, then such Successor Benchmark Rate shall subsequently be the New Benchmark Rate.

(B) If the Independent Adviser appointed by the Issuer determines in accordance with § 3(3)(d)(i)(B) that there is an Alternative Benchmark Rate, then such Alternative Benchmark Rate shall subsequently be the New Benchmark Rate.

(C) In either case the Reference Rate for the Reset Period commencing immediately after the Effective Date and, subject to § 3(3)(d)(viii) all following Reset Periods, will then be the sum of

(1) the New Benchmark Rate on the relevant Reset Determination Date; and

(2) the Adjustment Spread,

provided that, for purposes of the determination of any Reset Rate, if the New Benchmark Rate is not expressed as annual rate, such Reference Rate will be converted by the Calculation Agent or the Issuer, as the case may be, to an annual rate in a commercially reasonable manner.

(iii) *Fallback Rate*. If, prior to the 10th Business Day prior to the relevant Reset Determination Date,

(A) the Issuer has not determined a Successor Benchmark Rate, the Adjustment Spread or the Benchmark Amendments (if required) in accordance with § 3(3)(d)(i)(A) and (ii)(A); and

(B)

(1) the Issuer has not appointed an Independent Adviser in accordance with § 3(3)(d)(i)(B); or

(2) the Independent Adviser appointed by the Issuer has not determined an Alternative Benchmark Rate, the Adjustment Spread or the Benchmark Amendments (if required) in accordance with § 3(3)(d)(i)(B) and (ii)(B),

then the Reference Rate applicable to the immediately following Reset Period shall be the applicable Fallback Rate (as defined in § 3(3)(d)(vi)).

If the Fallback Rate determined in accordance with this § 3(3)(d)(iii) is to be applied, this § 3(3)(d)(iii) will be operated again to determine the Reference Rate applicable to the next subsequent (and, if required, further subsequent) Reset Period(s).

(iv) *Benchmark Amendments*. If any relevant New Benchmark Rate and the applicable Adjustment Spread are determined in accordance with this § 3(3)(d), and if the Issuer or the Independent Adviser, as applicable, determines in its reasonable discretion that amendments to these Terms and Conditions are necessary to ensure the proper operation of such New Benchmark Rate and the applicable Adjustment Spread (such amendments, the "**Benchmark Amendments**"), then the Issuer or the Independent Adviser, as applicable, will determine the Benchmark Amendments in its reasonable discretion.

The Benchmark Amendments may include, without limitation, the following conditions of these Terms and Conditions:

(A) the determination of the Reference Rate in accordance with § 3(3)(b) and this § 3(3)(d); and/or

(B) the definitions of the terms "Business Day", "T2 Business Day", "Interest Payment Date", "Reset Date", "Reset Period", "Day Count Fraction" and/or "Reset Determination Date" (including the determination whether the Reference Rate will be determined on a forward looking or a backward looking basis); and/or

(C) the business day convention in § 4(4).

(v) *Notices, etc.*

(A) The Issuer will notify any New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments (if any) or the Fallback Rate, as the case may be, determined under this § 3(3)(d) to the Paying Agent and the Calculation Agent, as soon as such notification is (in the Issuer's view) required following the determination thereof, but in any event not later than on the 10th Business Day prior to the relevant Reset Determination Date. Such notice shall specify the Effective Date.

On or prior to the date of such notice, the Issuer shall deliver to the Paying Agent and the Calculation Agent a certificate signed by two authorised signatories of the Issuer:

(I)

(1) confirming that a Benchmark Event has occurred;

(2) specifying the relevant New Benchmark Rate, the applicable Adjustment Spread and the Benchmark Amendments (if any) or the Fallback Rate, as the case may be, each determined in accordance with the provisions of this § 3(3)(d); and

(3) specifying the Effective Date; and

(II) confirming that the Benchmark Amendments, if any, are necessary to ensure the proper operation of the New Benchmark Rate and/or the applicable Adjustment Spread.

(B) The Issuer will notify any New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments (if any) or the Fallback Rate, as the case may be, determined under this § 3(3)(d) to the Holders in accordance with § 11 as soon as practicable after the notice in accordance with clause (A) has been made. Such notice shall be irrevocable and shall specify the Effective Date.

(C) The New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments (if any) or the Fallback Rate, as the case may be, each as specified in the notice in accordance with clause (B), will be binding on the Issuer, the Paying Agent, the Calculation Agent and the Holders (for the avoidance of doubt: no consent of the Holders shall be required). The New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments, if any, or the Fallback Rate, as the case may be, shall take effect on the Effective Date. The Terms and Conditions shall be deemed to have been amended accordingly from and including the Effective Date.

(vi) *Definitions*. As used in this § 3(3)(d):

The "**Adjustment Spread**", which may be positive, negative or zero, will be expressed in basis points and means either: (a) the spread; or (b) the result of the operation of the formula or methodology for calculating the spread, which:

(A) in the case of a Successor Benchmark Rate, is formally recommended in relation to the replacement of the Original Benchmark Rate with the Successor Benchmark Rate by any Relevant Nominating Body; or

(B) (if no recommendation pursuant to clause (A) has been made, or in the case of an Alternative Benchmark Rate) is customarily applied to the New Benchmark Rate in the international debt capital markets to produce an industry-accepted replacement benchmark rate for the Original Benchmark Rate, provided that all determinations will be made by the Issuer or the Independent Adviser, as applicable, in its reasonable discretion; or

(C) (if the Issuer or the Independent Adviser, as applicable, in its reasonable discretion determines that no such spread is customarily applied and that the following would be appropriate for the Notes) is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Benchmark Rate, where the Original Benchmark Rate has been replaced by the New Benchmark Rate, provided that all determinations will be made by the Issuer or the Independent Adviser, as applicable, in its reasonable discretion.

If the Issuer or the Independent Adviser, as applicable, does not determine such Adjustment Spread, then the Adjustment Spread will be zero.

"**Alternative Benchmark Rate**" means an alternative benchmark or an alternative screen rate which is customarily applied in the international debt capital markets (or, alternatively, the international swap markets) for the purpose of determining rates of interest based on mid swap rates with a 5-year maturity in the Specified Currency, provided that all determinations will be made by the Independent Adviser in its reasonable discretion.

A "**Benchmark Event**" occurs if:

(A) a public statement or publication of information by or on behalf of the regulatory supervisor of the Original Benchmark Rate administrator is made, stating that said administrator has ceased or will cease to provide the Original Benchmark Rate permanently or indefinitely, unless there is a successor administrator that will continue to provide the Original Benchmark Rate; or

(B) a public statement or publication of information by or on behalf of the Original Benchmark Rate administrator is made, stating that said administrator has ceased or will cease to provide the Original Benchmark Rate permanently or indefinitely, unless there is a successor

administrator that will continue to provide the Original Benchmark Rate; or

(C) a public statement by or on behalf of the regulatory supervisor of the Original Benchmark Rate administrator is made that, in its view, the Original Benchmark Rate is no longer, or will no longer be, representative of the underlying market it purports to measure and no action to remediate such a situation is taken or expected to be taken as required by the supervisor of the Original Benchmark Rate administrator; or

(D) it has become, for any reason, unlawful under any law or regulation applicable to any Paying Agent, the Calculation Agent, the Issuer or any other party to use the Original Benchmark Rate; or

(E) the Original Benchmark Rate is permanently no longer published without a previous official announcement by the competent authority of the administrator.

"**Fallback Rate**" means, (x) for each Reset Period except the first Reset Period, the Reference Rate determined on the last preceding Reset Determination Date or (y) for the first Reset Period, 3.329 per cent. *per annum*.

"**Independent Adviser**" means an independent financial institution of international repute or other independent financial adviser experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense.

"**New Benchmark Rate**" means the Successor Benchmark Rate or, as the case may be, the Alternative Benchmark Rate determined in accordance with this § 3(3)(d).

"**Relevant Nominating Body**" means, in respect of the replacement of the Original Benchmark Rate:

(A) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

(B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

"**Successor Benchmark Rate**" means a successor to or replacement of the Original Benchmark Rate which is formally recommended by any Relevant Nominating Body.

(vii) *Effective Date*. The effective date for the application of the New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments (if any) determined under § 3(3)(d) (the "**Effective Date**") will be the relevant Reset Determination Date falling on or after the earliest of the following dates:

(A) if the Benchmark Event has occurred as a result of clauses (A), (B) or (C) of the definition of the term "Benchmark Event", the date of cessation of publication of the Original Benchmark Rate, the date of the discontinuation of the Original Benchmark Rate or the date as from which the Original Benchmark Rate is no longer, or will no longer be, representative, as the case may be; or

(B) if the Benchmark Event has occurred as a result of clause (D) of the definition of the term "Benchmark Event", the date from which the prohibition applies; or

(C) if the Benchmark Event has occurred as a result of clause (E) of the definition of the term "Benchmark Event", the date of the occurrence of the Benchmark Event.

(viii) If a Benchmark Event occurs in relation to any New Benchmark Rate, this § 3(3)(d) shall apply *mutatis mutandis* to the replacement of such New Benchmark Rate by any new Successor Benchmark Rate or Alternative Benchmark Rate, as the case may be. In this case, any reference in this § 3(3) to the term "Original Benchmark Rate" shall be deemed to be a reference to the New Benchmark Rate last applied.

(ix) Any reference in this § 3(3) to the term Original Benchmark Rate shall be deemed to include a reference to any component part thereof, if any, if a Benchmark Event in respect of that component part has occurred.

(x) No adjustment to the Reference Rate will be made in accordance with this § 3(3)(d) if and to the extent that as a result of such adjustment the Issuer were to be entitled to redeem the Notes for regulatory reasons in accordance with § 5(5).

(e) *Determinations Binding*. All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this § 3 by the Calculation Agent or, as the case may be, any Independent Adviser or the Issuer shall (in the absence of wilful default, bad faith, inequitableness or manifest error) be binding on the Issuer, the Paying Agent and the Holders and, in the absence of the aforesaid, no liability to the Issuer, the Paying Agents or the Holders shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(4) *Cessation of Interest Accrual*. The Notes shall cease to bear interest from the end of the day immediately preceding the day on which they become due for redemption. If the Issuer fails to make the relevant redemption payment under the Notes when due, each of the Notes will bear interest on its Current Principal Amount from and including the due date to but excluding the day of actual redemption of the Notes at the applicable rate of interest determined pursuant to this § 3, which will, subject to the provisions set out in §§ 3(5) and

5(8), fall due on the date of actual redemption. This does not affect any additional rights that might be available to the Holders.

(5) *Cancellation of Interest*.

(a) The Issuer, at its full discretion, may, at all times cancel, in whole or in part, any payment of interest on the Notes scheduled to be paid on any Interest Payment Date for an unlimited period and on a non-cumulative basis.

If the Issuer makes use of such right, it shall endeavour to give notice to the Holders in accordance with § 11 on or before the relevant Interest Payment Date. A notice which has not been given on or before the relevant Interest Payment Date shall be given without undue delay thereafter. Any failure or delay to give any such notice shall not affect the validity of the decision on the cancellation, shall in no event result in an obligation of the Issuer to make a cancelled interest payment at a later date and shall not constitute a default for any purpose.

(b) Without prejudice to such full discretion of the Issuer pursuant to § 3(5)(a), any payment of interest scheduled to be paid on the Notes on any Interest Payment Date shall be cancelled mandatorily and automatically, in whole or in part, if and to the extent that:

(i) the Issuer is insolvent, or the payment of the relevant amount would result in the insolvency of the Issuer; or

(ii) the amount of such interest payment together with any further Relevant Distributions would exceed the Available Distributable Items, provided that, for such purpose, the Available Distributable Items shall be increased by an amount equal to what has been accounted for as expenses for payments of interest, dividends or distributions on Tier 1 Instruments (including payments of interest on the Notes) in the calculation of the profit on which the Available Distributable Items are based; or

(iii) the Competent Authority orders the relevant interest payment scheduled to be paid on the Notes to be cancelled in whole or in part; or

(iv) another prohibition or restriction to make an interest payment on the Notes, or to make such interest payment on the Notes when aggregated with any other applicable Relevant Distributions, is imposed by Applicable Supervisory Regulations or the Competent Authority (or any other relevant supervisory authority).

Prohibitions on interest payments pursuant to clause (iv) include, but are not limited to,

(A) any restrictions of distributions as a result of non-compliance with the combined buffer requirement (howsoever defined in the Applicable Supervisory Regulations) applicable at the time;

(B) any prohibition of distributions in connection with the calculation of the Maximum Distributable Amount; and

(C) the limit resulting from, or any other restriction operating as, any Maximum Distributable Amount in accordance with any legal or regulatory requirements applicable to the Issuer and/or the NLB Group at the time under the Applicable Supervisory Regulations.

If any payment of interest on the Notes scheduled to be paid on any Interest Payment Date is so mandatorily and automatically cancelled, the Issuer shall give notice to the Holders in accordance with § 11 on or before the Interest Payment Date. A notice which has not been given on or before the relevant Interest Payment Date shall be given without undue delay thereafter.

Any failure or delay to give such notice shall not affect the validity of the cancellation and shall not constitute a default for any purpose.

(c) If a Write-down occurs during any Interest Period, unpaid interest accrued on the Current Principal Amount to but excluding the Write-down Effective Date will be cancelled mandatorily and automatically in full.

(d) Any interest payment cancelled in accordance with § 3(5)(a) to (c) will be non-cumulative and will be cancelled permanently and no payments will be made, nor will any Holder be entitled to receive any payment or indemnity in respect thereof. Any such cancellation of interest will not constitute an event of default of the Issuer and will not impose any restrictions on the Issuer. The Issuer may use such cancelled payments without restrictions to meet its obligations as they fall due.

(e) *Definitions.* In these Terms and Conditions:

"**Available Distributable Items**" means in respect of any payment of interest on the Notes the distributable items as defined in Article 4(1)(128) CRR, as amended from time to time, in respect of each financial year of the Issuer, as at the end of the latest financial year of the Issuer ended prior to the relevant Interest Payment Date for which such Relevant Financial Statements are available, all as determined in accordance with the accounting principles applied by the Issuer and as derived from the most recent Relevant Financial Statements.

"**Maximum Distributable Amount**" means any maximum distributable amount relating to the Issuer and/or the NLB Group, as the case may be, that may be required to be calculated in accordance with Article 141 CRD IV, as amended or replaced from time to time (or as the case may be, any provision of applicable law transposing or implementing the CRD IV, as amended or replaced from time to time) or any equivalent or similar law, rule or provision of the Applicable Supervisory Regulations which requires a maximum distributable amount to be calculated if the Issuer or the NLB Group is failing to meet any capital adequacy requirement, in each case to the extent then applicable to the Issuer or the NLB Group, such as the maximum distributable amount related to non-compliance with the combined buffer requirement, the maximum distributable amount related to the minimum requirement for own funds and eligible liabilities (M-MDA) and the maximum distributable amount related to the leverage ratio (L-MDA), in each case, if applicable to the Issuer and/or the NLB Group, as may be required from time to time in accordance with the Applicable Supervisory Regulations.

"**Relevant Distributions**" means:

(A) for the purposes of § 3(5)(b)(ii), the sum of:

(i) any other payments of interest on the Notes that were made or are scheduled to be made by the Issuer in the then current financial year of the Issuer;

(ii) any payments of interest, dividends or distributions (including any write-ups) that were made, are simultaneously made or are scheduled to be made by the Issuer on other Tier 1 Instruments or share capital of the Issuer in the then current financial year of the Issuer;

(iii) any refund of withholding tax paid by the Issuer in connection with the Notes and other Tier 1 Instruments or share capital of the Issuer in the then current financial year of the Issuer pursuant to individual agreements with the relevant Holder which has not been refunded to the Issuer by the relevant tax authority;

(B) for the purposes of § 3(5)(b)(iv), any amount, payment or distribution as may be relevant under any restriction operating as a Maximum Distributable Amount in accordance with any legal or regulatory requirements applicable to the Issuer and/or the NLB Group at the time, including but not limited to the amount of any Write-up (as defined below) on the Notes and any increase in principal amount (write-up) of any Loss Absorbing Written-down Instruments that were made in the then current financial year or are simultaneously made on the relevant Interest Payment Date, if any.

"**Relevant Financial Statements**" means: (i) the audited and adopted unconsolidated annual financial statements of the Issuer, prepared in accordance with the IFRS® Accounting Standards (IFRS) or such other accounting provisions applied by the Issuer and accounting regulations then in effect, for the latest financial year of the Issuer ended prior to the relevant Interest Payment Date; or (ii) if such audited and adopted unconsolidated annual financial statements of the Issuer are not available at the relevant Interest Payment Date, unaudited unconsolidated *pro forma* financial statements of the Issuer, prepared in accordance with accounting provisions applied by the Issuer in relation to its unconsolidated annual financial statements and accounting regulations then in effect in relation to the Issuer's unconsolidated annual financial statements.

§ 4
PAYMENTS

(1) *General.*

(a) *Payment of Principal.* Payment of principal on the Notes shall be made, subject to § 4(2) and § 5(8) below, to the Clearing System or to its order for credit to the accounts of the relevant accountholders of the Clearing System.

(b) *Payment of Interest.* Payment of interest on the Notes shall be made, subject to § 3(5) above and § 4(2) and § 5(8) below, to the Clearing System or to its order for credit to

the accounts of the relevant accountholders of the Clearing System, upon due certification as provided in § 1(2)(c).

(2) *Manner of Payment*. Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Notes shall be made in the Specified Currency.

(3) *Discharge*. The Issuer shall be discharged by payment to, or to the order of, the Clearing System.

(4) *Business Day Convention*. If the due date for payment of any amount of principal or interest in respect of any Note is not a Business Day (as defined in § 1(4)), then the Holder shall not be entitled to payment until the next day that is a Business Day and shall not be entitled to further interest or other payment in respect of such delay (the Interest Period shall not be adjusted accordingly).

(5) *References to Principal and Interest*. References in these Terms and Conditions to "principal" in respect of the Notes shall be deemed to include, as applicable, the Current Principal Amount or the Redemption Amount of the Notes (as defined in § 1(4)).

§ 5
REDEMPTION; WRITE-DOWNS; WRITE-UPS

(1) *No Scheduled Maturity*. The Notes are perpetual and have no scheduled maturity date and shall not fall due for redemption except (i) in the cases provided for in §§ 5(3), 5(4), 5(5) or 5(6), in each case subject to § 5(7) or (ii) subject always to the ranking of the Issuer's obligations under the Notes set forth in § 2 in the case of normal insolvency proceedings (Compulsory Liquidation and bankruptcy proceedings (*stečaj*)) or liquidation (*likvidacija*) of the Issuer.

(2) *No Redemption at the Option of a Holder*. The Holders shall have no right to terminate or to demand (or otherwise accelerate) the redemption of the Notes.

For the avoidance of doubt, any acceleration cannot occur in resolution (or moratorium) imposed against the Issuer.

(3) *Redemption at the Option of the Issuer*.

(a) The Issuer may, upon giving not less than five Business Days' and not more than 40 Business Days' prior notice in accordance with § 5(3)(b), redeem, all but not some only of the Notes at the Redemption Amount on any Optional Redemption Date. In addition, the Issuer will pay interest, if any, accrued on the Current Principal Amount to but excluding the date of redemption specified in the notice, subject to cancellation of interest pursuant to §§ 3(5) and 5(8). Any such redemption pursuant to this § 5(3) shall only be possible provided that the conditions to redemption and repurchase laid down in § 5(7) are met.

"**Optional Redemption Date**" means:

(i) the First Reset Date; and

(ii) each Interest Payment Date following the First Reset Date.

The Issuer may exercise its redemption right pursuant to this § 5(3) only if the Current Principal Amount of each Note is equal to its Original Principal Amount.

(b) The notice of redemption shall be given by the Issuer to the Holders in accordance with § 11. Subject to § 5(8)(b), such notice shall be irrevocable and shall specify:

(i) the description of Notes subject to redemption, including the securities codes;

(ii) the Optional Redemption Date on which the Issuer will redeem the Notes; and

(iii) the Redemption Amount at which the Notes are to be redeemed.

(4) *Redemption for Reasons of Taxation*.

(a) If a Tax Event occurs, the Issuer may, upon giving not less than five Business Days' and not more than 40 Business Days' prior notice in accordance with § 5(4)(b), redeem the Notes in whole, but not in part, at the Redemption Amount at any time on the date of redemption specified in the notice, provided that the conditions to redemption and repurchase laid down in § 5(7) are met. In addition, the Issuer will pay interest, if any, accrued on the Current Principal Amount to but excluding the date of redemption specified in the notice, subject to cancellation of interest pursuant to §§ 3(5) and 5(8).

Where:

A "**Tax Event**" means the certification by an authorised signatory of the Issuer to the effect that, as a result of a Tax Law Change affecting the applicable tax treatment of the Notes:

(i) the Issuer, in computing its taxation liabilities in the Republic of Slovenia, would not be entitled to claim a deduction in respect of interest paid on the Notes, or such deductibility is reduced below the deductible amount at the date of issuance of the Notes;

(ii) the Issuer would be required to take into account a taxable income if the Current Principal Amount were Written-down, where the Issuer was not so required prior to the Tax Law Change; or

(iii) the Issuer would be materially adversely affected by a material change in the applicable tax treatment of the Notes,

in each case which cannot be avoided by the Issuer taking such measures it (acting in good faith) deems reasonable and appropriate.

"**Tax Law Change**" means any change in, or an amendment to, or clarification of, applicable legislation, regulation or relevant jurisprudence, including (but not limited to) a change in any fiscal legislation, regulation, rules or interpretations thereof (which interpretations shall be evidenced in writing) by the relevant tax authorities that occurs on or after the date of issuance of the Notes.

(b) The notice of redemption shall be given by the Issuer to the Holders in accordance with § 11. Subject to § 5(8)(b), such notice shall be irrevocable and shall specify:

(i) the description of Notes subject to redemption, including the securities codes;

(ii) the date on which the Issuer will redeem the Notes;

(iii) the reason for such call and redemption; and

(iv) the Redemption Amount at which the Notes are to be redeemed.

(5) *Redemption for Regulatory Reasons or for Reasons of Non-Approval*.

(a) *Redemption for Regulatory Reasons*. If a Regulatory Event occurs, the Issuer may, upon giving not less than five Business Days' and not more than 40 Business Days' prior notice in accordance with § 5(5)(c), redeem the Notes in whole, but not in part, at the Redemption Amount at any time on the date of redemption specified in the notice, provided that the conditions to redemption and repurchase laid down in § 5(7) are met. In addition, the Issuer will pay interest, if any, accrued on the Current Principal Amount to but excluding the date of redemption specified in the notice, subject to cancellation of interest pursuant to §§ 3(5) and 5(8).

A "**Regulatory Event**" occurs if there is a change in the regulatory classification of the Notes under the Applicable Supervisory Regulations, which becomes effective on or after the date of issuance of the Notes, that would be likely to result in their exclusion in full or in part from own funds or reclassification as a lower quality form of own funds (in each case, on an individual basis of the Issuer and/or on a (sub-)consolidated basis of the NLB Group). For the avoidance of doubt, a Regulatory Event shall not be deemed to have occurred in case of a partial exclusion of the Notes as a result of (i) a Write-down or (ii) a change in the regulatory assessment of the tax effects of a Write-down.

Any such early redemption pursuant to this § 5(5) shall only be possible if the conditions to redemption and repurchase set out in § 5(7) are met.

(b) *Redemption for Reasons of Non-Approval*. If a Non-Approval Event occurs, the Issuer may, upon giving notice in accordance with § 5(5)(c), redeem the Notes in whole, but not in part, at the Redemption Amount at any time on the date of early redemption specified in the notice. In addition, the Issuer will pay interest, if any, accrued on the Current Principal Amount to but excluding the date of redemption specified in the notice, subject to cancellation of interest pursuant to § 3(5) and § 5(8).

A "**Non-Approval Event**" occurs if, by 17 May 2027 the Issuer fails to obtain the permission of the Competent Authority pursuant to Article 178(2) of ZBan-4 to include the Notes in whole in the calculation of its additional tier 1 capital.

If the inclusion of this § 5(5)(b) would at any time on or after the date of issuance of the Notes be the sole reason to prevent the Notes from being counted in whole or in part towards the additional tier 1 capital of the Issuer pursuant to CRR, as determined by the Issuer and/or the Competent Authority, then § 5(5)(b) shall no longer apply and the Issuer shall not have the right to redeem the Notes pursuant to § 5(5)(b). The Issuer shall as soon as practicable following any such determination give notice thereof to the Holders in accordance with § 11, provided that delay or failure to give such notice shall not affect the effectiveness of, or otherwise invalidate, any such determination or the cessation of the Issuer's right to redeem the Notes pursuant to § 5(5)(b).

(c) The notice of redemption shall be given by the Issuer to the Holders in accordance with § 11. Subject to § 5(8)(b), such notice shall be irrevocable and shall specify:

(i) the description of Notes subject to redemption, including the securities codes;

(ii) the date on which the Issuer will redeem the Notes;

(iii) the reason for such call and redemption; and

(iv) the Redemption Amount at which the Notes are to be redeemed.

(6) *Redemption for Minimal Outstanding Notes*.

(a) If at any time the number of Notes outstanding and held by persons other than NLB Group has fallen to 25 per cent. or less of the Notes originally issued, the Issuer may, upon giving not less than five Business Days' and not more than 40 Business Days' prior notice in accordance with § 5(6)(b), redeem all but not some only of the Notes, on the date fixed for redemption specified in the notice, at their Current Principal Amount together with accrued and unpaid interest, if any, to but excluding the date fixed for redemption, subject to cancellation of interest pursuant to §§ 3(5) and 5(8).

Any such early redemption pursuant to this § 5(6) shall only be possible if the conditions to redemption and repurchase set out in § 5(7) are met.

(b) The notice of redemption shall be given by the Issuer to the Holders in accordance with § 11. Subject to § 5(8)(b), such notice shall be irrevocable and shall specify:

(i) the description of Notes subject to redemption, including the securities codes;

(ii) the date on which the Issuer will redeem the Notes; and

(iii) the reason for such call and redemption.

(7) *Conditions to Redemption and Repurchase*. Any redemption pursuant to §§ 5(3), 5(4), 5(5) or 5(6) and any repurchase pursuant to § 10(1) is subject to:

(a) (i) the Issuer not being insolvent; and

(ii) the payment of the relevant amount not resulting in the insolvency of the Issuer; and

(b) the Issuer having obtained the prior permission of the Competent Authority for such redemption or repurchase in accordance with Articles 77 and 78 CRR, whereas such permission may, *inter alia*, require that:

(i) either, before or at the same time as the redemption or repurchase, the Issuer replaces the Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer; or

(ii) the Issuer has demonstrated to the satisfaction of the Competent Authority that the own funds and eligible liabilities of the Issuer would, following such redemption or repurchase, exceed the requirements for own funds and eligible liabilities laid down in the CRR, the CRD IV and the BRRD by a margin that the Competent Authority considers necessary at such time; and

(c) in the case of any redemption or repurchase of the Notes prior to the fifth anniversary of the date of issuance of the Notes that:

(i) in the case of any redemption pursuant to § 5(4), the Issuer has demonstrated to the satisfaction of the Competent Authority that the applicable change in tax treatment is material and was not reasonably foreseeable as at the date of issuance of the Notes; or

(ii) in the case of any redemption due to a Regulatory Event, the Competent Authority considers such change to be sufficiently certain, and the Issuer has demonstrated to the satisfaction of the Competent Authority that the relevant change in the regulatory classification of the Notes was not reasonably foreseeable as at the date of issuance of the Notes; or

(iii) the Notes being repurchased for market making purposes in accordance with the Applicable Supervisory Regulations.

Notwithstanding the above conditions, if, at the time of any redemption or repurchase, the prevailing Applicable Supervisory Regulations permit the redemption or repurchase only after compliance with one or more alternative or additional pre-conditions to those set out above, the Issuer shall comply with such other and/or, as appropriate, additional pre-conditions, if any.

For the avoidance of doubt, any refusal or failure of the Competent Authority (or any other relevant supervisory authority) to grant any permission, approval or other consent required in accordance with the Applicable Supervisory Regulations shall not constitute a default for any purpose.

(8) *Write-down*

(a) If a Trigger Event (as defined below) has occurred:

(i) the Issuer will immediately inform the Competent Authority that the Trigger Event has occurred;

(ii) the Issuer will determine the Write-down Amount (as defined below) as soon as possible, but in any case, within a maximum period of one month following the determination that a Trigger Event has occurred (or such shorter period as the Competent Authority may require);

(iii) the Issuer will without undue delay inform the Paying Agent and, in accordance with § 11, notify the Holders that a Trigger Event has occurred by publishing a notice (such notice a "**Write-down Notice**") which will specify the Write-down Amount as well as the new/reduced Current Principal Amount of each Note and the Write-down Effective Date (as defined below);

(iv) the Issuer will (without the need for the consent of Holders) reduce the Current Principal Amount of each Note by the relevant Write-down Amount (such reduction being referred to as a "**Write-down**" and "**Written-down**" being construed accordingly) without undue delay with effect as from the Write-down Effective Date; and

(v) unpaid interest accrued on the Current Principal Amount to but excluding the Write-down Effective Date will be cancelled in accordance with § 3(5)(c).

Whether a Trigger Event has occurred shall be determined by the Issuer, the Competent Authority or any agent appointed for such purpose by the Competent Authority, as applicable, and such determination will be binding on the Holders.

For the avoidance of doubt, a Trigger Event may be determined at any time and may occur on more than one occasion, each Note may be subject to a Write-down on more than one occasion, provided however, that the Current Principal Amount of a Note may never be reduced to below EUR 0.01 under this § 5(8).

For the purposes of determining whether a Trigger Event has occurred, the Group CET 1 Capital Ratio (as defined below) or the Issuer CET 1 Capital Ratio (as defined below) may be calculated at any time based on information (whether or not published) available to the Issuer or the NLB Group (as applicable), including information internally reported within the Issuer pursuant to its procedures for monitoring the Group CET 1 Capital Ratio and/or the Issuer CET 1 Capital Ratio.

Any failure or delay to give the notice pursuant to § 5(8)(a)(i) and/or the Write-down Notice will not affect the effectiveness of, or otherwise invalidate, any Write-down. Any such notice which has not been given shall be given without undue delay.

(b) The Issuer shall not give a notice of redemption after a Trigger Event has occurred until the Write-down has been effected in respect of the relevant Trigger Event.

In addition, if a Trigger Event occurs after a notice of redemption but before the date on which such redemption becomes effective, the notice of redemption shall automatically be deemed revoked and shall be null and void and the relevant redemption shall not be made, and the rights and obligations in respect of the Notes shall remain unchanged.

(c) *Definitions*. In these Terms and Conditions:

"**Common Equity Tier 1 Capital Ratio**" means the common equity tier 1 capital ratio pursuant to Article 92(2)(a) CRR.

"**Group CET 1 Capital Ratio**" means the Common Equity Tier 1 Capital Ratio pursuant to Article 92(2)(a) CRR of the NLB Group on a (sub-)consolidated basis, as calculated in accordance with the Applicable Supervisory Regulations, including any applicable transitional, phasing in or similar provisions.

"**Issuer CET 1 Capital Ratio**" means the Common Equity Tier 1 Capital Ratio pursuant to Article 92(2)(a) CRR of the Issuer on an individual basis, as calculated in accordance with the Applicable Supervisory Regulations, including any applicable transitional, phasing in or similar provisions.

"**Loss Absorbing Instrument**" means, at any time, any AT 1 Instrument (other than the Notes) that may have all or some of its current principal amount written down (whether on a permanent or temporary basis) or converted into Common Equity Tier 1 instruments (in each case, in accordance with its terms or otherwise) on the occurrence or as a result of the Group CET 1 Capital Ratio and/or the Issuer CET 1 Capital Ratio falling below a certain trigger level.

"**Minimum Trigger Level**" means in respect of: (i) the Group CET 1 Capital Ratio 5.125 per cent.; and/or (ii) the Issuer CET 1 Capital Ratio 5.125 per cent.

"**Required Loss Absorption Amount**" means the amount which is determined by the Issuer to be necessary in conjunction with (a) the concurrent Write-down of the other Notes; and (b) the concurrent (or substantially concurrent) write-down or the conversion into Common Equity Tier 1 instruments of, or other loss absorption measures taken in respect of, any other Loss Absorbing Instruments required in each case in the manner and to the extent required to restore the Issuer CET 1 Capital Ratio and/or the Group CET 1 Capital Ratio to or above the relevant Minimum Trigger Level. If upon the occurrence of a Trigger Event other Loss Absorbing Instruments are also subject to a write-down or are subject to conversion into Common Equity Tier 1 instruments (in each case, in accordance with its terms or otherwise), where the respective terms of such Loss Absorbing Instruments provide for a trigger event on a level for the Common Equity Tier 1 Capital Ratio at or above the Minimum Trigger Level (together with the Notes the "**Relevant AT 1 Instruments**"), any such write-down or conversion will occur in such order of application or ratio as required in accordance with the Applicable Supervisory Regulations. If no such order or ratio is required by the Applicable Supervisory Regulations, the following applies:

(i) Any Write-down will, subject to the provision set out in the following sentence, be effected *pro rata* with all other Relevant AT 1 Instruments.

The Notes and all other Relevant AT 1 Instruments will only participate in a write-down or (as the case may be) a conversion into Common Equity Tier 1 instruments to the extent required in aggregate to restore the Issuer CET 1 Capital Ratio and/or the Group CET 1 Capital Ratio to the ratio provided for in their respective terms as the ratio triggering the event resulting in such write-down and/or conversion into Common Equity Tier 1 instruments; provided that the total amount of the write-downs and conversions shall not exceed the sum of the outstanding current principal amounts of the Relevant AT 1 Instruments at the time of occurrence of the Trigger Event.

(ii) Any other Relevant AT 1 Instrument that may be written down or converted in full but not in part will, for the purposes of determining the relevant *pro rata* amounts for a write-down and calculation of the Write-down Amount, be treated as if its terms permit a partial write-down or conversion.

To the extent the write-down (or write-off) or conversion into Common Equity Tier 1 instruments of any Loss Absorbing Instrument whose trigger events for a write-down or conversion pursuant to their terms has occurred is not effective for any reason:

(i) the ineffectiveness of any such write-down (or write-off) or conversion shall not prejudice the requirement to effect a Write-down of the Notes; and

(ii) the write-down (or write-off) or conversion of any other Loss Absorbing Instrument that is not effective shall not be taken into account in determining such Write-down of the Notes.

A "**Trigger Event**" occurs if it has been determined that: (i) the Group CET 1 Capital Ratio; and/or (ii) the Issuer CET 1 Capital Ratio fall to an amount that is lower than the applicable Minimum Trigger Level.

"**Write-down Amount**" per Note means the amount by which the Current Principal Amount per Note is to be Written-down on a Write-down Effective Date, being the lower of (i) the *pro rata* share of the Note in the Required Loss Absorption Amount; and (ii) the amount necessary to reduce the Current Principal Amount to EUR 0.01.

"**Write-down Effective Date**" means the date on which the Write-down will take effect, being no later than one month (or such shorter period as the Competent Authority may require) following the occurrence of the relevant Trigger Event.

(d) Any Write-down of a Note pursuant to this § 5(8) shall not constitute a default by the Issuer for any purpose, and the Holders shall have no right to claim for amounts Written-down, whether in the insolvency or liquidation (*likvidacija*) of the Issuer or otherwise, save to the extent (if any) such amounts are subject to a Write-up in accordance with § 5(9).

(9) *Write-up*. The Issuer may, at its sole discretion, effect a reversal of a Write-down by writing up the Current Principal Amount, in whole or in part, up to a maximum of the Original Principal Amount (a "**Write-up**"), provided that a positive Profit has been recorded for each of the Issuer and the NLB Group, and subject to the below limitations. There will be no obligation for the Issuer to operate or accelerate a Write-up under any specific circumstances.

If the Issuer so decides in its sole discretion, the Write-up will occur with effect as of the Write-up Effective Date (as defined below) (including).

At its discretion (without being obliged to) the Issuer may effect such Write-up in accordance with the Applicable Supervisory Regulations provided that:

(a) at the time of the Write-up, there must not exist any Trigger Event that is continuing; any Write-up is also excluded if such Write-up would give rise to the occurrence of a Trigger Event;

(b) at the time of the Write-up, the Issuer is not insolvent and the Write-up would not result in the insolvency of the Issuer;

(c) such Write-up is applied on a *pro rata* basis to all Notes and among Loss Absorbing Written-down Instruments; and

(d) the sum of:

(i) the aggregate amount attributed to the relevant Write-up of the Notes and the aggregate increase in principal amount of Loss Absorbing Written-down Instruments resulting from any previous write-up since the end of the then previous financial year; and

(ii) the aggregate amount of any interest (however so described) paid on the then aggregate Current Principal Amount of the Notes (being lower than the Original Principal Amount), the aggregate amount of any interest (however so described), any additional amounts thereon paid on Loss Absorbing Written-down Instruments in respect of the current principal amount that is lower than the original principal amount at issuance and any refund of withholding tax paid by the Issuer in connection with the Notes or other Loss Absorbing Instruments pursuant to individual agreements with the Holder thereof to the extent that it has not been refunded to the Issuer by the relevant tax authority;

as calculated at the moment the Write-up is operated will not exceed the Maximum Write-up Amount at any time after the end of the then previous financial year.

The amount of any Write-up shall be subject to the restrictions relating to any applicable Maximum Distributable Amount as at the time of the Write-up.

For the avoidance of doubt, a Write-up of the Notes may occur on one or more occasions until the Current Principal Amount equals the Original Principal Amount. Write-ups do not have priority over dividend payments and other distributions on shares and other Common Equity Tier 1 instruments, i.e. such payments and distributions are permitted even if no full Write-up of the Notes has been effected.

If the Issuer elects to effect a Write-up, it will publish a notice about the Write-up (including the amount of the Write-up as a percentage of the Original Principal Amount and the effective date of the Write-up (in each case a "**Write-up Effective Date**")) no later than 10 calendar days prior to the relevant Write-up Effective Date to the Paying Agent and, in accordance with § 11, to the Holders. The Write-up shall be deemed to be effected at the time when the notice to the Holders is given in accordance with § 11 and the Current Principal Amount shall be deemed to be increased by the amount specified in the notice with effect as of the Write-up Effective Date.

Where:

"**Maximum Write-up Amount**" means the lower of:

(i) the (sub-)consolidated Profit multiplied by the sum of the aggregate Original Principal Amount of the Notes and the aggregate initial principal amount of all Loss Absorbing Written-down Instruments of the NLB Group (for the avoidance of doubt, before any write-down), and divided by the total Tier 1 capital pursuant to Article 25 CRR of the NLB Group as at the date the relevant Write-up is operated; and

(ii) the Profit on an unconsolidated basis multiplied by the sum of the aggregate Original Principal Amount of the Notes and the aggregate initial principal amount of all Loss Absorbing Written-down Instruments of the Issuer (for the avoidance of doubt, before any write-down), and divided by the total Tier 1 capital pursuant to Article 25 CRR of the Issuer as at the date the relevant Write-up is operated;

or any higher or lower amount permitted to be used under the Applicable Supervisory Regulations in effect on the date of the relevant Write-up.

"**Loss Absorbing Written-down Instrument**" means any Loss Absorbing Instrument that has had all or some of its principal amount written-down on a temporary basis, and that has terms permitting a principal write-up to occur on a basis similar to that provided herein in the circumstances existing on the date of the Write-up of the Notes.

"**Profit**" means:

(i) the net income for the year of the Issuer on an unconsolidated basis recorded in the Relevant Financial Statements; or

(ii) the (sub-)consolidated net income for the year on a (sub-)consolidated basis recorded in the (sub-) consolidated financial statements of the NLB Group,

in each case after such Relevant Financial Statements or (sub-)consolidated financial statements have formally been determined by either the supervisory board or, if so requested, the shareholders' meeting of the Issuer.

§ 6
PAYING AGENT AND CALCULATION AGENT

(1) *Appointment; Specified Offices*. The initial Paying Agent and the initial Calculation Agent and their respective initial specified offices are:

Paying Agent:

Citibank Europe plc
1 North Wall Quay
Dublin 1
Ireland

Calculation Agent:

Citibank Europe plc
1 North Wall Quay
Dublin 1
Ireland

Where these Terms and Conditions refer to the term "Paying Agent", such term shall include the initial Paying Agent and any further paying agents appointed in accordance with § 6(2). The Paying Agent and the Calculation Agent (the "**Agents**" and each an "**Agent**") reserve the right at any time to change their respective specified office to some other specified office in the same country.

(2) *Variation or Termination of Appointment*. The Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint an additional or other Paying Agent or another Calculation Agent. The Issuer shall at all times maintain (i) a Paying Agent and (ii) so long as the Notes are listed on a stock exchange at the initiative of the Issuer, a Paying Agent with a specified office in such place as may be required by the rules of such stock exchange or its supervisory authorities and (iii) a Calculation Agent. The Issuer will give notice to the Holders of any variation, termination, appointment or any other change as soon as possible upon the effectiveness of such change.

(3) *Agents of the Issuer*. The Paying Agent and the Calculation Agent act solely as agents of the Issuer and do not have any obligations towards or relationship of agency or trust to any Holder.

(4) *Determinations Binding*. All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of these Terms and Conditions by the Paying Agent or the Calculation Agent shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the other Agents and the Holders and, in the absence of the aforesaid, no liability to the Issuer, the other Agents or the Holders shall attach to the Paying Agent or the Calculation Agent, as the case may be, in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

§ 7
TAXATION

(1) *General Taxation.* All payments of principal and interest in respect of the Notes will be made by the Issuer without withholding or deduction for or on account of any taxes, duties or governmental charges of whatever nature (the "**Taxes**") imposed or levied by way of withholding or deduction by or on behalf of the Republic of Slovenia or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In the event that any withholding or deduction is required by law, the Issuer shall make such withholding or deduction and shall pay the amounts so withheld or deducted to the relevant tax authority, and the amounts payable to Holders shall be reduced accordingly. The Issuer shall not be obliged to pay any additional amounts to Holders in respect of any such withholding or deduction.

(2) *U.S. Foreign Account Tax Compliance Act (FATCA)*. The Issuer is authorised to withhold or deduct from amounts payable under the Notes to a Holder or beneficial owner of Notes sufficient funds for the payment of any tax that it is required to withhold or deduct pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), or that is otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a "**FATCA Withholding**"). Neither the Issuer nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

§ 8
AMENDMENT OF THE TERMS AND CONDITIONS, JOINT REPRESENTATIVE

(1) *Amendment to the Terms and Conditions*. In accordance with the German Act on Issues of Debt Securities, as amended (*Gesetz über Schuldverschreibungen aus Gesamtemissionen*) (the "**SchVG**") and subject to compliance with the Applicable Supervisory Regulations for the Notes to qualify as AT 1 Instruments (including, for the avoidance of doubt, where relevant, the conditions to redemption and repurchase set out in § 5(7)) the Holders may agree with the Issuer on amendments to these Terms and Conditions with regard to matters permitted by the SchVG by a Holders' resolution (*Beschluss*) with the majority specified in § 8(2) below. In particular, the Issuer's right under this § 8(1) is subject to the prior permission of the Competent Authority (or any other relevant supervisory authority) of the Issuer if such consent is required at the time of any such amendment. Majority resolutions of the Holders shall be binding on all Holders alike. A majority resolution of the Holders which does not provide for identical conditions for all Holders is void unless Holders who are disadvantaged have expressly consented to their being treated disadvantageously.

(2) *Majority*. Resolutions relating to material amendments to these Terms and Conditions, in particular consents to the measures set out in § 5(3) SchVG shall be passed by a majority of not less than 75 per cent. (*qualified majority*) of the votes cast. Resolutions relating to amendments to these Terms and Conditions which are not material require a simple majority of the votes cast.

(3) *Vote*. Resolutions of the Holders shall be made either in a holders' meeting or by means of a vote without a meeting (*Abstimmung ohne Versammlung*) (§§ 9 et seq. and § 18 SchVG).

The convening notice of a Holders' meeting will provide the further details relating to the resolutions and the voting procedure. The subject matter of the vote as well as the proposed resolutions will be notified to Holders in the agenda of the meeting. The attendance at the Holders' meeting or the exercise of voting rights requires a registration of the Holders prior to the meeting. Any such registration must be received at the address stated in the convening notice by no later than the third calendar day preceding the Holders' meeting.

(4) *Chair of the Vote*. The vote will be chaired by a notary appointed by the Issuer or, if the Joint Representative (as defined below) has convened the vote, by the Joint Representative.

(5) *Voting Right*. Each Holder participating in any vote shall cast its vote in accordance with the principal amount or the notional share of its entitlement to the outstanding Notes. Holders must demonstrate their eligibility to participate in the vote at the time of voting by means of a special confirmation of their depositary bank and by submission of a blocking instruction by their Custodian (as defined in § 12(3)) for the benefit of the Paying Agent as depository (*Hinterlegungsstelle*) for the voting period.

(6) *Notices*. Any notices concerning this § 8 shall be made exclusively pursuant to the provisions of the SchVG.

(7) *Joint Representative*. The Holders may by majority resolution appoint a joint representative (the "**Joint Representative**") to exercise the Holders' rights on behalf of each Holder. The Joint Representative shall have the duties and powers provided by law or granted by majority resolution of the Holders. The Joint Representative shall comply with the instructions of the Holders. To the extent that the Joint Representative has been authorised to assert certain rights of the Holders, the Holders shall not be entitled to assert such rights themselves, unless explicitly provided for in the relevant majority resolution. The Joint Representative shall provide reports to the Holders on its activities. The regulations of the SchVG apply with regard to the recall and the other rights and obligations of the Joint Representative.

§ 9
PRESENTATION PERIOD, PRESCRIPTION

The period for presentation of the Notes (§ 801(1) sentence 1 of the German Civil Code (*Bürgerliches Gesetzbuch – BGB*)) shall be reduced to ten years and the period of limitation for claims under the Notes presented during the period for presentation shall be two years calculated from the expiry of the relevant presentation period.

§ 10
REPURCHASES AND CANCELLATION

(1) *Repurchases*. The Issuer and any of its Subsidiaries may repurchase any Notes in the open market or otherwise at any price at any time, provided however that the Issuer has obtained the prior permission of the Competent Authority (or any other relevant supervisory authority) for the repurchase of the Notes and the further conditions to redemption and repurchase set forth in § 5(7) are met and all applicable regulatory and other statutory restrictions are observed. Notes repurchased by the Issuer, or any Subsidiary may, at the option of the Issuer or such Subsidiary, be held, resold or surrendered for cancellation to the Paying Agent.

(2) *Cancellation*. Any Notes redeemed in full shall be cancelled forthwith and may not be reissued or resold.

§ 11
NOTICES

(1) *Notices of the Issuer*. All notices of the Issuer concerning the Notes shall be published: (i) if and for as long as the Notes are listed on the Luxembourg Stock Exchange, on the website of the Luxembourg Stock Exchange (www.luxse.com); (ii) if and for as long as the Notes are listed on any stock exchange other than the Luxembourg Stock Exchange at the initiative of the Issuer, in such media as determined by law and the rules and regulations of such other stock exchange; and, in each case, (iii) in electronic form on the website of the Issuer (www.nlb.si). Any notice so given will be deemed to have been validly given on the fifth calendar day following the date of such publication (or, if published more than once, on the fifth calendar day following the date of the first such publication) unless the notice provides for a later effective date.

(2) *Publication of Notices of the Issuer via the Clearing System*. If the publication of notices pursuant to § 11(1) is no longer required by law, the Issuer may, in lieu of publication in the media set forth in § 11(1), deliver the relevant notices to the Clearing System, for communication by the Clearing System to the Holders. Any such notice shall be deemed to have been given to the Holders on the seventh calendar day after the calendar day on which said notice was given to the Clearing System.

(3) *Form of Notice*. Notices regarding the Notes shall only be valid if made in English.

§ 12
APPLICABLE LAW, PLACE OF JURISDICTION AND ENFORCEMENT

(1) *Applicable Law*. Except as provided in the next sentence, the Notes, as to form and content, and all rights and obligations of the Holders and the Issuer, shall be governed by German law, save for the provisions in paragraphs (1) to (5) of § 2 which shall be governed by, and shall be construed exclusively in accordance with, Slovenian law.

(2) *Jurisdiction*. The District Court (*Landgericht*) in Frankfurt am Main, Germany, shall have non-exclusive jurisdiction for any action or other legal proceedings (the "**Proceedings**") arising out of or in connection with the Notes. This is subject to any exclusive court of venue for specific legal proceedings in connection with the SchVG.

(3) *Enforcement*. Any Holder may in any Proceedings against the Issuer, or to which such Holder and the Issuer are parties, protect and enforce in its own name its rights arising under the Notes on the basis of a statement issued by the Custodian (as defined below) with whom such Holder maintains a securities account in respect of the Notes: (a) stating the full name and address of the Holder; (b) specifying the aggregate principal amount of Notes credited to such securities account on the date of such statement; and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b).

For purposes of the foregoing, "**Custodian**" means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the Holder maintains a securities account in respect of the Notes and includes the Clearing System. Each Holder may, without prejudice to the foregoing, also protect and enforce its rights under the Notes in any other way which is admitted in the country of the proceedings.

YIELD

For the investors, the yield of the Notes is 7.400 per cent. *per annum*, calculated on the basis of the Issue Price to the First Reset Date.

Such yield is calculated in accordance with the ICMA (International Capital Markets Association) Method. The ICMA method determines the effective interest rate on notes by taking into account accrued interest on a daily basis.

AUTHORISATIONS

The creation and issue of the Notes has been authorised by a resolution of the Supervisory Board of the Issuer dated 8 October 2026 and resolutions of the Management Board of the Issuer dated 6 November 2026.

DETAILS OF THE ADMISSION TO TRADING

LISTING AND ADMISSION TO TRADING

Application has been made to the Luxembourg Stock Exchange for the Notes to be admitted to trading on the Luxembourg Stock Exchange's regulated market (which is a regulated market for the purposes of MiFID II) and to be listed on the Official List of the Luxembourg Stock Exchange on or around the Issue Date.

CLEARING SYSTEM

The initial Paying Agent and the Initial Calculation Agent is, in each case, Citibank Europe plc, 1 North Wall Quay, Dublin 1, Ireland.

Payments and transfers of the Notes will be settled through Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and Clearstream Banking S.A., 42 Avenue JF Kennedy, L-1855 Luxembourg.

The Notes have the following securities codes:

ISIN: XS3565258764

Common Code: 356525876

CORPORATE GOVERNANCE

In accordance with applicable legislation, NLB employs a two-tier system of corporate governance, pursuant to which NLB is managed by its Management Board and its operations are supervised by its Supervisory Board.

The Supervisory Board is responsible for the appointment of the president of the Management Board ("**President**"), the Chief Executive Officer ("**CEO**") and other members of the Management Board. The Supervisory Board is also responsible for the overall supervision of NLB's and the NLB Group's operations in line with EU law and the ZBan-4, ZGD-1 and other applicable regulations. The Management Board represents the Bank and manages NLB's business operations.

MANAGEMENT BOARD

NLB's Management Board leads, represents and acts on behalf of the Bank, independently and at its own discretion, as provided for by law and the Articles of Association of NLB The Management Board of the Bank is comprised of three to seven members, one of whom is appointed President of the Management Board of the Bank. The President of the Management Board may appoint one of the members of the Management Board as his/her Deputy subject to prior approval by the Supervisory Board. The number of Management Board members is determined by a resolution of the Bank's Supervisory Board.

The President and other members of the Management Board of the Bank are appointed and recalled by the Supervisory Board of the Bank; the President of the Management Board of the Bank may propose to the Supervisory Board of the Bank to appoint or recall an individual member or the remaining members of the Management Board of the Bank.

The President and members of the Management Board of the Bank are appointed for a period of five years and may be re-appointed for another term of office. The president and members of the Management Board of the Bank may be recalled prior to the expiry of their term of office in accordance with applicable laws and these Articles of Association of NLB.

As of the date of this Prospectus, the Management Board of the Bank consists of Blaž Brodnjak as **President & CEO**, and the following members of the Management Board: Archibald Kremser as Chief Financial Officer ("**CFO**"), Peter Andreas Burkhardt as Chief Risk Officer ("**CRO**"), Reinhard Höll as Chief Transformation Officer ("**CTO**"), Hedvika Usenik as Chief Marketing Officer ("**CMO**") (responsible for Retail Banking and Private Banking), Antonio Argir (responsible for NLB Group governance, payments and innovations) and Andrej Lasič as CMO (responsible for Corporate and Investment Banking).

On 7 August 2025, the Supervisory Board renewed the terms of office of Blaž Brodnjak, Archibald Kremser and Peter Andreas Burkhardt for another term, as their previous term of office expired on 6 July 2026. The five-year terms of office of Hedvika Usenik, Antonio Argir and Andrej Lasič will expire on 28 April 2027.

The table below sets out the members of the Management Board of NLB as of the date of this Prospectus.

Name, surname and position	Principal activities performed outside NLB
Blaž Brodnjak (President & CEO)	**Chairman of the Supervisory Board:**

Name, surname and position	Principal activities performed outside NLB
Term of office: 2012–2016, 2016–2021, 2021–2026 renewed term 2026-2031 (CEO since 2016)	NLB Lease&Go, leasing d.o.o., Ljubljana Association of Banks in Slovenia **Member of the Executive Committee:** Cedevita Olimpija **Member of the EBF Board:** European Banking Federation **Member of the Management Board:** Foundation for the Pediatric Clinic in Ljubljana **Member** Strategic Council for the Economy
Peter Andreas Burkhardt (Member of the Management Board & CRO) Term of office: 2013–2016, 2016–2021, 2021–2026, renewed term 2026-2031	**Chairman of Supervisory Board:** NLB Banka d.d., Sarajevo **Member of the Management Board:** Rotary Club Ljubljana International
Archibald Kremser (Member of the Management Board & CFO) Deputy CEO (since 2023) Term of office: 2013–2016, 2016–2021, 2021–2026, renewed term 2026-2031	**Chairman of the Board of Directors:** NLB Komercijalna Banka, Beograd (now NLB Banka a.d. Beograd)
Antonio Argir (Member of the Management Board) Member of the Management Board (since 28 April 2022), Responsible for Group governance, payments, and innovations Term of office: 2022–2027	**Chairman of the Supervisory Board:** NLB Banka a.d., Podgorica **Chairman of the Board of Directors:** NLB Banka sh.a., Prishtina **President of the Board of Directors:** Macedonian - Slovenian Business Club
Andrej Lasič (Member of the Management Board & CMO) Member of the Management Board (since 28 April 2022), Responsible for Corporate and Investment Banking	**Chairman of the Supervisory Board:** NLB Banka Banja Luka **Member of the Supervisory Board:**

Name, surname and position	Principal activities performed outside NLB
Term of office: 2022–2027	NLB Komercijalna Banka, Beograd (now NLB Banka a.d. Beograd) **Deputy Member of the Supervisory Board:** Association of Banks in Slovenia **Member of the Board of Directors:** Združenje Manager
Hedvika Usenik (Member of the Management Board & CMO) Member of the Management Board (since 28 April 2022), (responsible for Retail Banking and Private Banking) Term of office: 2022–2027	**Chairwoman of the Supervisory Board:** NLB Skladi d.o.o., Ljubljana NLB Banka AD, Skopje **Member of Management Board:** Institute for Economic Research British - Slovenian Chamber of Commerce
Reinhard Höll (Member of the Management Board & CTO) Term of office: 2025–2030	**Chairman of the Supervisory Board** NLB Digit d.o.o., Beograd **Other important functions and achievements** • Chartered Financial Analyst - CFA (CFA Institute, USA) • Chartered MCSI (Chartered Institute for Securities & Investment, England) • Chartered Wealth Manager (Chartered Inst. for Sec. & Invest., England)

In their capacity as members of the Management Board, the members of the Management Board are all domiciled at the Issuer's registered office, being at Trg republike 2, 1000 Ljubljana, Republic of Slovenia.

SUPERVISORY BOARD

The Supervisory Board supervises the Management Board of the Bank and its duty of diligent and prudent conduct in line with powers defined in ZGD-1 and according to provisions of the ZBan-4, other regulations, and internal rules of the Bank (the Articles of Association of NLB and the Rules of Procedures of the Supervisory Board of the NLB).

As of the date of this Prospectus, the Supervisory Board of the Bank consists of 10 members, of which 8 members represent the interests of shareholders and 2 members represent the interests of employees. Members of the Supervisory Board of the Bank representing the interests of shareholders are elected and recalled by the Bank's General Meeting from persons proposed by shareholders or the Supervisory Board of the Bank. Members of the Supervisory Board of the Bank representing the interests of employees are elected and recalled by the Workers' Council of the Bank. All Supervisory Board members must be independent experts.

The table below sets out the members of the Supervisory Board of NLB as of the date of this Prospectus.

Name, surname and position	**Principal activities performed outside NLB**
• **Members of the Supervisory Board, representatives of capital**	
Primož Karpe, Chairman Term of office: 2016-2020, 2020-2024 renewed term 2024-2028	• Angler d.o.o. – Director • Slovenian Directors' Association - Board of Directors Member
Shrenik Dhirajlal Davda, Deputy Chairman Term of office: 2019-2023, renewed term 2023-2027	• IPSO, UK - Lay Member of the Board • Charity Commission of England and Wales – Commissioner and Board Member
Mark William Lane Richards, Member Term of office: 2019-2023, renewed term 2023-2027	• Vencap International plc (UK) – Chairman • Berry Palmer & Lyle Ltd. (BPL Global) (Lloyds of London insurance Broker) - Non-Executive Director • Enza Group Global, Cairo – Chairman
André-Marc Richard Prudent-Toccanier, Member Term of office: 2023-2027	• none

Name, surname and position	Principal activities performed outside NLB
Cvetka Selšek, Member Term of office: 2023-2027	• Managers' Association of Slovenia – Member of the Honourable Tribunal • Slovenian Directors' Association - Member
Islam Osama Zekry, Member Term of office: 2021-2024 renewed term 2025-2029	• Commercial International Bank (Egypt) - Group Chief Finance & Operations Officer (Board Member) • CIB Housing Association - Board Member • Telecom Egypt – Non-Executive Board Member
Natalia Olegovna Ansell, Member Term of office: 2024-2028	• Equity Bank Kenya Limited, Nairobi – Member of the Board
Luka Vesnaver, Member Term of office: 2024-2028	• ION.advisory d.o.o. – Director • British Slovenian Chamber of Commerce – President of the Management Board • Managers' Association of Slovenia - Member • Alpine Ski Club Olimpija, Ljubljana – Member of the Board
• **Members of the Supervisory Board, representatives of employees**	
Sergeja Kočar, Member Term of office: 2020-2024, renewed term 2024–2028	• none
Tatjana Jamnik Skubic, Member Term of office: 2025-2029	• none

In their capacity as members of the Supervisory Board, the members of the Supervisory Board are all domiciled at the Issuer's registered office, being at Trg republike 2, 1000 Ljubljana, Republic of Slovenia.

CORPORATE GOVERNANCE OF NLB GROUP

As the parent bank, NLB implements the corporate and business governance of the Group members in compliance with EU and BoS legislation, the local legislation, and regulatory requirements applicable to respective Group members while also considering internal rules, ECB Guidelines, and other relevant regulations.

The NLB Group Governance Policy comprehensively defines the Group operating model through corporate and business governance rules, principles, criteria, and mechanisms that define relevant stakeholders' roles, authorisations, and responsibilities to ensure that they act in an orchestrated manner and achieve the set business goals. In the Bank, the Group Steering Department is the principal partner of the Bank's Management Board in the corporate and, partially, in the business governance of strategic and non-strategic Group companies.

The NLB Group governance model consists of three pillars:

1. Corporate Governance, which is carried out following fundamental corporate rules and governance principles comprised of:
    - shareholder voting at the General Meeting of NLB Group members,
    - proposing candidates for supervisory bodies of NLB Group members,
    - offering professional support to supervisory bodies of NLB Group members,
    - offering professional support in the selection of candidates for management of NLB Group members,
    - proposing candidates for various committees of NLB Group members.
2. Business Governance, which is carried out through mechanisms that ensure efficient business guidance and oversight:
    - setting up a formal business governance framework by Group Steering,
    - standardisation and harmonisation of operations across NLB Group by Competence Lines.
3. The Internal Control Functions serve as the second and third lines of defence. In addition to standardisation and harmonisation in their respective areas, they also oversee the implementation of Group rules and requirements (Internal Audit, Risk Management and Compliance, including AML, Information Security, Prevention and investigation of fraud to the detriment of the bank, and Physical Security).

In recent years the corporate governance of the NLB Group has been significantly upgraded and the role of the members of the Management Board of the Bank in management of the NLB Group members strengthened. Two new senior group functions have been established: country manager and stream coordinator. The target composition of supervisory bodies in the NLB Group members has been established, the functioning of the supervisory bodies optimised, and the reporting and standards related to the harmonisation of operations simplified.

FINANCIAL INFORMATION

KEY FINANCIAL HIGHLIGHTS

The consolidated financial statements of the NLB Group, and the information presented herein, are prepared in accordance with the International Financial Reporting Standards as adopted by the European Union ("**IFRS**").

For the years ended 31 December 2025 and 31 December 2024, the NLB Group generated a net profit after tax attributable to owners of NLB in the amount of EUR 503.1 million and EUR 514.6 million, respectively, while the total assets amounted to EUR 31,474.8 million and EUR 28,035.4 million, respectively.

The following table shows the financial highlights of the NLB Group (on a consolidated basis) and of NLB (stand-alone) for the years ended 31 December 2025 and 31 December 2024.

	NLB Group		NLB	
	Year ended 31 December			
	2025	2024	2025	2024
	(in millions of Euros)			
Key income statement figures				
Net interest income	946.7	934.2	419.2	431.9
Net non-interest income[(i)(vi)]	355.8	307.8	392.9	378.2
Total costs[(ii)]	(616.8)	(566.2)	(334.1)	(312.5)
Result after income tax	503.1	514.6	426.9	478.2
Key financial position statement figures				
Total assets	31,474.8	28,035.4	19,061.0	16,975.1
Loans and advances to non-banking sector (gross)[(iii)]	19,093.4	16,721.4	9,740.2	8,815.7
Deposits from customers[(iv)]	24,509.9	22,206.3	13,449.9	12,293.7
Key performance figures	*(in per cent.)*			
Return on equity after tax	14.5	16.5	15.6	19.8
Cost to income ratio[(v)]	47.4	45.6	37.0	34.5

(i) Net non-interest income represents the following line items of income statement: fee and commission income and expenses; dividend income; gains less losses from financial assets and liabilities not measured at fair value through profit or loss; gains less losses from financial assets and liabilities held for trading; gains less losses from non-trading financial assets mandatorily at fair value through profit or loss; gains less losses from financial liabilities measured at fair value through profit or loss; fair value adjustments in hedge accounting; foreign exchange translation gains less losses; gains less losses from modification of financial assets; gains less losses on derecognition of non-financial assets; other net operating income; cash contributions to resolution funds and deposit guarantee schemes; gains less losses from non-current assets held for sale; and net gains or losses on derecognition of investments in subsidiaries, associates and joint ventures.

(ii) Total costs represent the following line items of income statement: administrative expenses; and depreciation and amortisation.

(iii) Loans and advances to non-banking sector (gross) represents the following line item of statement of financial position: financial assets measured at amortised cost – loans and advances to customers before allowances.

(iv) Deposits from customers represents the following line item of statement of financial position: financial liabilities measured at amortised cost - due to customers.

(v) Tax on balance sheet excluded.

(vi) From June 2025 onwards and for the previous periods, the income statement for the NLB Group is presented according to the new methodology. An operating lease is presented on a net basis non-interest income and related costs are netted by the amount of amortisation (EUR 7.7 million in 2025 and EUR 2.8 million in 2024).

The following table shows the contribution to NLB Group's revenues and total assets by region for the years ended and as at 31 December 2025 and 31 December 2024. The column 'Revenues' includes interest and similar income, dividend income, and fee and commission income.

	Contribution to NLB Group's revenues by region		Contribution to NLB Group's total assets by region	
	Year ended 31 December		As at 31 December	
	2025	2024	2025	2024
	(in millions of Euros)		*(in millions of Euros)*	
Slovenia	891.9	872.7	17,352.3	15,554.3
SEE[(i)]	814.7	770.1	14,113.7	12,462.1
Western Europe[(ii)]	0.1	0.2	8.8	19.1
Total	**1,706.7**	**1,643.0**	**31,474.8**	**28,035.4**

(i) Serbia, North Macedonia, Bosnia and Herzegovina, Kosovo, Montenegro, and Croatia.
(ii) Germany and Switzerland.

LIQUIDITY

As of the date of this Prospectus, the NLB Group has at its disposal sufficient liquidity reserves to cover liabilities that fall or may fall due for payment. Liquidity reserves are required to be available at short notice, following the realisation of a stress scenario (that is, immediately or within one week). Liquidity reserves are unencumbered liquid assets, which include funds on settlement accounts with central banks (funds exceeding the reserve requirement), debt securities and ECB-eligible credit claims. Encumbered liquidity reserves, consisting of financial assets (cash and central bank reserves (without obligatory reserve), ECB eligible loans and high-quality debt securities) that are encumbered for the NLB Group's liabilities (as at 31 December 2025 and 31 December 2024 amounted to EUR 87.3 million and EUR 41.7 million for NLB Group; excluding obligatory reserves), used for operational and regulatory purposes, are excluded from the liquidity reserves portfolio.

The liquidity reserves management in the NLB Group is decentralised. Each NLB Group member is responsible for its own portfolio, while financial markets in Slovenia manage the liquid assets of NLB. NLB Group, and the individual subsidiary banks, hold strong liquidity positions with a consolidated LCR of 199.2 per cent. as of 31 December 2025 and 197.2 per cent. as of 31 December 2024. As at 31 December 2025 and 31 December 2024, the NLB Group had an NSFR of 163.7 per cent. and 167.6 per cent.

Debt securities are classified into trading or banking book securities depending on the purpose of their acquisition and on the intended manner of their disposal. Securities placed in the banking book serve as an instrument for the placement of excess liquidity, as explained below, while the purpose of trading book securities is to generate profits from resale.

The purpose of banking book securities is to provide liquidity, to stabilise the interest margin and to help manage interest rate risk.

The following table shows the unencumbered liquidity reserves for the NLB Group and NLB as at 31 December 2025 and 31 December 2024.

	NLB Group		NLB	
	As at 31 December			
	(in millions of Euros)			
	2025	2024	2025	2024
Unencumbered liquidity reserves				
Cash, cash balances at central banks[(i)]	2,788.4	2,764.2	2,043.9	1,801.6
Trading book securities[(ii)]	0.1	9.4	-	9.4

Banking book securities[ii]	6,847.9	6,133.2	5,035.3	4,368.4
ECB eligible loans	364.1	380.7	364.1	380.7
Total available liquidity reserves	**10,000.5**	**9,287.5**	**7,443.3**	**6,560.1**

(i) Above reserve requirement.
(ii) Market value.

As at 31 December 2025 and 31 December 2024, unencumbered liquidity reserves (book value) made up 31.8 per cent. and 33.2 per cent. of the NLB Group's total assets, respectively. Encumbered liquidity reserves, used for operational and regulatory purposes, increased by 109.4 per cent. year on year to EUR 87.3 million (excluding obligatory reserves) and were excluded from the liquidity reserves portfolio.

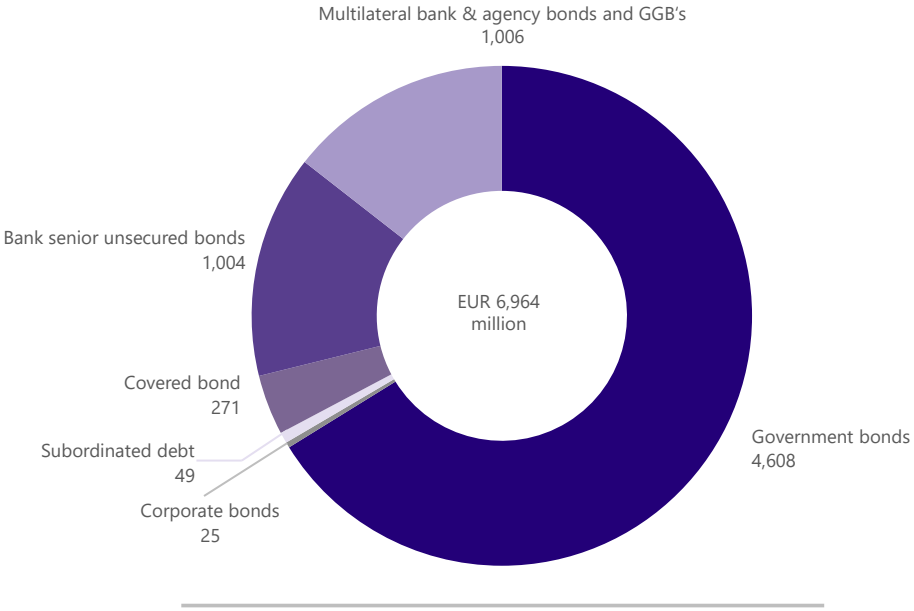
As at 31 December 2025 and 31 December 2024, the NLB Group had a net loan to deposit ratio ("**LTD**") of 76.3 per cent. and 73.7 per cent., meeting liquidity targets above the regulatory requirements, and confirming the low liquidity risk approach of the NLB Group. The NLB Group holds a comfortable liquidity position at both the NLB Group and subsidiary bank levels.

As at 31 December 2025 and 31 December 2024, the banking book securities portfolio (market value) represented 68.5 per cent. and 66.0 per cent., respectively of the NLB Group's liquidity reserves; and was dispersed appropriately in terms of issuers, countries and remaining maturity, with the aim of achieving adequate liquidity and interest risk management as well as capital consumption.

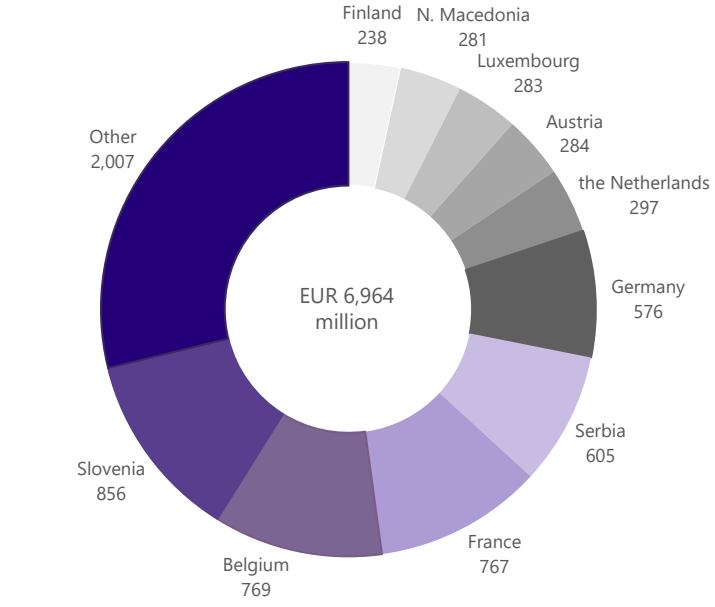
The banking book debt securities portfolio increased year on year by EUR 771 million to EUR 6,964 million (book value), constituting 22.1 per cent. of the Group's total assets, consistent with 2024. The portfolio's average duration at year-end was 4.1 years (2024: 3.6 years), and the average yield rose to 2.74 per cent., 0.25 percentage points higher than in 2024.

Two business models are implemented, dividing the portfolio into securities valued at FVOCI and securities valued at amortised cost ("**AC**"). The FVOCI portfolio declined by 1.83 pp in 2025, accounting for 38.0 per cent. of the total Group debt securities portfolio at year-end, with an average duration of 2.7 years. The negative valuation of the Group's FVOCI debt securities portfolio during 2025 amounted to EUR 1 million, net of hedge accounting effects and related deferred taxes. The AC portfolio represented 62.0 per cent. of the Group's total debt securities portfolio at the end of 2025, with an average duration of 4.9 years. Unrealised losses of the Group's AC debt securities portfolio during 2025 amounted to EUR 29 million. The ESG portfolio continued to expand throughout the year, accounting for 13.0 per cent. of the entire portfolio.

The graphs below show the banking book securities portfolio of NLB Group by asset class and geographical structure as at 31 December 2025 (in EUR million):



by asset class



by geography

FUNDING

Non-banking sector deposits[16] represented the highest proportion of the NLB Group's funding as at 31 December 2025 and 31 December 2024, accounting for 77.9 per cent. and 79.2 per cent. of total liabilities and equity on the respective dates.

16 Non-banking sector deposits (deposits from customers) represents following line item of statement of financial position: financial liabilities measured at amortised cost - due to customers.

As at 31 December 2025 and 31 December 2024, the NLB Group subordinated debt securities issued were 1.7 per cent. and 2.0 per cent. of total liabilities and equity on the respective dates.

The following table shows the split of total liabilities for the NLB Group as at 31 December 2025, and 31 December 2024.

	NLB Group	
	As at 31 December	
	2025	2024
	(in millions of Euros)	
Deposits from customers[(i)]	24,509.9	22,206.3
Corporate	7,107.3	6,304.6
Individuals	16,951.2	15,512.0
Government	451.4	389.7
Deposits from banks and central banks	98.8	136.0
Borrowings	280.0	225.1
Subordinated debt securities	545.6	560.1
Senior preferred notes	1,553.6	1,048.8
Other liabilities[(ii)]	626.6	560.9
Equity	3,781.6	3,226.0
Non-controlling interests	78.8	72.1
Total liabilities and equity	**31,474.8**	**28,035.4**

(i) Deposits from customers represents the following line item of statement of financial position: financial liabilities measured at amortised cost - due to customers.

(ii) Other liabilities represent the following line items of statement of financial position: financial liabilities held for trading; financial liabilities measured at fair value through profit or loss; financial liabilities measured at amortised cost - other financial liabilities; derivatives - hedge accounting; provisions; current income tax liabilities; deferred income tax liabilities; and other liabilities.

Deposits

The NLB Group is primarily funded by deposits, with sight deposits prevailing. However, due to increased interest rates and attractive offers on term deposits, the share of term deposits increased by 1 percentage point in 2025 and accounted for 19 per cent. (18 per cent. at the end of 2024). Most customer deposits were from individuals (69 per cent. at the end of 2025) and approximately 79 per cent. of deposits from individuals are insured by the Deposit Guarantee Scheme.

The following table shows deposits from banks and other customers for the NLB Group and NLB as at 31 December 2025 and 31 December 2024.

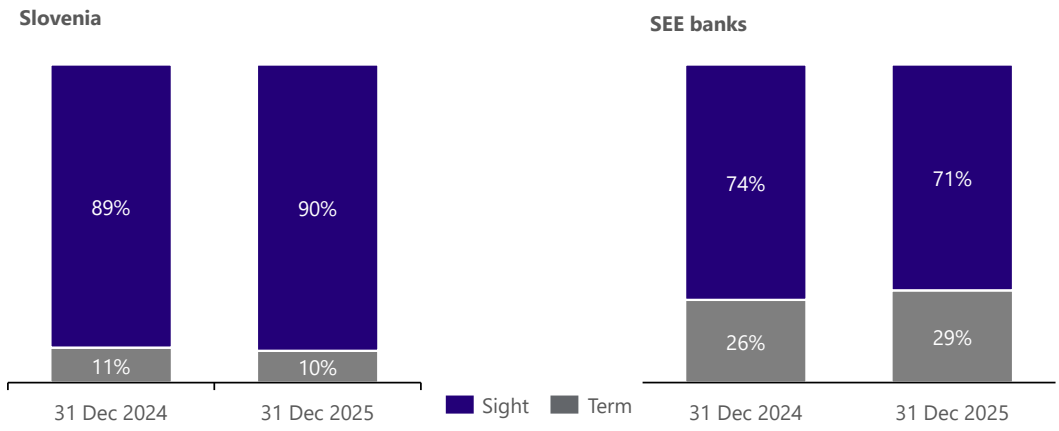
	NLB Group		NLB	
	As at 31 December			
	2025	2024	2025	2024
	(in millions of Euros)			
Deposits on demand				
Banks and central banks	85.8	115.9	141.4	210.9
Other customers	19,952.3	18,260.1	12,121.4	10,927.3
- governments	365.7	339.5	64.6	38.8
- financial organisations	282.7	212.5	218.8	187.1
- companies	5,285.7	4,922.4	2,878.0	2,601.8
- individuals	14,018.3	12,785.8	8,959.9	8,099.5
Other deposits				
Banks and central banks	13.0	20.1	10.4	9.2
Other customers	4,557.6	3,946.2	1,328.5	1,366.4

- governments	85.7	50.2	26.2	31.5
- financial organisations	377.5	279.9	32.0	56.1
- companies	1,161.5	889.8	521.9	412.9
- individuals	2,932.9	2,726.2	748.4	865.9
Total	**24,608.6**	**22,342.3**	**13,601.6**	**12,513.8**

In NLB Group's strategic foreign markets the share of term deposits increased by 3 percentage points in 2025 and accounted for 29 per cent. (26 per cent. at the end of 2024).

For the years ended 31 December 2025 and 31 December 2024, interest and similar expenses due to customers for the Bank were EUR 41.3 million and EUR 56.4 million, respectively. For the years ended 31 December 2025 and 31 December 2024, interest and similar expenses due to customers in the banks in the NLB Group's Strategic Foreign Markets was EUR 100.2 million and EUR 76.4 million, respectively.

The following figure shows the split of deposits of the NLB Group in Slovenia and internationally, i.e. outside of Slovenia, as at 31 December 2025 and 31 December 2024:



The following table shows the average cost of funding for the NLB Group and NLB for the years ended 31 December 2025 and 31 December 2024.

	NLB Group		NLB	
	Year ended 31 December			
	2025	2024	2025	2024
	(in per cent.)			
Average cost of funding (quarterly) [(i)] [(ii)]	0.99	1.02	1.13	1.26

(i) Annualised interest expenses and income from Liabilities (interest income from liabilities due to negative interest rate) / Average balance of interest bearing liabilities.

(ii) Unaudited data.

Borrowings from banks / financial institutions

As at 31 December 2025 and 31 December 2024, the NLB Group's borrowings from banks and central banks and other customers amounted to EUR 280.0 million and EUR 225.1 million,

respectively, while the subordinated bonds amounted to EUR 545.6 million and EUR 560.1 million.

The following table shows the volume of borrowings from banks and central banks and other customers for the NLB Group and NLB as at 31 December 2025 and 31 December 2024.

	NLB Group		NLB	
	As at 31 December			
	(in millions of Euros)			
Loans				
- banks and central banks	166.8	120.6	47.7	51.1
- governments	15.7	17.9	-	-
- financial organisations	97.2	86.6	-	-
- companies	0.3	-	0.3	-
Total	**280.0**	**225.1**	**48.0**	**51.1**

Outstanding senior debt securities

As at 31 December 2025, the Issuer had EUR 1,500 million (nominal amount) of senior debt securities (31 December 2024: EUR 1,000 million). As at 30 September 2026, the Issuer had EUR 1,000 million (nominal amount) of senior debt securities (30 September 2025: EUR 1,500 million) outstanding.

Senior preferred notes				NLB Group and NLB			
				As at 30 September 2026		As at 30 September 2025	
ISIN	Currency	Due date	Interest rate	Carrying amount	Nominal value	Carrying amount	Nominal value
				(in thousands of Euros)			
XS2641055012	EUR	27 June 2027	7.125 per cent. p.a., after 3 years: 1 years MS + 3.606% p.a.	-	-	511,438	500,000
XS2972971399	EUR	21 January 2029[(i)]	3.500 per cent. p.a., after 3 years: 1 years MS + 1.150% p.a.	503,008	500,000	511,423	500,000
XS2825558328	EUR	29 May 2030	4.500 per cent. p.a., after 5 years: 1 years MS + 1.650% p.a.	497,413	500,000	515,775	500,000
Total				**1,000,421**	**1,000,000**	**1,538,636**	**1,500,000**

(i) NLB issued senior preferred bonds in the total nominal value of EUR 500 million, 4NC3 tenor on 21 January 2025.

Outstanding subordinated liabilities

As at 31 December 2025, the Issuer had EUR 525 million (nominal amount) of Tier 2 subordinated bonds (31 December 2024: EUR 535.5 million) and EUR 382 million (nominal amount) of capital instruments eligible as AT1 capital (31 December 2024: EUR 82 million). As at 30 September 2026, the Issuer had EUR 525 million (nominal amount) of Tier 2 subordinated bonds (30 September 2025: EUR 525 million) and EUR 382 million (nominal amount) of capital instruments eligible as AT1 capital (30 September 2025: EUR 82 million).

Subordinated Tier 2 notes				NLB Group and NLB			
				As at 30 September 2026		As at 30 September 2025	
ISIN	Currency	Due date	Interest rate	Carrying amount	Nominal value	Carrying amount	Nominal value
				(in thousands of Euros)			
XS2413677464	EUR	28 November 2032	10.750 per cent. p.a., after 5 years: 5 years MS + 8.298% p.a.	238,260	225,000	242,277	225,000
XS2750306511	EUR	24 January 2034	6.875 per cent. p.a., after 5 years: 5 years MS + 4.230% p.a.	307,933	300,000	317,816	300,000
Total				**546,193**	**525,000**	**560,093**	**525,000**

Capital instruments eligible as AT1 capital				NLB Group and NLB			
				As at 30 September 2026		As at 30 September 2025	
ISIN	Currency	Due date	Interest rate	Carrying amount	Nominal value	Carrying amount	Nominal value
				(in thousands of Euros)			
SI0022104275	EUR	Perpetual	9.721 per cent. p.a., after 5 years: 5 years MS + 7.200% p.a.	82,175	82,000	82,174	82,000
XS3227899989	EUR	Perpetual	6.500 per cent. p.a., after 5 years: 5 years MS + 4.076% p.a.	316,508	300,000	-	-
Total				**398,683**	**382,000**	**82,174**	**82,000**

INDEPENDENT AUDITORS

KPMG Slovenija, d.o.o. ("**KPMG**"), Letališka cesta 33Z, 1000 Ljubljana, Republic of Slovenia were appointed as NLB's auditor for the financial year 2023 to 2026 by the General Meeting of the shareholders of the Issuer. KPMG is a registered audit firm at the Slovenian Institute of Auditors (*Slovenski inštitut za revizijo* – "**ANR**") and audited the Issuer's consolidated and separate financial statements as at and for the years ended on 31 December 2025 and 31 December 2024, incorporated by reference herein.

SHAREHOLDER AND SECURITY HOLDER INFORMATION

SHARE CAPITAL AND MAJOR SHAREHOLDERS

NLB's issued share capital is divided into 20,000,000 shares. The shares are listed on the Prime Market of the Ljubljana Stock Exchange (ISIN SI0021117344, Ljubljana Stock Exchange trading symbol: NLBR) and the GDRs are listed on the Main Market of the London Stock Exchange (ISIN: US66980N2036 and US66980N1046, London Stock Exchange GDR trading symbol: NLB and 55VX). Five GDRs represent one share of NLB.

As at 30 September 2026, NLB had an equity market capitalisation of EUR 4,540,000,000.

The following table shows NLB's main shareholders as of 30 September 2026[(1)].

Shareholder	Number of shares	Percentage of shares
Bank of New York Mellon on behalf of the GDR holders[(2)], [(3)]	8,916,173	44.58
•*of which European Bank for Reconstruction and Development*	-	>5 and <10
•*of which Brandes Investment Partners, L.P. plc*	-	>5 and <10
Republic of Slovenia	5,000,001	25.00
Other shareholders	6,083,826	30.42
Total	**20,000,000**	**100.00**

(1) Information is sourced from NLB's shareholders book accessible at the web services of CSD (Central Security Depository, Slovenian: KDD - *Centralna klirinško depotna družba*) and available to CSD members. Information on major holdings is based on the self-declarations by individual holders pursuant to the applicable provisions of Slovenian legislation, which require that the holders of shares in a listed company notify the company whenever their direct and/or indirect holdings pass the set thresholds of 5 per cent., 10 per cent., 15 per cent., 20 per cent., 25 per cent., 1/3, 50 per cent. or 75 per cent. The table lists all self-declared major holders whose notifications have been received. In reliance on this obligation vested with the holders of major holdings, the Bank postulates that no other entities nor any natural person holds directly and/or indirectly 10 or more per cent. of the Bank's shares.

(2) The Bank of New York Mellon holds shares in its capacity as the depositary (the "**GDR Depositary**") for the GDR holders and is not the beneficial owner of such shares. The GDR holders have the right to convert their GDRs into shares. The rights under the deposited shares can be exercised by the GDR holders only through the GDR Depositary and individual GDR holders do not have any direct right to attend the shareholder meeting or to exercise any voting rights under the deposited shares.

(3) The information on GDR ownership is based on self-declarations by individual GDR holders as required pursuant to the applicable provisions of Slovenian law.

LEGAL AND ARBITRATION PROCEEDINGS

General

As at 30 September 2026, NLB was involved in 22 legal disputes with monetary claims against NLB exceeding EUR 1 million per case (excluding accrued interest). The total amount of these claims, excluding accrued interest, was EUR 254.8 million. As at 30 September 2026, the NLB Group was involved in 38 legal disputes with monetary claims against NLB Group members exceeding EUR 1 million per case, excluding accrued interest, in the aggregate principal amount of EUR 357.3 million. NLB has not established provisions in its financial statements for these proceedings in which it is involved based on an assessment of the possible outcome of the proceedings. At the NLB Group level provisions with respect to claims exceeding EUR 1 million per case amount to EUR 2.9 million, as at 30 September 2026.

Claims relating to liabilities in respect of transferred deposits

NLB is currently involved in proceedings whereby the plaintiffs claim that NLB is responsible for the liabilities relating to the foreign currency deposits held with Ljubljanska banka, Zagreb

Branch. Ljubljanska banka, Zagreb Branch is the Croatian branch of Ljubljanska banka, which in turn is an entity from which NLB received certain assets and liabilities when NLB was established in 1994 (as discussed below).

Two Croatian banks, Privredna banka Zagreb and Zagrebačka banka, filed claims against Ljubljanska banka and NLB, as the alleged co-debtor, in the Croatian courts in relation to transferred deposits. The proceedings were filed during the period from 1994 to 1996. The aggregate principal amount of the claims against NLB is, as at 30 September 2026, equivalent to approximately EUR 173.1 million (calculated at the exchange rates applicable on 30 September 2026), excluding any default interest. Due to the fact that the proceedings have been pending for a significant period of time, the default interest exceeds the principal amount of the transferred deposits.

NLB denies all liability in respect of the transferred deposits for a number of reasons, including, amongst others, that NLB has never assumed the obligations of Ljubljanska banka, Zagreb Branch under the transferred deposits, that the proceedings in the courts of Croatia are in violation of an agreement on succession between the successor states of the SFRY made in Vienna on 29 June 2001 and that it also violates a memorandum of understanding between the governments of Slovenia and Croatia concluded in March 2013 (the "**Memorandum of Understanding**"), pursuant to which the Republic of Croatia assumed an obligation to ensure the stay of all the proceedings commenced by the Privredna banka Zagreb and Zagrebačka banka in relation to the transferred deposit until the issue was finally resolved between the two countries.

Despite the Memorandum of Understanding, the courts of Croatia ruled with final decisions in seven claims in favour of the plaintiff. In one case the court of Croatia ruled with final decisions in favour of the Defendant (a claim against NLB, filed by the PBZ, was rejected, including a dismissal by the Supreme Court of the Republic of Croatia). In cases where final decisions were unfavourable to NLB, NLB has filed extraordinary legal remedies. In four cases, the procedure for NLB was unsuccessfully closed at all instances (including the Constitutional Court of the Republic of Croatia), in three cases the procedure is still pending with the Constitutional Court of the Republic of Croatia. In two cases, the obligations arising from the final judgment have already been settled.

In the other seven cases, with respect to which court procedures described above are pending, final court decisions have not yet been issued.

NLB Shareholders' Meetings have provided the Management Board of NLB with instructions on how to act in the event of existing or potential new final decisions by Croatian courts against Ljubljanska banka, Zagreb Branch and NLB regarding the transferred foreign currency deposits, and especially not to voluntarily settle the adjudicated amounts, and also gave some additional instructions on the usage of legal remedies and regarding the management of the property from that perspective.

On 19 July 2018, the National Assembly passed the ZVKNNLB, which entered into force on 14 August 2018. In accordance with the ZVKNNLB, the Fund shall compensate NLB for the sums recovered from NLB by enforcement of final judgments delivered by Croatian courts with regard to the transferred deposits (that is the principal amount, accrued interest, expenses of court, legal fees and other expenses of the plaintiff and expenses related to enforcement with the accrued interest). The Fund shall compensate NLB for the negative financial implications within 30 days after having received notice from NLB that the

enforcement has taken place and after the relevant evidence has been presented. If the payment due exceeds the value of the Fund's special-purpose budget or if it could jeopardise the payment of the Fund's other liabilities and obligations payable from the Fund's special-purpose budget, the due date shall be extended by as long as deemed necessary for the Republic of Slovenia to provide an increase of the Fund's special-purpose budget, but by no more than 60 days. Should the Fund fail to settle its obligations in 30 days for the reasons stated in the immediately preceding sentence, the Republic of Slovenia as its founder shall be liable, in addition to the Fund being liable, for the obligations of the Fund and shall to this end increase the special-purpose budget of the Fund so that the Fund can settle its obligation to NLB in the extended time period. The Fund shall compensate NLB only for the amounts recovered from NLB by enforcement and shall not compensate NLB for its own costs or for the difference between the book value of its assets sold in enforcement proceedings and the price obtained for such assets in enforcement proceedings.

The Fund is also not obliged to compensate NLB for any payments made by NLB voluntarily, provided that a payment made by NLB on the basis of a request or decision of a competent regulator is not considered voluntary.

In accordance with the ZVKNNLB and pursuant to an agreement between NLB and the Fund relating to the implementation of the ZVKNNLB (the "**Agreement with the Fund**"), NLB has to contest the claims made against it in court proceedings in relation to the transferred deposits and use all reasonable legal remedies against court decisions that are disadvantageous for NLB, including those which were already enforced against it and take other lawful steps which may prevent or minimise the risk of enforcement of such court decisions.

In accordance with the ZVKNNLB, NLB shall regularly consult the High Representative of the Republic of Slovenia for Succession Issues (*Visoki predstavnik Republike Slovenije za nasledstvo*) regarding the legal procedures and legal remedies and regarding the contesting of judicial decisions and shall, in particular, obtain his opinion before filing new legal remedies. Should NLB breach its obligation to inform and consult with the High Representative of the Republic of Slovenia for Succession or later takes actions that are different from the ones proposed to, and agreed by, the High Representative of the Republic of Slovenia for Succession Issues, for example by failing to file a legal remedy against a court decision, it shall be obliged to reimburse the Fund within 30 days from receipt of the Fund's request, for all the funds it has received in connection with the enforcement of such court decision, including the default interest accrued since the day NLB received the funds.

In addition, if after the date of the Agreement with the Fund, NLB voluntarily makes a payment in satisfaction of a judicial decision by a court of the Republic of Croatia relating to the transferred deposits, NLB will be obliged to repay to the Fund all sums received from the Fund.

In accordance with the ZVKNNLB and the Agreement with the Fund, NLB requested and received a reimbursement from the Fund of the enforced amount from the first negative final judgment from May 2015 in the amount of EUR 3,461.31.

NLB is considering all options available to protect its interests in the belief that, in accordance with the Constitutional Act and international agreements, the obligations in question are not the obligations of NLB. Provisions for any of these claims have not been recorded because NLB believes that there are no legal grounds for such claims. Additionally, on the basis of the

ZVKNNLB, subject to compliance with certain obligations, NLB is expected to be compensated for the sums recovered from NLB by enforcement of final judgments delivered by Croatian courts, which should provide an effective risk transfer. However, an unfavourable outcome in any of these pending proceedings may have a negative financial impact on NLB (see "*Risk Factors – A failure by NLB to comply with its obligations under ZVKNNLB and the related agreement with the Fund would deprive NLB of the protection granted to it by ZVKNNLB*").

Proceedings relating to the BSI Decision

In relation to the BSI Decision the EC initiated a procedure to determine the compatibility of this participation with the EU state aid rules. In accordance with recommendations of the European Council published in June 2013, NLB (along with the majority of other Slovenian banks) underwent the AQR and "bottom up" stress tests. In December 2013, the results of the AQR and stress test exercise revealed a capital shortfall for NLB of EUR 1,904 million. As a result, several measures were taken, aimed at ensuring the capital adequacy of NLB and the NLB Group, including, amongst other measures, termination of all of the Qualified Liabilities by way of the Bail-In pursuant to the BSI Decision (see "*Risk factors – If NLB were found liable for claims relating to the Bail-In, it may incur substantial financial burdens*").

Although any claims against NLB in relation to the Bail-In are expressly excluded by law, certain Affected Investors nevertheless started lawsuits against NLB in which they are claiming compensation for the losses they incurred as a result of the Bail-In.

The claims made by the plaintiffs are based on various allegations, including misrepresentations made by NLB in the context of the public offering of the subordinated notes, failure to disclose the conflict of interest and failure to contest the BSI Decision, amongst others. Some plaintiffs have not specified the grounds for their claims.

As of 30 September 2026, 25 of these proceedings with claims amounting to nearly EUR 30.7 million are still pending while claims of 21 plaintiffs have been finally rejected by the courts and additional 146 plaintiffs have withdrawn their claims. Out of 21 final rejection cases, two of them have been accepted for review by the Slovenian Supreme Court and in both such cases the Supreme Court upheld the judgments by which the lower courts rejected the plaintiff's claims. As certain Affected Investors publicly announced claims exceeding such amount and since there is a possibility that NLB has not yet been notified of all the legal proceedings initiated against it, this amount may increase in the course of time and such additional claims may be material. Based on information obtained from the courts, NLB understands that the amount of these additional claims could exceed EUR 40 million.

No provision for any of these claims has been recorded and any losses recorded as a result of such claims may have a material adverse effect on the NLB Group's business, prospects, financial condition, results of operations or cash flows.

Collective consumer claims

The consumer organisation Zavod Kolektiv 99 filed a collective claim against NLB and an identical claim was also filed against N Banka. NLB received a class action lawsuit on 21 July 2022 and N Banka on 29 July 2022.

The plaintiff's claims (Zavod Kolektiv 99) include, among other things, a demand that NLB ceases to use the lower interest rate in consumer loan contracts (uses the actual applicable

interest rate without restrictions as negative EURIBOR) and compensates the borrowers for the losses incurred due to the application of an interest rate floor (the difference between the interest rate floor and the actual value of the interest rate).

The claims against NLB and N Banka combined are estimated at EUR 47 million.

On 16 January 2026 the Court issued a judgment in NLB's proceeding and dismissed the lawsuit. Zavod Kolektiv 99 filed an appeal, on which NLB answered in due time. In N Banka's proceeding decision is still pending.

If adjudicated adversely to NLB, each of these claims could potentially result in NLB's material financial liability but would not affect NLB's ability to comply with its other obligations. If, before or after commencement of the relevant court proceedings, NLB will determine that any part of the above claims has merit, it may also decide to settle the relevant liabilities voluntarily.

Other material proceedings, actual or threatened

The NLB Group members are involved in other legal proceedings involving substantial monetary claims. Some of these proceedings are briefly described below. Based on an assessment of the probable outcome of these proceedings, NLB Group has not established any provisions in its financial statements for the proceedings described below.

In April 2017, a Montenegrin court imposed a temporary injunction preventing NLB Montenegro from disposing of certain real estate properties acquired during 2014-2015 by NLB Montenegro, as a result of the enforcement of security related to an NPL client.

The temporary injunction is related to an alleged criminal abuse of authority by several individuals, including employees of the government of Montenegro and, among others, a former member of the management board of NLB Montenegro. On 24 September 2018, NLB was informed that NLB Montenegro received a formal indictment, in which, in addition to five other persons, this former member of the management board and NLB Montenegro, as a legal entity benefiting from the alleged abuse of authority, were charged on suspicion of a criminal offence for the misuse of their position. The indictment was later confirmed and the main trial is in progress.

If it were determined that an abuse of authority was carried out in the name of NLB Montenegro, it could be found liable as a legal entity and possibly incur a financial penalty. NLB Montenegro, based on the evidence presented to the court, does not believe that it should be found guilty and subject to fines in relation to these proceedings, and therefore has made no provisions in relation to these proceedings. However, there can be no assurance that the High Court of Montenegro will not take a different position.

In addition, in March 2022, the Revenue and Customs Administration of Montenegro (*Uprava prihoda i carina Crne Gore*) carried out an inspection of payment of taxes and contributions on salaries in NLB Montenegro and, in a renewed procedure after annulment of the first decision by the Ministry of Finance as the second instance authority, issued a decision by which it directed NLB Montenegro to remedy the breach by paying the taxes and contributions on unpaid part of salaries. As this decision became enforceable and binding, NLB Montenegro paid its obligations arising from the decision in October 2022 and appealed again to the second instance authority. The Ministry of Finance this time confirmed the first instance decision, therefore NLB Montenegro initiated a procedure before the administrative

court disputing such ruling. In March 2026, the Administrative Court ruled in favour of the Bank and annulled the decision of the Ministry of Finance, and this Ministry consequently annulled the decision of the Tax Administration and returned the procedure to the beginning. A new decision of the Tax Administration is now expected.

According to the news published by certain media in Montenegro in July 2022, the Revenue and Customs Administration of Montenegro reported NLB Montenegro and responsible individuals to the Chief Special Prosecutor Vladimir Novović on suspicion of creating a criminal organisation and tax evasion by which NLB Montenegro allegedly profited several hundred thousand Euro at the expense of the city of Podgorica and the state of Montenegro. Although NLB is confident that NLB Montenegro has never intentionally breached any relevant laws and regulations and, consequently, no grounds for any criminal liability exist, any criminal proceedings involving a member of NLB Group, its employees or directors could adversely affect the reputation of NLB and NLB Group.

Other substantial claims against the members of the NLB Group include:

- A claim against Prvi faktor faktoring d.o.o. Beograd (a subsidiary of a joint-venture of NLB and SID Banka) in an amount equivalent to approximately EUR 50 million, relating to compensation for damages caused by the defendant because of the freezing of its account with the defendant and the resulting financial breakdown of the plaintiff. After initiating this litigation, bankruptcy proceedings have been opened in relation to the plaintiff. Accordingly, the litigation has been suspended and is only likely to continue if the bankruptcy administrator decides to pursue the claim. In August 2022, the plaintiff was sold to another legal entity. The plaintiff can now continue the litigation. On 27 April 2023, the defendant asked the court to invite the plaintiff to take over this procedure. The court decided to continue the proceedings. Plaintiff filed an appeal against that decision. Commercial Court rejected the appeal. NLB believes that this claim is without ground.

- A claim against NLB Komercijalna Banka, Beograd (now NLB Banka a.d. Beograd) in an amount equivalent to approximately EUR 14.7 million was filed, relating to the payment on account of an acquisition without grounds for the obligation under the bank guarantee and the payment of damages for not initiating the purchase proceeding of the shares and demanding payment under the bank guarantee. The bank allegedly misled the client (a natural person) by violating the code of business ethics to carry out a tax eviction by postponing the execution of the contract and by claiming that there were no opportunities to trade shares and that, as a result, the Bank's guarantee could not be activated nor the purchase price for the shares be paid under the guarantee. Consequently, the plaintiff did not initiate the procedure of selling the shares and therefore claims to have suffered damage which he is trying to collect in this procedure. The court ruled in favour of NLB Komercijalna Banka, Beograd. The court of appeal rejected the plaintiff's appeal as unfounded. The plaintiff filed a revision against the second instance decision. By the Supreme Court ruling the plaintiff's appeal was rejected as unfounded and the decision in favour of NLB Komercijalna Banka, Beograd was confirmed. The plaintiff has filed a constitutional complaint.

The majority of retail-related disputes within the NLB concern cases which involve foreign-currency loan agreements in which the Bank acts as defendant. These cases primarily stem from lending practices in the past, particularly foreign-currency loan products that were

widely offered across the region. In recent years, such agreements have increasingly become the subject of customer complaints and litigation, often supported by consumer protection initiatives. The core allegations raised by claimants typically relate to the adequacy of pre-contractual disclosure regarding currency and interest rate risks, as well as the alleged unfairness or invalidity of certain contractual provisions.

In the observed period, developments in national and European case law have contributed to a shift in litigation trends, with courts in certain instances adopting interpretations that are more favourable to consumers. This has led to inflow of new cases and increased legal uncertainty, particularly in relation to CHF-denominated loan agreements. The outcome of individual proceedings remains highly dependent on the specific factual circumstances of each case; however, the Bank continues to actively monitor legal developments and consistently applies all available legal remedies to protect its position. At the same time, the broader regulatory and judicial environment remains dynamic, and further evolution of both case law and potential legislative initiatives, including a material impact, cannot be excluded. Consistent with its prudent approach to managing legal risks, the Bank in the third quarter 2026 established additional provisions of EUR 11.9 million recognised for pending litigation related to CHF-denominated loans.

Other than as described in this section (*LEGAL AND ARBITRATION PROCEEDINGS*), there are no, nor have there been any governmental, legal or administrative proceedings, involving NLB or any of its subsidiaries (and, so far as NLB is aware, no such proceedings are pending or threatened) which may have or have had during the twelve months prior to the date of this Prospectus a significant effect on the financial position or profitability of NLB or its subsidiaries as a whole. However in recent periods, NLB and its subsidiaries have seen a general shift in case law that is generally more favourable to consumers. Such developments in case law with unfavourable outcomes could have a negative financial impact on NLB and its subsidiaries.

ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES' CONFLICTS OF INTEREST

The Issuer is not aware of any actual or potential material conflicts of interest with respect to the duties owed to it by the members of its Management Board or Supervisory Board and their private interests or other duties or activities performed by the members of the Management Board or the Supervisory Board outside the Issuer.

MATERIAL CONTRACTS

There are no material contracts that have been entered into in the ordinary course of the Issuer's business, which could result in any group member being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to Holders in respect of the Notes being issued.

TAXATION

THE TAX LAWS OF THE INVESTOR'S STATE OF RESIDENCE AND OF THE ISSUER'S STATE OF INCORPORATION MIGHT HAVE AN IMPACT ON THE INCOME RECEIVED FROM THE NOTES. PROSPECTIVE INVESTORS IN NOTES SHOULD CONSULT THEIR OWN TAX ADVISERS ON ANY TAX MATTERS (INCLUDING WITHHOLDING TAX ON THE NOTES AND THE WITHHOLDING TAX REFUND PROCESS) AS TO WHICH COUNTRIES' TAX LAWS COULD BE RELEVANT TO ACQUIRING, HOLDING AND DISPOSING OF NOTES AND RECEIVING PAYMENTS OF INTEREST, PRINCIPAL AND/OR OTHER AMOUNTS UNDER THE NOTES AND THE CONSEQUENCES OF SUCH ACTIONS UNDER THE TAX LAWS OF THOSE COUNTRIES.

The following is a general overview of certain tax considerations relating to the purchasing, holding and disposing of Notes. It does not purport to be a legal opinion or a complete analysis of all tax considerations relating to the Notes. In particular, this discussion does not consider any specific facts or circumstances that may apply to a particular Holder of any Notes. The discussions that follow are based upon the applicable laws in force and their interpretation on the date of this Prospectus. These tax laws and interpretations are subject to change that may occur after such date (before or after the issuance of any Notes), even with retroactive effect.

The information contained in this section is limited to taxation issues and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the Notes.

Neither the Issuer nor the Joint Lead Managers assumes any responsibility for the tax consequences of acquiring, holding or disposing of the Notes. Prospective Holders of any Notes should consult their own tax advisers as to the particular tax consequences of subscribing, purchasing, holding and disposing the Notes, including the withholding tax refund and the application and effect of any federal, state or local taxes, under the tax laws of each country of which they are residents or citizens.

Taxation in Slovenia

Taxation of interest payments

Withholding tax

The payments of interest on the Notes are subject, among others, to sufficient Available Distributable Items (as defined in the Terms and Conditions) and are considered by Slovenian tax legislation to be income similar to dividends (*dohodki, podobni dividendam*), as defined in Article 74 of the Slovenian Corporate Income Tax Act (*Zakon o davku od dohodkov pravnih oseb* - ZDDPO-2). Accordingly, the amounts of distributions paid in respect of the Notes are taxed as dividends rather than as interest.

Given that the payments of interest on the Notes will be realised through an intermediary and the identity of the beneficial owners of the Notes will not be known to the Issuer, any interest payments to such intermediary shall be subject to Slovenian withholding tax at the statutory rate of 25 per cent. This obligation applies irrespective of whether the ultimate beneficial owner of the payment qualifies for an exemption or a reduced tax rate under applicable law or treaty provisions.

Refund of withholding tax

A person, other than a person which receives payment of interest in respect of the Notes for the benefit of another person or persons (the "**Payee**") and forwards such payment to the Payee which receives an interest payment from which an amount of Slovenian withholding tax (the "**WHT**") at the rate of 25 per cent. was deducted and withheld, is entitled to claim from the Slovenian tax administration a refund of the amount, if any, by which (a) the amount of WHT deducted and withheld from such interest payment exceeds (b) the amount of WHT that would be deducted and withheld from such interest payment if the interest payment would be made directly to such person. Whereas the amount of WHT which would be deducted and withheld from such interest payment, if it was made directly to such person is:

(a) 0 per cent., if such person is either exempt from taxation in the Republic of Slovenia or is any of the following:

  (i) a legal entity which is a Slovenian resident for the purposes of taxation;

  (ii) a permanent establishment in the Republic of Slovenia of non-resident legal entity;

  (iii) a resident of another EU and/or EEA member state which is liable for income tax in the country of its residence, provided that (1) the interest payment does not constitute the income of its permanent establishment in the Republic of Slovenia; (2) it is unable to claim such tax in the country of its residence; and (3) the purpose of the transaction is not avoidance of tax;

  (iv) a pension fund, investment fund or insurance undertaking authorised to implement the pension scheme, resident in another EU and/or EEA member state, provided that (1) the interest payment does not constitute the income of its permanent establishment in the Republic of Slovenia; and (2) it is unable to claim such tax in the country of its residence (even if such inability is attributable to the fact that 0 per cent. tax rate applies in that country);

  (v) a person entitled to benefit from the common system of taxation applicable in the case of parent companies and subsidiaries of different EU Member States; or

(b) 15 per cent. (or such lower tax rate as may apply under the respective double tax treaty) if such person is a legal entity not listed in sub-paragraph (a) above;

(c) 25 per cent. (or such lower tax rate as may apply under the respective double tax treaty for non-residents of Slovenia) if such person is a natural person.

Legal entities – final amount of taxation

For legal entities not resident in Slovenia for the purposes of taxation, WHT withheld (after a (partial) refund in accordance with the preceding sub-title "*Refund of withholding tax*" above, if any) from an interest payment constitutes the final amount of corporate income tax (*davek od dohodkov pravnih oseb*) in respect of such interest payment. Interest payments received by a legal entity which is resident in Slovenia for taxation purposes are exempt from Slovenian corporate income tax.

Natural persons – final amount of taxation

The amount of tax withheld from an interest payment received by a natural person (after a (partial) refund in accordance with the preceding sub-title "*Refund of withholding tax*" above, if any) constitutes the final amount of Slovenian Personal Income Tax (*dohodnina*) in respect of such interest payment.

Taxation of capital gains

Legal entities

Capital gains earned on the sale or disposition of the Notes by a legal person resident for taxation purposes in the Republic of Slovenia or a permanent establishment (*poslovna enota*) in the Republic of Slovenia of a legal person not resident for taxation purposes in the Republic of Slovenia will be subject to Slovenian Corporate Income Tax as a part of its overall income tax (generally 19 per cent. and 22 per cent. for years 2025, 2026, 2027 and 2028).

Capital gains earned by legal persons not resident for taxation purposes in the Republic of Slovenia and having no permanent establishment (*poslovna enota*) in the Republic of Slovenia are not subject to Slovenian taxation.

Natural Persons

Under the Slovenian Personal Income Tax Act (*Zakon o dohodnini* - ZDoh-2), capital gains from the sale or other disposition of debt securities held as non-business assets are exempt from taxation, while capital gains earned as business income (*dohodek iz dejavnosti*) of a natural person resident for taxation purposes in the Republic of Slovenia may be subject to Slovenian Personal Income Tax as a part of such natural person's overall annual business income at the rate applicable in accordance with the progressive tax scale which may reach up to 50 per cent.

Capital gains earned on the sale or disposition of the Notes by a natural person resident for taxation purposes in the Republic of Slovenia may, in circumstances described in the Act on the Taxation of Profits from the Disposal of Derivatives (*Zakon o davku od dobička od odsvojitve izvedenih finančnih instrumentov* - ZDDOIFI), be subject to tax levied at the rate of 25 per cent.

Value added tax

Pursuant to Value Added Tax Act (*Zakon o davku na dodano vrednost* - ZDDV-1), transactions with securities are VAT-exempt in the Republic of Slovenia. According to the law, interest on securities is not subject to VAT, thus VAT is neither charged nor payable.

Inheritance and gift taxation

Natural persons and private law entities, within the meaning of the Slovenian Inheritance and Gift Tax Act (*Zakon o davku na dediščine in darila* - ZDDD) may be subject to Slovenian inheritance and gift tax in case of the transfer of the Notes mortis causa or inter vivos. The value of all transfers by the same person in one year is considered when ascertaining the taxable amount for such purposes.

Inheritance tax and gift tax is assessed by reference to the market value of property subject to taxation at the time of the occurrence of tax liability, decreased by debts, costs and charges

relating to this property. In the case of movable property (such as the Notes), the tax base for inheritances and gifts is decreased by EUR 5,000.

Tax on inheritance and gifts is not paid by the heir or recipient of a gift of a first hereditary order (children and spouse).

Tax rates are progressive and differ depending on the hereditary order. Tax rates for inheritance and gift tax range:

- from 5 per cent. up to 14 per cent. for the second hereditary order (parents, siblings and their descendants);
- from 8 per cent. up to 17 per cent. for the third hereditary order (grandparents); and
- from 12 per cent. up to 39 per cent. for all subsequent hereditary orders (others).

DESCRIPTION OF THE VOLUNTARY WITHHOLDING TAX REFUND PROCESS

The following outline of the voluntary withholding tax refund process is for information purposes only, is of a general nature and is based on the laws and practices in force in the relevant jurisdictions as at the date of this Prospectus. Such laws and practices may change from time to time (possibly with retrospective effect), which could affect the information herein and the tax consequences of an investment in the Notes. The information herein is not exhaustive and does not constitute tax, legal, regulatory, investment or accounting advice or guidance to any Holder. Holders should not treat the information herein as advice or guidance relating to taxation matters or any other matters and are urged to consult their own professional advisers regarding all taxation matters (or any other matters) under the laws of the relevant jurisdictions (including the WHT refund process) or of any change in law or practice.

For the avoidance of doubt, any information included on NLB's website (including on WHT matters) shall not form part of this Prospectus.

Interest payments under the Notes are currently subject to withholding tax at the rate of 25 per cent. currently applicable under Slovenian law. The Issuer is not required to pay any additional amounts in respect of such withholding and is under no obligation to gross up for such withholding under the Terms and Conditions of the Notes. Holders who would otherwise benefit from a lower tax rate, as generally described below, are entitled (subject to certain requirements) to claim refund of the difference between the amount of WHT actually withheld by the Issuer and the amount which would be withheld if such lower tax rate would be applied to such Holder by the Slovenian tax authorities (the "**WHT Refund**").

NLB has established the following voluntary process for Holders whereby the Issuer may assist such Holder to potentially claim the WHT Refund subject to certain conditions, which does not preclude Holders from claiming the refund directly from the Slovenian tax authorities.

1. A Holder may choose to utilise the voluntary withholding tax refund process with the assistance of NLB under the following circumstances:

   (i) a Holder would benefit from a lower rate based on a double tax treaty ("**DTT**");

   (ii) the applicable tax rate is the general tax rate under Slovenian law (which, for legal entities amounts to 15 per cent.); or

   (iii) a Holder who is resident in the EU/EEA and would be eligible to claim in its country of residence a tax credit or other relief in respect of the WHT but is unable to claim such credit/relief from the tax authorities of its country of residence under the applicable laws of such home jurisdiction.

NLB offers each Holder, who is eligible to utilise the voluntary refund process based on the circumstances described in 1(i) - (iii) above, to enter into a bilateral refund agreement with NLB (the "**WHT Refund Agreement**") pursuant to which such Holder authorises NLB to claim/receive any WHT Refund from the Slovenian tax authorities in the name of the Holder.

The form of WHT Refund Agreement is available on NLB's website (https://www.nlbgroup.com/int-en/investor-relations/WHT-refund).

2. NLB Refund

2.1 In order to claim a WHT Refund in the circumstances described in 1(i) and (ii) above, the eligible Holders will have to provide NLB with the documentation as listed from time to time on NLB's website (https://www.nlbgroup.com/int-en/investor-relations/WHT-refund) (together, the "**General Refund Documentation**") (to be provided separately each time with respect to a given interest payment), including in particular:

- Power of attorney authorising NLB to represent the Holder;
- completed application form for refund of tax in accordance with the applicable provisions of Slovenian tax laws available at NLB's website (https://www.nlbgroup.com/int-en/investor-relations/WHT-refund);
- proof of authority to sign statement(s) by the Holder;
- certificate of Holder's residency for the tax purposes;
- confirmation of payments in the chain of intermediaries confirming beneficial ownership of the Notes as of the relevant record date (e.g. notice of payment received by the Holder from the relevant custodian or depository payment of interest reduced by the WHT);
- extract from the relevant register of legal entities relating to the Holder; and
- the bank account details of the Holder to where the refund will be made.

The Holder shall further provide NLB with any additional documents or statements if so requested by the Slovenian tax authorities after initial filing of the claim.

2.2 Subject to the below, Holders who provide NLB with the General Refund Documentation will receive from NLB an amount equivalent to the WHT Refund as soon as reasonably practicable and, in any event, no later than 15 business days after complete receipt of the General Refund Documentation, which NLB reasonably expects to receive from the Slovenian tax authorities by asserting the reimbursement claim on behalf of the Holder on the basis of the General Refund Documentation (the "**NLB Refund**").

If the amount received by NLB from the Slovenian tax authorities as a refund of WHT in relation to any payment of interest to the Holder exceeds the refund payment made by NLB, NLB shall as soon as reasonably practicable transfer the excess amount to the Holder after receipt.

Should no refund of WHT be paid by the Slovenian tax authorities in relation to a NLB Refund, NLB shall have no right to claim back the amounts already paid to the Holder. NLB shall bear such fallout risk.

Under the WHT Refund Agreement, the Holder will undertake to cooperate with NLB and to provide all assistance reasonably required, including but not limited to the provision of documents, information, and, if required, testimony, in the event that NLB needs to take legal action against the Republic of Slovenia to pursue the refund of WHT. Such cooperation shall be provided promptly upon request by NLB.

2.3 Holders should note that the obligation of NLB to pay the NLB Refund is subject to the same conditions, discretion, limitations and restrictions as set out for interest payments in the Terms and Conditions, in particular:

(a) NLB may, at its full discretion, at all times cancel, in whole or in part, the NLB Refund payment for an unlimited period and on a non-cumulative basis.

If NLB makes use of such right, it shall endeavour to give notice to the Holders. Any failure or delay to give any such notice shall not affect the validity of the decision on the cancellation, shall in no event result in an obligation of NLB to make a cancelled NLB Refund payment at a later date and shall not constitute a default for any purpose.

(b) Without prejudice to such full discretion of the Issuer pursuant to lit. (a), the NLB Refund payment scheduled to be paid shall be cancelled mandatorily and automatically, in whole or in part, if and to the extent that, on the date such refund payment is scheduled to be made, any of the following conditions apply:

(i) NLB is insolvent, or the payment of the relevant amount would result in the insolvency of NLB;

(ii) the amount of such refund payment, together with any further Relevant Distributions, would exceed the Available Distributable Items;

(iii) the Competent Authority orders the relevant refund payment to be cancelled in whole or in part;

(iv) another prohibition or restriction to make a refund payment is imposed by the Applicable Supervisory Regulations or the Competent Authority (or any other relevant supervisory authority).

Prohibitions on the NLB Refund payments pursuant to this item (iv) include, but are not limited to,

(i) any restrictions of distributions as a result of non-compliance with the combined buffer requirement (howsoever defined in the Applicable Supervisory Regulations) applicable at the time;

(ii) any prohibition of distributions in connection with the calculation of the Maximum Distributable Amount; and

(iii) the limit resulting from, or any other restriction operating as, any Maximum Distributable Amount in accordance with any legal or regulatory requirements applicable to the Issuer and/or the NLB Group at the time under the Applicable Supervisory Regulations.

If any NLB Refund payment is so mandatorily and automatically cancelled, NLB shall endeavour to give notice to the Holder. Any failure or delay to give any such notice shall not affect the validity of the decision on the cancellation, shall in no event result in an obligation of NLB to make a cancelled refund payment at a later date and shall not constitute a default for any purpose.

For these purposes, references in the definitions of Available Distributable Items, Maximum Distributable Amount, Relevant Distributions and Relevant Financial Statements in the Terms and Conditions of the Notes to payments of interest on the Notes shall be read to include any NLB Refund payment hereunder and Interest Payment Date shall be read to mean the date the refund payment is made pursuant to the WHT Refund Agreement.

(c) Any NLB Refund payment cancelled in accordance with lit. (a) and lit. (b) will be non-cumulative and will be cancelled permanently and no payments will be made, nor will any Holder be entitled to receive any payment or indemnity in respect thereof. Any such cancellation of refund will not constitute an event of default of NLB under the WHT Refund Agreement, under the Notes or otherwise and will not impose any restrictions on NLB. NLB may use such cancelled NLB Refund payments without restrictions to meet its obligations as they fall due.

(d) The obligation of NLB to make any NLB Refund payment shall be suspended, reduced, cancelled or otherwise affected in the same manner as payments under the Notes if and to the extent that:

(i) a Trigger Event has occurred, in which case any NLB Refund payment due but unpaid shall be cancelled mandatorily and automatically in full, and the Holder shall have no claim for such cancelled payment;

(ii) the relevant resolution authority exercises any statutory resolution tool or action (including, but not limited to, bail-in, write-down, conversion or transfer of obligations), in which case any NLB Refund payment may be suspended, reduced, cancelled or otherwise affected in the same manner as payments under the Notes, and the Holder shall have no claim or other right against NLB arising out of any such measure.

(e) The right to receive the NLB Refund shall rank *pari passu* with the rights to interest under the Notes and is subject to the same ranking priority of payments, no set-off, and no security/guarantee provisions and no enhancement of seniority and the note on the possibility of statutory resolution measures as set out in § 2 of the Terms and Conditions.

(f) The Holder shall have no right to demand (or otherwise accelerate) payment of the NLB Refund due to non-payment of the NLB Refund.

3. Special Refund

3.1 If a relevant Holder is resident in the EU/EEA and is unable to claim any or a partial tax credit or other relief in respect of WHT from the tax authorities in its country of residence, subject to receipt of the Special Refund Documentation, NLB can assist the Holder in applying to the Slovenian tax authorities for a potential refund of any part of WHT which the Holder is unable to utilise as tax credit to reduce its tax liability in the jurisdiction in which it is resident for taxation purposes. Given the fact that NLB is the relevant taxpayer, only NLB can request this refund of the WHT, and the Holder will have to rely on the assistance of NLB to receive such WHT Refund. The relevant Holder undertakes to provide NLB, in scanned electronic form, all documents required for claiming a potential refund of WHT in connection with each payment of interest

on the Notes, as listed on NLB's website (https://www.nlbgroup.com/int-en/investor-relations/WHT-refund) (the "**Special Refund Documentation**") (to be provided separately each time with respect to a given interest payment), including in particular for this refund process, the following documentation:

- Holder's statement confirming compliance with specific tax conditions and inability to reclaim Slovenian tax in country of residence including confirmation on non-tax avoidance;
- proof of authority to sign statement(s) by the Holder;
- extract from the relevant register of legal entities;
- confirmation of payments in the chain of intermediaries confirming beneficial ownership of the Notes as of the relevant record date (e.g. notice of payment received from the relevant custodian or depository payment of interest reduced by the WHT);
- certificate of residency for tax purposes;
- confirmation that the Holder is liable for corporate income tax in its country of residence; and
- the bank account details of the Holder to where the refund will be made.

The Holder shall further provide NLB with any additional documents or statements if so requested by the Slovenian tax authorities after initial filing of the claim.

3.2 Subject to the below, those Holders who provide NLB with the Special Refund Documentation may be assisted by NLB to claim a potential WHT Refund, less the amount of any NLB Refund the relevant Holder may already have received. However, NLB will only pay such refund to the relevant Holder if the Slovenian tax authority has released such WHT refund to NLB.

NLB shall transfer any amount received from the Slovenian tax authorities as refund of WHT in relation to a payment of interest to the relevant Holder as soon as reasonably practicable after receipt of such amount.

4. The General Refund Documentation and the Special Refund Documentation shall be completed and submitted electronically via the NLB website for each relevant interest period for which such Refund is sought by the Holder (https://www.nlbgroup.com/int-en/investor-relations/WHT-refund). Should the original of any General Refund Documentation or Special Refund Documentation document or any additional document requested by the tax authorities be required by the tax authorities, such document may be sent to the Issuer at:

Nova Ljubljanska banka d.d., Ljubljana
Šmartinska 130
1000 Ljubljana
Republic of Slovenia

Attention: Ms. Nina Paternus, Ms. Sabina Mlinar, Mr. Mladen Bundalo

The Issuer will then provide such original document to the tax authorities.

5. Any relevant Holder shall acknowledge that NLB's obligation to reimburse the Holder pursuant to any WHT Refund Agreement is subject to the laws and regulations applicable to the Notes (if relevant to such WHT Refund Agreement) and to any changes in applicable Slovenian tax law, regulatory law or administrative practice.

6. Any WHT Refund Agreement shall remain in force for so long as any relevant Holder continues to hold any Notes. Such WHT Refund Agreement will automatically terminate with respect to any future interest payments if, as of the relevant record date for such interest payment, the relevant Holder no longer holds the Notes.

   A relevant Holder will have the right to terminate the WHT Refund Agreement entered into with NLB and revoke any authorisations granted hereunder at any time upon written notice, including (without limitation) if NLB fails to fulfil its obligations under such WHT Refund Agreement, subject to certain conditions.

   For the avoidance of doubt, this shall not affect any rights or obligations of the Issuer or the relevant Holder in respect of any WHT refund payments for which the relevant Holder was the beneficial owner as of the relevant record date for such interest payment and in respect of which any claims for WHT refund was made by NLB on behalf of the relevant Holder prior to such termination.

DESCRIPTION OF RULES REGARDING RESOLUTIONS OF HOLDERS

The provisions relating to resolutions of Holders under the SchVG will apply to the Notes. The Holders may agree to amendments or decide on other matters relating to the Notes by way of resolution to be passed by taking votes without a meeting. Any such resolution duly adopted by resolution of the Holders shall be binding on each Holder of the respective issue of Notes, irrespective of whether such Holder took part in the vote and whether such Holder voted in favour or against such resolution.

The rules of the SchVG are, if applied by the Issuer, largely mandatory, although they permit in limited circumstances supplementary provisions set out in the Terms and Conditions.

The following is a brief overview of some of the statutory rules regarding the taking of votes without meetings and the convening and conduct of meetings of Holders, the passing and publication of resolutions as well as their implementation and challenge before German courts.

Specific Rules regarding Votes without Meeting

The voting shall be conducted by the person presiding over the taking of votes. Such person shall be (i) a notary public appointed by the Issuer, (ii) where a Joint Representative has been appointed, the Joint Representative if the vote was solicited by the Joint Representative, or (iii) a person appointed by the competent court.

The notice soliciting the Holders' votes shall set out the period within which votes may be cast. During such voting period, the Holders may cast their votes to the person presiding over the taking of votes. Such notice shall also set out in detail the conditions to be met for the votes to be valid.

The person presiding over the taking of votes shall ascertain each Holder's entitlement to cast a vote based on evidence provided by such Holder and shall prepare a list of the Holders entitled to vote. If it is established that no quorum exists, the person presiding over the taking of votes may convene a meeting of the Holders. Within one year following the end of the voting period, each Holder participating in the vote may request a copy of the minutes of such vote and any annexes thereto from the Issuer.

Each Holder participating in the vote may object in writing to the result of the vote within two weeks following the publication of the resolutions passed. The objection shall be decided upon by the person presiding over the taking of votes. If he remedies the objection, the person presiding over the taking of votes shall promptly publish the result. If the person presiding over the taking of votes does not remedy the objection, he shall promptly inform the objecting Holder in writing.

The Issuer shall bear the costs of the vote and, if the court has convened a meeting, also the costs of such proceedings.

Rules regarding Holders' Meetings applicable to Votes without Meeting

In addition, the statutory rules applicable to the convening and conduct of Holders' meetings will apply *mutatis mutandis* to any vote without a meeting. The following summarises some of such rules.

Meetings of Holders may be convened by the Issuer or the Joint Representative, if any. Meetings of Holders must be convened if one or more Holders holding five per cent. or more of the outstanding Notes so require for specified reasons permitted by statute.

The convening notice shall be made publicly available together with the agenda of the meeting setting out the proposals for resolution.

Each Holder may be represented by proxy. A quorum exists if Holders representing by value not less than 50 per cent. of the outstanding Notes are present or represented. If the quorum is not reached, a second meeting may be called at which no quorum will be required, provided that where a resolution may only be adopted by a qualified majority, a quorum requires the presence of at least 25 per cent. of the aggregate principal amount of outstanding Notes.

All resolutions adopted must be properly published. In the case of Notes represented by one or more Global Notes, resolutions which amend or supplement the Terms and Conditions have to be implemented by supplementing or amending the relevant Global Note(s).

In insolvency proceedings instituted in Germany against an Issuer, a Joint Representative, if appointed, is obliged and exclusively entitled to assert the Holders' rights under the Notes. Any resolutions passed by the Holders are subject to the provisions of the German Insolvency Code (*Insolvenzordnung*).

If a resolution constitutes a breach of the statute or the Conditions, Holders may bring an action to set aside such resolution. Such action must be filed with the competent court within one month following the publication of the resolution.

SUBSCRIPTION AND SALE

GENERAL

Pursuant to a subscription agreement dated 13 November 2026 (the "**Subscription Agreement**") among the Issuer and the Joint Lead Managers, the Issuer has agreed to sell to the Joint Lead Managers, and the Joint Lead Managers have agreed, subject to certain customary closing conditions, to purchase, the Notes on 17 November 2026. The Issuer has furthermore agreed to pay certain fees to the Joint Lead Managers and to reimburse the Joint Lead Managers for certain expenses incurred in connection with the issue of the Notes.

The Subscription Agreement provides that the Joint Lead Managers under certain circumstances will be entitled to terminate the Subscription Agreement. In such event, no Notes will be delivered to investors. Furthermore, the Issuer has agreed to indemnify the Joint Lead Managers against certain liabilities in connection with the offer and sale of the Notes.

SELLING RESTRICTIONS

United States of America

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code and regulations thereunder.

Each Joint Lead Manager has agreed, except as permitted by the Subscription Agreement, it will not offer, sell or deliver Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Notes comprising the relevant Tranche within the United States or to, or for the account or benefit of, U.S. persons, and such Joint Lead Manager will have sent to each dealer to which it sells Notes during the distribution compliance period relating thereto a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering of the Notes comprising any Tranche, any offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Prohibition of Sales to EEA Retail Investors

Each Joint Lead Manager has represented, warranted and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to

any retail investor in the EEA. For the purposes of this provision the expression retail investor means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of Directive (EU) 2014/65 (as amended, "**MiFID II**"); or

(ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

United Kingdom

Prohibition of Sales to UK Retail Investors

Each Joint Lead Manager has represented, warranted and agreed that it has not offered, sold, distributed or otherwise made available and will not offer, sell, distribute or otherwise make available any Notes to any retail investor in the United Kingdom. For the purposes of this provision the expression **retail investor** means a person who is either one (or both) of the following:

(i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or

(ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024.

Other UK regulatory restrictions

Each Joint Lead Manager has represented, warranted and agreed that:

(i) ***Financial promotion:*** it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, as amended ("**FSMA**")) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(ii) ***General compliance***: it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Singapore

Each Joint Lead Manager has acknowledged that this Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Joint Lead Manager has represented, warranted and agreed, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of

the SFA) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

Switzerland

This Prospectus is not intended to constitute an offer or solicitation to purchase or invest in the Notes. The Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act ("**FinSA**") and no application has or will be made to admit the Notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Prospectus nor any other offering or marketing material relating to the Notes constitutes a prospectus pursuant to the FinSA, and neither this Prospectus nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

Republic of Italy

The offering of any Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") pursuant to Italian securities legislation. Each Joint Lead Manager has represented and agreed that any offer, sale or delivery of Notes or distribution of copies of this Prospectus or any other document relating to the Notes in the Republic of Italy will be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulation.

Any such offer, sale or delivery of Notes or distribution of copies of this Prospectus or any other document relating to the Notes in the Republic of Italy must be:

(i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree No. 58 of 24 February 1998, CONSOB Regulation No. 20307 of 15 February 2018 and Legislative Decree No. 385 of 1 September 1993 (in each case as amended from time to time) and any other applicable laws and regulations;

(ii) in compliance with Article 129 of Legislative Decree No. 385 of 1 September 1993, as amended, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in the Republic of Italy and the relevant implementing guidelines of the Bank of Italy issued on 25 August 2015 (as amended on 10 August 2016 and 2 November 2020); and

(iii) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or any other Italian authority.

Canada

Each Joint Lead Manager has acknowledged that no prospectus has been filed with any securities commission or similar regulatory authority in Canada in connection with the offer and sale of the Notes, the Notes have not been, and will not be, qualified for sale under the securities laws of Canada or any province or territory thereof and no securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon this Prospectus or the merits of the Notes and any representation to the contrary is an offence.

Each Joint Lead Manager has represented, warranted and agreed that it has not offered, sold or distributed and will not offer, sell or distribute any Notes, directly or indirectly, in Canada

or to or for the benefit of any resident of Canada, other than in compliance with applicable securities laws and, without limiting the generality of the foregoing:

(i) any offer or sale of the Notes in Canada will be made only to purchasers that are "accredited investors" (as such term is defined in section 1.1 of National Instrument 45-106 Prospectus Exemptions ("**NI 45-106**") or, in Ontario, as such term is defined in section 73.3(1) of the Securities Act (Ontario)), that are also "permitted clients" (as such term is defined in section 1.1 of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations), that are not individuals, that are purchasing as principal, or are deemed to be purchasing as principal in accordance with applicable Canadian securities laws, and that are not a person created or used solely to purchase or hold the Notes as an "accredited investor" as described in paragraph (m) of the definition of "accredited investor" in section 1.1 of NI 45-106;

(ii) it is either (I) appropriately registered under applicable Canadian securities laws in each relevant province or territory to sell and deliver the Notes, (II) such sale and delivery will be made through an affiliate of it that is so registered if the affiliate is registered in a category that permits such sale and has agreed to make such sale and delivery in compliance with the representations, warranties and agreements set out herein, or (III) it is relying on an exemption from the dealer registration requirements under applicable Canadian securities laws and has complied with the requirements of that exemption; and

(iii) it has not and will not distribute or deliver any "offering memorandum" (as defined in relevant Canadian securities laws) in connection with any offering of the Notes in Canada or to a resident of Canada except in compliance with applicable Canadian securities laws.

General

Each Joint Lead Manager has represented, warranted and agreed, that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes this Prospectus or any related offering material, in all cases at its own expense. Other persons into whose hands this Prospectus comes are required by the Issuer and the Joint Lead Managers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Prospectus or any related offering material, in all cases at their own expense.

The Subscription Agreement provides that the Joint Lead Managers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s) or change(s) in official interpretation, after the date hereof, of applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Joint Lead Managers described in the paragraph headed "*General*" above.

Selling restrictions may be supplemented or modified with the agreement of the Issuer. Any such supplement or modification may be set out in a supplement to this Prospectus.

DOCUMENTS AVAILABLE; DOCUMENTS INCORPORATED BY REFERENCE

DOCUMENTS AVAILABLE

Electronic versions of the following documents are available for viewing in electronic form at the website of the Issuer (www.nlb.si), free of charge:

(a) the Articles of Incorporation of the Issuer; and

(b) the Documents specified in the section "*Documents incorporated by reference*" below.

This Prospectus and all documents incorporated by reference will be published on the website of the Luxembourg Stock Exchange (www.luxse.com), free of charge.

DOCUMENTS INCORPORATED BY REFERENCE

The specified parts of the following documents which have been previously published or are simultaneously published with this Prospectus and which have been filed with the CSSF are incorporated by reference into and form part of this Prospectus and will be available together with this Prospectus for at least ten years after the publication of this Prospectus.

Document/Heading	**Page reference in the relevant document**
The following sections of the English language version of the NLB Group Interim Report Q3 2026, containing, *inter alia*, the unaudited consolidated financial statements of the Issuer in respect of the nine months ended 30 September 2026:	
Source: https://www.nlbgroup.com/content/dam/nlb/nlb-group/documents/investor-relations/financial-reports/2026/q3/NLB-Group-Interim-Report-January-September-2026.pdf	
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The following pages of the Condensed financial statements table, containing, *inter alia*, the unaudited standalone and consolidated financial statements of the Issuer in respect of the nine months ended 30 September 2026:

Source:

https://www.nlbgroup.com/content/dam/nlb/nlb-group/documents/investor-relations/financial-reports/2026/q3/BSPL-1-9_2026.pdf

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The following sections of the English language version of the NLB Group Interim Report H1 2026, containing, *inter alia*, the unaudited consolidated financial statements of the Issuer in respect of the six months ended 30 June 2026:

Source:

https://www.nlbgroup.com/content/dam/nlb/nlb-group/documents/investor-relations/financial-reports/2026/h1/NLB-Group-Interim-Report-January%E2%80%93June-2026.pdf

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The following sections of the English language version of the NLB Group Annual Report, containing, *inter alia*, alternative performance indicators, the audited consolidated financial statements of the Issuer and the independent auditor's report thereon, in respect of the financial year or the year ended 31 December 2025:

Source:
https://www.nlbgroup.com/content/dam/nlb/nlb-group/documents/investor-relations/financial-reports/2025/ye2025/NLB-Group-Annual-Report-2025_ENG.pdf

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The following sections of the English language version of the NLB Group Annual Report, containing, *inter alia*, alternative performance indicators, the audited consolidated financial statements of the Issuer and the independent auditor's report thereon, in respect of the financial year or the year ended 31 December 2024:

Source:

https://www.nlbgroup.com/content/dam/nlb/nlb-group/documents/investor-relations/financial-reports/2024/NLB%20Group%20Annual%20Report%202024.pdf

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Please note that the English language translations referred to above are translations from the originals, which were prepared in Slovenian language.

For the avoidance of doubt, such parts of the NLB Group Interim Report Q3 2026, the NLB Group Interim Report January - June and the annual reports for the fiscal year ended 31 December 2024 and 31 December 2025 respectively, which are not explicitly listed in the tables above, are not incorporated by reference into this Prospectus as these parts are either not relevant for the investor or covered elsewhere in this Prospectus.

References in the independent auditor's reports to "other information" are references to the administrators' report and the non-financial statement. Such administrators' report and non-financial statement are not incorporated by reference into this Prospectus.

Only such parts of the documents which are explicitly listed above shall be deemed to be incorporated in, and form part of this Prospectus, save that any statement contained in such a document shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained in this Prospectus modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

ISSUER

Nova Ljubljanska banka d.d., Ljubljana
Trg republike 2
1000 Ljubljana
Republic of Slovenia

JOINT LEAD MANAGERS

BofA Securities Europe SA
51 rue La Boétie
75008 Paris
France

Erste Group Bank AG
Am Belvedere 1
1100 Vienna
Austria

Goldman Sachs Bank Europe SE
Marienturm, Taunusanlage 9-10
60329 Frankfurt am Main
Germany

Nova Ljubljanska banka d.d., Ljubljana
Trg republike 2
1000 Ljubljana
Republic of Slovenia

UBS Europe SE
Bockenheimer Landstr. 2-4
60306 Frankfurt am Main
Federal Republic of Germany

PAYING AGENT AND CALCULATION AGENT

Citibank Europe plc
1 North Wall Quay
Dublin 1
Ireland

LEGAL ADVISERS

To the Issuer as to German law:

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Junghofstraße 14
60311 Frankfurt am Main
Germany

To the Issuer as to Slovenian law:

Odvetniki Vidmar, Ogrič in Pejovnik
Slovenska cesta 29
1000 Ljubljana
Republic of Slovenia

To the Joint Lead Managers as to German law:

Linklaters LLP
Taunusanlage 8
60329 Frankfurt am Main
Germany

To the Joint Lead Managers as to Slovenian law:

WOLF THEISS Attorneys-at-law – Slovenian Branch
Gosposvetska cesta 11
1000 Ljubljana
Republic of Slovenia