

**Material**

for the 40<sup>th</sup> General Meeting of NLB d.d.  
on 19 June 2023

**PUBLICATION OF AGENDA AND PROPOSED RESOLUTIONS TO BE PASSED AT  
40<sup>th</sup> GENERAL MEETING OF NLB d.d.**

Pursuant to Article 295 of the Companies Act ("ZGD-1") and Article 11 of the Articles of Association of NLB d.d., ("Articles of Association"), the Management Board of NLB d.d. hereby convenes

**40<sup>th</sup> General Meeting of NLB d.d., Trg republike 2, 1000 Ljubljana,**

which will be held in Ljubljana, on 19 June 2023, starting at 11:00 a.m. and the registration starting at 10:30 a.m., at the address CANKARJEV DOM, kulturni in kongresni center, Prešernova cesta 10, Ljubljana, and as Electronic General Meeting without the physical presence of Shareholders by electronic means via web portal <https://webvoting.ixtlan.si/voting/nlb> ("Electronic General Meeting" or "EGM"), with the possibility of registration to access digital environment at 10:00 a.m.,

**with the following agenda:**

**Item 1: Opening, establishment of quorum and election of the Chair of the General Meeting of NLB d.d.**

*The Management Board of NLB d.d. and Supervisory Board of NLB d.d. propose that the following resolution be adopted:*

Mr. Matej Kavčič, attorney at law, is hereby elected Chair of the General Meeting of NLB d.d.

**Item 2: Presentation of the NLB Group 2022 Annual Report ("Annual Report 2022"), the Report of the Supervisory Board of NLB d.d. on the results of the examination of the NLB Group Annual Report 2022 ("Report of the Supervisory Board of NLB d.d."), the Report on remuneration in business year 2022 ("Report on remuneration") and the Additional information to the Report on remuneration in business year 2022 on the basis of SSH's Baselines ("Additional Report on remuneration")**

2.1. The General Meeting of NLB d.d. hereby acknowledges the adopted Annual Report 2022, Report of the Supervisory Board of NLB d.d. and Additional Report on remuneration.

*The Management Board of NLB d.d. and Supervisory Board of NLB d.d. propose that the following resolution be adopted:*

2.2. The General Meeting of Shareholders of NLB d.d. hereby confirms the Report on remuneration and the voting on this resolution is considered of a consultative nature.

**Item 3: Decision on the allocation of distributable profit for 2022 and granting a discharge from liability to the Management Board of NLB d.d. and Supervisory Board of NLB d.d.**

*The Management Board of NLB d.d. and Supervisory Board of NLB d.d. propose that the following resolutions be adopted:*

3.1. The distributable profit of NLB d.d. as of 31 December 2022 amounts to EUR 515,463,762.89 and consists of net profit for financial year 2022 in the amount of EUR 159,602,289.85 and retained earnings from previous financial years in the amount of EUR 358,266,602.05 reduced for the interests and direct issue costs of

subordinated bonds issued in the year 2022, which are considered instruments of additional basic capital in the amount of EUR 2,405,129.01.

Distributable profit in the amount of EUR 515,463,762.89 and shall be allocated as follows:

- part in the amount of EUR 55,000,000.00, which is EUR 2.75 gross per share, shall be paid out as dividends on 27 June 2023 to the persons who are registered as the Shareholders of NLB d.d. with the KDD - Central Securities Clearing Corporation, LLC., on the day that is 5 working days after the day of the General Meeting that adopted this resolution (26 June 2023, Cut-Off Date),
- the remaining part of distributable profit in the amount of EUR 460,463,762.89 remains undistributed and represents retained earnings.

With regard to the dividend payment, the day of announcement of the corporate action to the Central Securities Clearing Corporation system members is the first working day after the close of session of the General Meeting at which this resolution was adopted (20 June 2023) and the day without entitlement is the last working day prior to Cut-Off Date (23 June 2023).

3.2. Management Board of NLB d.d., composed of:

- Blaž Brodnjak, CEO,
- Archibald Kremser, member,
- Peter Andreas Burkhardt, member,
- Hedvika Usenik, member,
- Antonio Argir, member,
- Andrej Lasič, member,

is hereby granted a discharge from liability for the financial year 2022.

3.3. Supervisory Board of NLB d.d., composed of:

- Primož Karpe, Chairman,
- Andreas Kligen, Vice Chairman,
- David Eric Simon, member,
- Mark William Lane Richards, member,
- Shrenik Dhirajlal Davda, member,
- Gregor Rok Kastelic, member,
- Verica Trstenjak, member,
- Islam Osama Bahgat Zekry, member,
- Sergeja Kočar, member,
- Tadeja Žbontar Rems, member,

is hereby granted a discharge from liability for the financial year 2022.

#### **Item 4: Internal Audit Report for 2022 and Opinion of the Supervisory Board of NLB d.d.**

The General Meeting of Shareholders of NLB d.d. hereby acknowledges the adopted annual Internal Audit Report for 2022 and the positive opinion of the Supervisory Board of NLB d.d. granted with the resolution passed on 23 February 2023.

#### **Item 5: Election of Members of the Supervisory Board of NLB d.d.**

*The Supervisory Board of NLB d.d. proposes that the following resolutions be adopted:*

5.1. The General Meeting of NLB d.d. appoints Shrenik Dhirajlal Davda as member of the Supervisory Board of NLB d.d., for the term of office starting (start of the term of office) with completion of the General Meeting of NLB d.d. where this resolution on appointment has been adopted and will last until the close of the General Meeting of NLB d.d. that decides on the allocation of distributable profit for the fourth financial year after he started the term of office in accordance with this resolution on appointment, whereby financial year in which he started the term of office in accordance with this resolution on appointment counts as the first year.

5.2. The General Meeting of NLB d.d. appoints Mark William Lane Richards as member of the Supervisory Board of NLB d.d., for the term of office starting (start of the term of office) with completion of the General Meeting of NLB d.d. where this resolution on appointment has been adopted and will last until the close of the General Meeting of NLB d.d. that decides on the allocation of distributable profit for the fourth financial year after he started the term of

office in accordance with this resolution on appointment, whereby financial year in which he started the term of office in accordance with this resolution on appointment counts as the first year.

5.3. On the day this resolution is adopted, the General Meeting of NLB d.d. appoints Cvetka Selšek as member of the Supervisory Board of NLB d.d., whose term of office shall be from the day of effect of the appointment (start of the term of office) and last until the close of the General Meeting of NLB d.d. that decides on the allocation of distributable profit for the fourth financial year after she started the term of office in accordance with this resolution on appointment, whereby financial year in which she started the term of office in accordance with this resolution on appointment counts as the first year.

5.4. On the day this resolution is adopted, the General Meeting of NLB d.d. appoints Andre Marc Prudent-Toccanier as member of the Supervisory Board of NLB d.d., whose term of office shall be from the day of effect of the appointment (start of the term of office) and last until the close of the General Meeting of NLB d.d. that decides on the allocation of distributable profit for the fourth financial year after he started the term of office in accordance with this resolution on appointment, whereby financial year in which he started the term of office in accordance with this resolution on appointment counts as the first year.

#### **Item 6: Determination of payments to members of the Supervisory Board of NLB d.d. and its committees**

The Management Board of NLB d.d. and Supervisory Board of NLB d.d. propose that the following resolutions be adopted:

6.1. The basic pay for performing the function of a member of the Supervisory Board of NLB d.d. shall increase by 15%, amounting to EUR 69,000 gross after the increase, causing the following amendments accordingly:

- (i) resolution of the General Meeting of NLB d.d. on Determination of payment for performing the function of the members of the Supervisory Board and its committees, passed on 21 October 2019 at the 34<sup>th</sup> General Meeting of NLB d.d. under item 2 of the agenda in the part determining the Base Pay and
- (ii) resolution of the General Meeting of NLB d.d. on Disbursement to members of the Supervisory Board of NLB d.d. who are employees' representatives, passed on 15 June 2020 at the 35<sup>th</sup> General Meeting of NLB d.d. under item 8 of the agenda in the part determining the Base Pay and monthly payment.

6.2. Resolution of the General Meeting of NLB d.d. on Disbursement to members of the Supervisory Board of NLB d.d. who are employees' representatives, passed on 15 June 2020 at the 35<sup>th</sup> General Meeting of NLB d.d. under item 8 of the agenda shall be amended in the first paragraph so that the current text:

*“reduced by the gross amount of salary payment, all allowances referring to work, and holiday allowance that an individual employee representative receives if employed in NLB d.d. or any other member of the NLB Group (“Gross Pay”)”*

shall be replaced with the following text:

*“reduced by the gross amount of Basic Salary, as defined in the Employment Contract of the employee representative if employed in NLB d.d. or any other member of the NLB Group (“Basic Salary”) in an individual year.”*

Throughout the text the wording “Gross Pay” shall be replaced with the wording “Basic Salary”.

\*\*\*\*\*

With the exception of Item 5, which has been proposed by the Supervisory Board of NLB d.d., all other Items have been proposed by the Management Board of NLB d.d. and Supervisory Board of NLB d.d. Items 2.1. and 4 of the Agenda are for information only.

#### Material

The proposed resolutions with explanations and other materials for the General Meeting are available to the Shareholders for review at the Company's registered office at Trg republike 2, 1000 Ljubljana, Secretariat, every

working day from 9 a.m. to 12 noon, from the day the General Meeting Convocation was published up to and including the day when the General Meeting takes place, and are also available on the website <https://www.nlb.si/general-meetings>, which also provides detailed information on the Shareholders' rights in accordance with the second indent of the second paragraph of Article 296 of the Companies Act. This Publication is also published in the SEOnet electronic notification system of the Ljubljana Stock Exchange, on London Stock Exchange (Regulatory News Service) and the AJPES website. The Shareholders who would wish to see the resolutions together with the grounds and other materials for the General Meeting at the Company's headquarters are required to make an appointment on the phone number + 386 (0)1 470 70 33 (available every working day between 9 a.m. and 11 a.m.) or by e-mail at [Skupscina2023@nlb.si](mailto:Skupscina2023@nlb.si).

#### Conditions for participation

Those Shareholders who are registered in the central register of dematerialised securities kept by KDD - Central Securities Clearing Corporation, LLC., as at the end of the seventh day prior to the General Meeting, i.e. 12 June 2023 ("the cut-off date"), or their legal representatives or proxies who shall present a written power of attorney, can attend the General Meeting and vote. If an intermediary who is not a final shareholder is entered in the central register as a shareholder, shareholders may exercise their voting right on the basis of the proof from the second paragraph of Article 235.č of the ZGD-1, from which it follows who is the final shareholder on the cut-off date.

The attendance must be communicated to the Company's Management Board on the written application form that must be sent to the Company's registered office at least by the end of the fourth day prior to the General Meeting. The applications shall be accepted as timely if they are sent to the Company's registered office (Trg republike 2, 1000 Ljubljana), addressed to the Secretariat, by the end of the fourth day prior to the General Meeting, i.e. 15 June 2023. The Shareholder, who sends the application in a correct and timely manner, accepts and agrees with the Electronic General Meeting Application, Participation and Voting Rules ("Rules"), available at <https://www.nlb.si/general-meetings>. The Shareholder who wishes to participate in the EGM must explicitly state (select) this option in the application for the General Meeting, also stating his e-mail address, to which information needed to access the web portal or digital environment for conducting the EGM will be sent, and phone number to which a text message (sms) can be sent to the Shareholder or his proxy and video-electronic identification can be performed in accordance with the Rules in the period between 15 and 16 June 2023 from 9 a.m. to 4 p.m. The legal representatives of Shareholders who will attend the General Meeting by physical presence at the venue, must, on the day of the General Meeting, present a public document wherefrom it is evident that they have the right to act as a Shareholder's representative; the document in question must not be older than three days; and the legal representatives of Shareholders who will attend the EGM, must present this public document upon video identification laid down in the Rules, unless their entitlement to representation is evident from the Slovenian Business Register (AJPES). The registration form for participating in the General Meeting ("Registration of Participation in the General Meeting") is available at <https://www.nlb.si/general-meetings>. The Company shall process personal data in accordance with the applicable rules. Detailed information on this and the rights of an individual is available at <https://www.nlb.si/varstvo-osebnih-podatkov>.

#### Supplements to the agenda

The Shareholders whose total interest accounts for at least one-twentieth of the share capital may, after the publication of the Convocation, make a written request to add an item to the agenda. Enclosed to the request must be a written proposed resolution to be decided upon by the General Meeting or an explanation of the item on the agenda if no resolution is adopted in relation to such item by the General Meeting. The Shareholders who meet the conditions for making a request to add an item to the agenda must send the respective request to the Company within seven days after the publication of the Convocation of the General Meeting.

#### Shareholders' proposals

The Shareholders may submit written proposals for resolutions to each item on the agenda, in compliance with Article 300 of the Companies Act ("the counterproposal"). A counterproposal shall be published and communicated in the manner laid down in Article 296 of the Companies Act, but only if the Shareholder sends to the Company a proposal for publication in compliance with Article 300 of the Companies Act within seven days after the publication of the Convocation of the General Meeting.

#### Right to be informed

During the General Meeting, the Shareholders can exercise their right to be informed in compliance with the first paragraph of Article 305 of the Companies Act.

#### Information on the procedure for exercising the right through a proxy

The Shareholders may exercise their voting right also through a proxy after they have signed and submitted a written form ("Power of Attorney") which is available at the website <https://www.nlb.si/general-meetings> and sent it to the Company's registered office by the end of the fourth day prior to the General Meeting, i.e. 15 June 2023. The Power of Attorney may be submitted to the Company via e-mail by the same deadline as applicable to the written form, namely by sending an attached scan of the Power of Attorney to the following e-mail: [Skupscina2023@nlb.si](mailto:Skupscina2023@nlb.si); it must contain a handwritten signature of the natural person and in the case of legal persons a handwritten signature of the legal representative and stamp of the legal person, if used. The Company shall reserve the right to verify the identity of the Shareholder or the person who has authorised another person and sent a Power of Attorney via email, as well as authenticity of his signature.

An intermediary (such as holders of fiduciary accounts in respect of shares not belonging to them, voting advisers and other persons exercising voting rights on behalf of a shareholder by proxy as their activity) may exercise or entrust the exercise of voting rights for shares not belonging to them, only if authorised to do so in writing by the shareholder. The intermediary must ensure the verifiability of the authorisation. The intermediary shall submit a power of attorney to the company if they attend the General Meeting in the name and on behalf of the shareholder and exercise voting rights.

#### Use of electronic media for sending additional items on the agenda and counterproposals

Any requests for an additional item on the agenda and proposed resolutions and voting proposals sent to the Company via e-mail at the address [Skupscina2023@nlb.si](mailto:Skupscina2023@nlb.si) must be sent as an attached scan and must contain a handwritten signature of the natural person and in the case of legal persons a handwritten signature of the legal representative and stamp of the legal person, if used. The Company shall reserve the right to verify the identity of the Shareholder or the person who has authorised another person and sent a request or counterproposal via email, as well as authenticity of his signature.

#### Electronic General Meeting

The Shareholders may attend the General Meeting by being physically present at the venue where the General Meeting takes place or by electronic means without being physically present. The EGM will be carried out by way of real-time image and sound transmission for the entire General Meeting via a web portal or digital environment for conducting the EGM. The Shareholders will be able to exercise their participation, voting and other rights at the EGM in accordance with the Rules. The Company will strive to provide the Shareholders who attend the EGM with interpretation of the General Meeting from Slovenian into English and vice versa, but the Company does not give any guarantee and does not assume responsibility for the functioning and accessibility of the translation. The Company will provide the translation to the Shareholders physically present at the venue where the General Meeting will take place.

In the event of technical issues on the web portal where the EGM takes place, suspicion of data abuse or loss of PIN number, the Shareholder can call the following phone numbers: +386 (0)1 300 38 87, +386 (0)41 747 199, +386 (0)41 747 182.

If the Shareholder experiences technical issues in relation to the translation of the General Meeting, they can call +386 (0)41 707 114.

#### Recording of General Meeting

For the purpose of EGM the General Meeting will be recorded for the purpose of sound and image transmission in real time. The sound and image material of the course of the General Meeting will be used exclusively for transmission in real time and will not be stored. Recording may capture a Shareholder.

#### Share capital and number of voting rights

The share capital of NLB d.d. is EUR 200,000,000.00 divided in 20,000,000.00 no-par value shares from the same class with voting rights.

#### Call to the main Shareholders



In accordance with the Slovenian Corporate Governance Code, the Company calls on all the main Shareholders, particularly the institutional investors and the state, to inform the public of their shareholding management policy for the Company, e.g. the voting policy, type and frequency of conducting management activities and the communication dynamics with the Management Board of NLB d.d. and the Supervisory Board of NLB d.d.

Other notices

The Company hereby informs the Shareholders that due to the measures adopted in connection with the COVID-19, it is possible that the General Meeting of NLB d.d. will not be held on the planned date. The Shareholders will be informed of potential cancellation of the General Meeting in the same way as they have been informed of its convocation.

The Shareholders are kindly asked to consistently follow all the measures for minimising the risk of infection with COVID-19 upon their arrival to the General Meeting in accordance with the applicable regulations and recommendations of the Public Institute for Public Health (NIJZ).

Ljubljana, 10 May 2023

Management Board of NLB d.d.



**GROUNDS FOR THE PROPOSED RESOLUTIONS  
FOR THE 40<sup>th</sup> GENERAL MEETING OF NLB D.D.**

1. Item on the agenda: **Opening, establishment of quorum and election of the Chair of the General Meeting of NLB d.d.**

**The Management Board of NLB d.d. and the Supervisory Board of NLB d.d.**

hereby propose to the

General Meeting of NLB d.d.  
to discuss and pass the following

**proposed resolution under Item 1**

*Mr Matej Kavčič, attorney at law, is hereby elected Chair of the General Meeting of NLB d.d.*

**Grounds**

In accordance with the Companies Act and the Articles of Association of NLB d.d. ("Articles of Association"), the Management Board of NLB d.d. hereby convenes the General Meeting of NLB d.d. It had invited Notary Public Miro Košak from Ljubljana to participate, and the latter accepted the invitation and confirmed his attendance.

In accordance with the fourth paragraph of Article 10 of the Articles of Association, the Management Board of NLB d.d. convenes this General Meeting as a General Meeting at which the Shareholders will be physically present and as an Electronic General Meeting, which the Shareholders attend by electronic means via the web portal.

The second paragraph of Article 292 of the Companies Act stipulates that members of the Management Board and Supervisory Board may attend the General Meeting, even if they are not Shareholders, whereby the Articles of Association or the Rules of Procedure of the General Meeting determine when they may participate in the General Meeting via video and audio transmission. At their meeting on 15 June 2020, the Shareholders regulated this possibility in the Rules of Procedure of the General Meeting of NLB d.d.

The technical rules for conducting the electronic General Meeting are included in the Rules, which were adopted by the Management Board of NLB d.d. and are part of the convocation of this General Meeting.

The Management and Supervisory Boards are obliged to propose to the General Meeting adoption of General Meeting resolutions in accordance with the Companies Act. Pursuant to Article 13 of the Articles of Association, the General Meeting of NLB d.d. shall elect its Chair at the General Meeting of NLB d.d. The Management Board of NLB d.d. and the Supervisory Board of NLB d.d. hereby propose to the General Meeting of NLB d.d. to elect Matej Kavčič, attorney at law from the Law Firm Kavčič, Bračun in partnerji, o.p., d.o.o. Chair of the General Meeting of NLB d.d.

Supervisory Board of NLB d.d.

Management Board of NLB d.d.

2. Item on the agenda: **Presentation of the NLB Group 2022 Annual Report (“Annual Report 2022”), the Report of the Supervisory Board of NLB d.d. on the results of the examination of the NLB Group Annual Report 2022 (“Report of the Supervisory Board of NLB d.d.”), the Report on remuneration in business year 2022 (“Report on remuneration”) and the Additional information to the Report on remuneration in business year 2022 on the basis of SSH's Baselines (“Additional Report on remuneration”)**

**Management Board of NLB d.d. and Supervisory Board of NLB d.d.**

hereby inform the

General Meeting of NLB d.d.  
of the following

*2.1. The General Meeting of NLB d.d. hereby acknowledges the adopted Annual Report 2022, Report of the Supervisory Board of NLB d.d. and Additional Report on remuneration.*

**The Management Board of NLB d.d. and the Supervisory Board of NLB d.d.**

hereby propose to the

General Meeting of NLB d.d.  
to discuss and pass the following

**proposed resolution under Item 2.2.**

*2.2. The General Meeting of Shareholders of NLB d.d. hereby confirms the Report on remuneration and the voting on this resolution is considered of a consultative nature.*

## **Grounds**

Pursuant to the applicable Companies Act, the General Meeting of NLB d.d. hereby acknowledges the discussed item on the agenda, i.e. the adopted Annual Report 2022 and the Report of the Supervisory Board of NLB d.d.

In 2022, the Supervisory Board of NLB d.d. supervised the operations of NLB d.d. and the NLB Group in the scope of authorisations and powers specified in the statutory provisions and the Articles of Association.

Pursuant to the provisions of Article 282 of the Companies Act, the Supervisory Board of NLB d.d. compiled the Report of the Supervisory Board of NLB d.d. which is intended for the General Meeting of NLB d.d. The Supervisory Board of NLB d.d. passed this Report at its meeting held on 13 April 2023, by which it approved the company's Annual Report 2022 in the form submitted to it by the Management Board of NLB d.d.

Pursuant to Article 294.b of the Companies Act, a company whose securities are traded on a regulated market must prepare a clear and comprehensible report on remuneration, which includes a comprehensive overview of remuneration, including all benefits in any form provided or owed to an individual member of the management and supervisory body and executive director in the last business year, in accordance with the remuneration policy of the management and supervisory bodies and executive directors which has to be formed by this company in accordance with Article 294.a of the Companies Act.

An auditor must review the report on remuneration and must prepare a report on this. The auditor's report is an attachment to the report on remuneration.

In accordance with the above, NLB d.d. prepared the Report on remuneration, which was confirmed by the Supervisory Board of NLB d.d. on 13 April 2023. The auditor's report is attached to the Report on remuneration.



The report on remuneration is submitted to the general meeting of a company in the same way as the annual report. The general meeting of a company has the right to a consultative vote on the report on remuneration for the last business year and thus the Management Board of NLB d.d. and the Supervisory Board of NLB d.d. propose to the General Meeting of Shareholders of NLB d.d. to confirm the Report on remuneration, whereby the vote on the proposed resolution is of a consultative nature.

In addition, on the basis of the Baselines of the Slovenian Sovereign Holding for voting in general meetings of companies in the year 2022 (Izhodišča Slovenskega državnega holdinga, d.d., za glasovanje na skupščinah družb v letu 2022), NLB d.d. also prepared the Additional Report on remuneration. The Management Board of NLB d.d. and the Supervisory Board of NLB d.d. are informing the General Meeting of Shareholders of NLB d.d. of the Additional Report on remuneration.

Supervisory Board of NLB d.d.

Management Board of NLB d.d.

**Attachments:**

1. NLB Group Annual Report 2022
2. Report of the Supervisory Board of NLB d.d. on the results of the examination of the NLB Group Annual Report 2022
3. Report on remuneration in business year 2022
4. Additional information to the Report on remuneration in business year 2022 on the basis of SSH's Baselines

**3. Item on the agenda: Decision on the allocation of distributable profit for 2022 and granting a discharge from liability to the Management Board of NLB d.d. and Supervisory Board of NLB d.d.**

**Management Board of NLB d.d. and Supervisory Board of NLB d.d.**

hereby propose to the

General Meeting of NLB d.d.  
to discuss and pass the following

**proposed resolutions under Item 3**

*3.1. The distributable profit of NLB d.d. as of 31 December 2022 amounts to EUR 515,463,762.89 and consists of net profit for financial year 2022 in the amount of EUR 159,602,289.85 and retained earnings from previous financial years in the amount of EUR 358,266,602.05 reduced for the interests and direct issue costs of subordinated bonds issued in the year 2022, which are considered instruments of additional basic capital in the amount of EUR 2,405,129.01.*

*Distributable profit in the amount of EUR 515,463,762.89 and shall be allocated as follows:*

- part in the amount of EUR 55,000,000.00, which is EUR 2.75 gross per share, shall be paid out as dividends on 27 June 2023 to the persons who are registered as the Shareholders of NLB d.d. with the KDD - Central Securities Clearing Corporation, LLC., on the day that is 5 working days after the day of the General Meeting that adopted this resolution (26 June 2023, Cut-Off Date),*
- the remaining part of distributable profit in the amount of EUR 460,463,762.89 remains undistributed and represents retained earnings.*

*With regard to the dividend payment, the day of announcement of the corporate action to the Central Securities Clearing Corporation system members is the first working day after the close of session of the General Meeting at which this resolution was adopted (20 June 2023) and the day without entitlement is the last working day prior to Cut-Off Date (23 June 2023).*

*3.2. Management Board of NLB d.d., composed of:*

- Blaž Brodnjak, CEO,*
- Archibald Kremser, member,*
- Peter Andreas Burkhardt, member,*
- Hedvika Usenik, member,*
- Antonio Argir, member,*
- Andrej Lasič, member,*

*is hereby granted a discharge from liability for the financial year 2022.*

*3.3. Supervisory Board of NLB d.d., composed of:*

- Primož Karpe, Chairman,*
- Andreas Klingen, Vice Chairman,*
- David Eric Simon, member,*
- Mark William Lane Richards, member,*
- Shrenik Dhirajlal Davda, member,*
- Gregor Rok Kastelic, member,*
- Verica Trstenjak, member,*
- Islam Osama Bahgat Zekry, member,*
- Sergeja Kočar, member,*
- Tadeja Žbontar Rems, member,*

*is hereby granted a discharge from liability for the financial year 2022.*



## Grounds

In accordance with the provisions laid down in the Companies Act, the General Meeting has decided on the allocation of distributable profit on the basis of the Audited Annual Report 2022 approved by the NLB Supervisory Board at their meeting on 13.4.2023.

NLB Management Board and NLB Supervisory Board propose to the General Meeting the payment of dividends of EUR 55 million.

In its 2023 outlook the Bank communicated EUR 110 million cumulative payment, however based on experience from previous years the bank has therefore decided to split the dividend payment in a way that the first tranche is subject of this General Meeting, while the second tranche is intended to be proposed to the General Meeting towards the end of this year.

The envisaged EUR 110 million dividend payment from the profit generated in 2022 is not included in the capital base, meaning that the payment will not affect the NLB Group capital ratios.

In line with Article 294 of the Companies Act, the General Meeting also decides about the granting of discharge from liability to the Management Board and Supervisory Board for their work in the past business year. The General Meeting decides on the granting of discharge to the management and supervisory bodies, namely in the composition as at the moment of deciding at the General Meeting. Therefore, the General Meeting of NLB d.d. is hereby proposed to grant a discharge from liabilities to the Management Board of NLB d.d. and the Supervisory Board of NLB d.d. who performed this function in 2022 and still perform this function at the moment when General Meeting takes place.

Supervisory Board of NLB d.d.

Management Board of NLB d.d.

4. Item on the agenda: **Internal Audit Report for 2022 and Opinion of the Supervisory Board of NLB d.d.**

**Management Board of NLB d.d. and Supervisory Board of NLB d.d.**

hereby inform the

General Meeting of NLB d.d.  
of the following

*The General Meeting of Shareholders of NLB d.d. hereby acknowledges the adopted annual Internal Audit Report for 2022 and the positive opinion of the Supervisory Board of NLB d.d. granted with the resolution passed on 23 February 2023.*

**Grounds**

This is an informative item on the agenda which is, according to the Companies Act and the Banking Act (ZBan-3), not voted on by the General Meeting of Shareholders.

Article 164 of the Banking Act stipulates that the Internal Audit Department must formulate an annual report on internal auditing and submit it to the Management Board and the Supervisory Board. Article 50 of the Banking Act further stipulates that the members of the Supervisory Board explain to the General Meeting their opinion on the Internal Audit's Annual Report.

At its meeting held on 23 February 2023 the Supervisory Board of NLB d.d. discussed and approved the Internal Audit's Report for 2022.

Supervisory Board of NLB d.d.

Management Board of NLB d.d.

**Attachments:**

1. Internal Audit Report for 2022
2. Resolution of the Supervisory Board of NLB d.d. of 23 February 2023

**5. Item on the agenda: Election of Members of the Supervisory Board of NLB d.d.**

**Supervisory Board of NLB d.d.**

hereby proposes to the

General Meeting of NLB d.d.  
to discuss and pass the following

**proposed resolutions under Item 5**

*5.1. The General Meeting of NLB d.d. appoints Shrenik Dhirajlal Davda as member of the Supervisory Board of NLB d.d., for the term of office starting (start of the term of office) with completion of the General Meeting of NLB d.d. where this resolution on appointment has been adopted and will last until the close of the General Meeting of NLB d.d. that decides on the allocation of distributable profit for the fourth financial year after he started the term of office in accordance with this resolution on appointment, whereby financial year in which he started the term of office in accordance with this resolution on appointment counts as the first year.*

*5.2. The General Meeting of NLB d.d. appoints Mark William Lane Richards as member of the Supervisory Board of NLB d.d., for the term of office starting (start of the term of office) with completion of the General Meeting of NLB d.d. where this resolution on appointment has been adopted and will last until the close of the General Meeting of NLB d.d. that decides on the allocation of distributable profit for the fourth financial year after he started the term of office in accordance with this resolution on appointment, whereby financial year in which he started the term of office in accordance with this resolution on appointment counts as the first year.*

*5.3. On the day this resolution is adopted, the General Meeting of NLB d.d. appoints Cvetka Selšek as member of the Supervisory Board of NLB d.d., whose term of office shall be from the day of effect of the appointment (start of the term of office) and last until the close of the General Meeting of NLB d.d. that decides on the allocation of distributable profit for the fourth financial year after she started the term of office in accordance with this resolution on appointment, whereby financial year in which she started the term of office in accordance with this resolution on appointment counts as the first year.*

*5.4. On the day this resolution is adopted, the General Meeting of NLB d.d. appoints Andre Marc Prudent-Toccanier as member of the Supervisory Board of NLB d.d., whose term of office shall be from the day of effect of the appointment (start of the term of office) and last until the close of the General Meeting of NLB d.d. that decides on the allocation of distributable profit for the fourth financial year after he started the term of office in accordance with this resolution on appointment, whereby financial year in which he started the term of office in accordance with this resolution on appointment counts as the first year.*

**Grounds**

The general meeting of shareholders is inter alia competent to appoint the members of the supervisory board of the company. As the four-year term of office of four members of the Supervisory Board of NLB d.d. will expire, the Supervisory Board of NLB d.d. proposes to the General Meeting of Shareholders of NLB d.d. candidates to be appointed members of the Supervisory Board of NLB d.d.

Pursuant to Article 297.a of the Companies Act, the explanation to the item on the agenda under which the general meeting of shareholders should decide about the appointment of the members of the supervisory board must contain at least the name and surname, education, appropriate experience and current employment of the proposed member. Pursuant to Article 274 of the Companies Act, the proposed candidate for the member of the supervisory board must, before being elected at the general meeting of shareholders, present their past professional training and work currently performed as well as any circumstances that might lead to a conflict of interest or their partiality. The proposed candidate may provide their presentation in writing, while at the general meeting of shareholders they are presented by the person who nominated them for the position of member of the supervisory board.

Supervisory Board selection process:

The selection process for the independent candidates of NLB's Supervisory Board followed a pre-defined step-up roadmap, which started with the annual self-assessment and comprehensive competence matrix review, creation of the exact role profile (defining required skillsets, leadership and integrity requirements, proven value creation track record and the independence of mind). Upon the role profile acceptance (spanning across the 4 positions, as 4 independent candidates were subject to the mandate expiration), the search process started with the onboarding of professional Executive Search agency (to scan the candidates across the wider CEE region), and individual invitations extended to some high-profile international experts with the strong track record. Upon the review of the long-list of candidates, subsequent ranking and short listing was made by the Nominations Committee, and the 3-step interview process was conducted with the final short list of candidates (exploring leadership and team-play ability, past track record and detailed skillset capacity). All short-listed candidates were subsequently subject to the rigorous Fit and Proper assessment, performed by the Bank's professional Compliance and HR bodies and in line with the regulator's requirements. Finally, the appointment of the 4 candidates was done by the Supervisory Board upon the Nominations Committee proposal.

*The proposed candidates CV extracts:*

**Cvetka Selšek:** a seasoned banker with strong value creation track record and continuous step-up career development, culminating in the 8-year tenure as the Chairwoman of the Societe Generale SKB Bank (Slovenia), from 2010 to 2018. Prior to this appointment she has led SKB Bank as its CEO for 11 years, strengthened its capital structure, transformed once rather specialised communal bank into the fully fledged commercial and retail organisation, originated and led the bank's sell side process and changed the culture of the institution to fully integrate and adopt the professional standards of one of the world's leading banking groups. Known for her international achievements (including 20-year membership in the WEF in Davos) and memberships in the leading think-tanks and nationwide corporate governance bodies, Cvetka Sekšek is particularly characterised by placing a special focus to young talent development, innovative thinking, and restless pursuit of professional future-focused banking mindset.

Cvetka Selšek is a Slovenian citizen, aged 71 and retired, and has university degree (Economics) from the University of Zagreb, Croatia. She is currently a member of the Honourable Tribunal of Managers Association of Slovenia and a Deputy president of Directors' Association of Slovenia.

**Andre Marc Prudent-Toccanier:** his 40-year career at Societe Generale made Andre Marc Prudent-Toccanier undergo practically all key segments of a worldwide banking group, from internal audit, over investment banking, to top positions at the international retail level (where he was the CFO overseeing 30 banking subsidiaries throughout Europe, Africa, and French Overseas Territories). From 2006 on, Andre Marc Prudent-Toccanier held positions of the Vice-Chairman of SKB Bank Slovenia for 5 years, the CEO of Croatian Societe Bank's Splitska Banka for another 5 years, and the Deputy CEO of Societe Generale's Rosbank in charge of the strategy, finance, risk, human resources, and compliance, until his retirement. Coupled with extensive non-executive (supervisory) experience across the SEE region (Montenegro, Croatia), extending from banking to insurance, and top-of-class exposure to best industry practices, Andre Marc Prudent-Toccanier is a full-fledged banker who fully understands the regional banking dynamics and all its' banking market sub-segments.

Andre Marc Prudent-Toccanier is a French citizen, aged 67, and has a Master's degree in Economics and Finance from the Institute of Political Studies of the University of Law and Political Science ("Science-Po") of Aix-en-Provence-Marseille III. During the last two years he is also a business consultant to selected SMEs.

**Mark William Lane Richards:** brings more than 30 years' experience of banking, building innovative financial services businesses, and extensive Board track record. His career spans across banking (senior executive at Barclays), private equity (Actis PE), wealth management, payments and insurance (EMP, XP, Singapore Life). He has extensive leadership, Board and CEO experience in building high performing, fast growing financial services companies of all scales in the UK, Continental Europe, Asia, Africa and Latin America (full circle from start-up to global PLCs). His value creation track record is impressive, and his core skills encompass financial services knowledge, strong leadership capacity, strategic thinking and execution, risk management, team building, calmness, mentoring, M&A and private equity experience, all coupled with extensive global network.

Mark William Lane Richards, aged 57, is Chairman of VenCap International PLC, a leading VC investor based in the UK. He is also holding Non-Executive Director positions at Lloyd's insurance Broker BPL Global, a world leader in policy risk insurance and at Executive Search firm Sheffield Haworth. Mark William Lane Richards has a first-class degree from Oxford University in modern history and economics. He completed the Accelerated Development Program from London Business School, and his studies at Associate Chartered Institute of Bankers. He is a high energy Board Director committed to building great businesses.

**Shrenik Dhirajlal Davda:** has 40 years of commercial and investment banking experience in the CEEMEA ("Central Eastern Europe Middle East Africa") region. With a proven track record of building market leading banking



franchises in Central & Eastern Europe for banks including JP Morgan and Deutsche bank as well as managing regionally focussed financial advisory boutiques, Shrenik Dhirajlal Davda is undoubtedly a high performing investment and commercial banker with experience built up over a 40-year banking career with leading international and regional banks and niche corporate finance firms.

Shrenik Dhirajlal Davda is a British national, 62 years old, and has an MBA degree from INSEAD – Fontainebleau, France, and a London School of Economics Law Degree (LLB Hons). He holds independent member of the Supervisory Board position at UkrgasBank (leading Ukraine green finance and reconstruction bank), a Lay Member of the Board position at Independent Press Standards Organisation (the independent regulator of the newspaper and magazine industry in the UK) and a partnership position at NECP LLP London.

*The proposed candidates expected value-add to the future Supervisory Board functioning:*

**Cvetka Selšek** is expected to provide additional strength in several key pillars which NLB Group finds critical for its further expansive growth, namely talent management, intra-regional network, MREL funding strategy, organisational structure, and credit risk management. She also brings required diversity to Supervisory Board of NLB d.d.

**Andre Marc Prudent-Toccanier** is with his long-term experience at the key Societe Generale's Group functions, especially finance and international retail banking, ideally positioned to add to Supervisory Board of NLB d.d. an additional edge on the NLB Group supervision activities, specifically applicable to a detailed drill-down view of cross-market products' profitability and capital allocation oversight and strategy at every single NLB's core market.

**Mark William Lane Richards** plays a significant role in helping modernise Supervisory Board of NLB d.d., the governance structures of the NLB Group and the Bank's technology, digitalisation, and distribution agenda. He also brings experience of managing and integrating Bank acquisitions with extensive global experience from both highly developed and emerging markets. He created NLB Supervisory Board IT and Operations committee, and is a member of Risk Committee, and Remuneration committee.

**Shrenik Dhirajlal Davda** has taken leadership of the ESG agenda of the NLB Group at Supervisory Board level. He has recently completed a Certificate in Sustainability Leadership at Imperial College Business School and represents NLB on the Board of Chapter Zero Slovenia. In addition, his deep experience of lending and credit analysis in the region contributes meaningfully to oversight of credit risk management and scrutiny loan proposals submitted for Supervisory Board of NLB d.d. approval. His investment banking experience is extremely valuable in the screening of inorganic growth opportunities and ensuring that NLB responsibly undertakes value accretive M&A transactions. He serves on NLB's Audit, Risk and Remuneration Committees. He is Indian in origin and spent his early years in East Africa. His varied background and banking experience brings cognitive diversity to Supervisory Board of NLB d.d.

*New Supervisory Board of NLB d.d. composition based on key competence factors:*

Supervisory Board of NLB d.d. continues to evolve its membership to ensure it is well placed to meet the challenges of the future, and the expectations of NLB Shareholders. Over the last few years, the Supervisory Board of NLB d.d. has evolved so that it is more technically specialized with deep understanding of banking and its future. It is balanced to reflect regional insight, understanding of society and maintain governance excellence.

Today the Supervisory Board of NLB d.d. is much more diverse, by race, and balanced by gender. The Supervisory Board of NLB d.d. is aware it must join-up with the world by bringing in international expertise where needed, for example in digitisation, payments and environment and social governance best practice. It is expected for Supervisory Board members "to supervise", of course, but also to add value, by sharing experience, expertise and providing counsel and advise.

Today the Supervisory Board of NLB d.d. is the most diverse and international supervisory board in the region and is passionate to be the best. The Supervisory Board of NLB d.d. recognises NLB's duties to society, governments, and its position as a major systemically important bank. The Supervisory Board of NLB d.d. seeks to support growth with prudent risk management, to develop its staff, and deliver returns to NLB Shareholders, and position the Bank for the future in a digital, environmentally sound way.

The proposed Supervisory Board of NLB d.d. composition competence matrix is clearly depicted in the below matrix, covering core and specific competencies, required for the supervision of the future-focused banking group.

	Background	Core competences						Specific competences				
		Retail & Corporate banking	Investment banking and M&A	Private equity	Industry	Risk Mgt / Compliance / Audit	Regulatory - Banking specific	Capital Markets, Funding & Treasury mgt.	Banking IT & Data science	ESG and Sustainable Finance	Innovation - Payments and beyond-banking models	Talent management
Primoz Karpe	Investor and Entrepreneur	x	x	x	x	x	x	x			x	x
Shrenik Davda	Investment banker	x	x	x		x	x	x		x		x
Mark Richards	PE partner and Commercial banker	x	x	x		x	x		x	x	x	x
David Simon	Bank restructuring and Trade finance	x		x	x	x	x	x		x		
Andre Marc Prudent Toccanier	Commercial & Retail banker	x	x		x	x	x	x			x	x
Cvetka Selsek	Commercial & Retail banker	x	x		x	x	x	x				x
Islam Zekry	Chief Data Officer	x	x	x		x	x	x	x		x	x
Verica Trstenjak	Professor, Judge, Advocate General				x	x		x				
Sergeja Kocar	Workers representative	x				x		x				x
Tadeja Rems	Workers representative	x				x		x		x		

The Supervisory Board of NLB d.d. believes it presented a well-balanced, experienced Supervisory Board and recommend the 4 (four) individuals above for election to the Supervisory Board of NLB d.d.

The Supervisory Board of NLB d.d. wishes to point out that NLB d.d., as a regulated credit institution, is subject to stricter requirements and rules for the proposal of candidates for the members of the Supervisory Board of NLB d.d. to the General Meeting of Shareholders of NLB d.d. in view of the fact that the Banking Act prescribes a preliminary Fit&Proper assessment of the candidates. In accordance with the applicable regulations and internal policies and procedures, the Nomination Committee of the Supervisory Board of NLB d.d. thus carried out a Fit&Proper assessment of the candidates for the members of the Supervisory Board of NLB d.d. proposed for the appointment by the General Meeting of Shareholders of NLB d.d. whom it assesses as suitable. In the scope of this procedure, the the Nomination Committee of the Supervisory Board of NLB d.d. checked various circumstances related to conflict of interest and independence of the candidates for the members of the Supervisory Board of NLB d.d.

The Supervisory Board of NLB d.d. hereby assesses that no circumstances exist in relation to the proposed candidates that would constitute a conflict of interest (actual or potential or perceived) that could not be managed by the measures foreseen in NLB d.d.'s internal policies and procedures. The Supervisory Board of NLB d.d. also estimates that the proposed candidates are independent in relation to NLB d.d.

Two proposed candidates for the members of the Supervisory Board of NLB d.d. are current members of the Supervisory Board of NLB d.d., whose current terms of office expire with the conclusion of this General Meeting of Shareholders of NLB d.d. and who are proposed by the Supervisory Board of NLB d.d. for re-election, while two candidates are new.

In accordance with the Banking Act, the function of a member of the supervisory board of a bank can only be performed by a person who obtains a license to perform the function of a member of the supervisory board of that bank, whereby this license ceases if that person ceases to be a member of the supervisory board of the bank to which the license refers. Therefore, the proposed resolutions on the re-appointment of the existing members of the Supervisory Board of NLB d.d. are formulated in such a way that their function as members of the Supervisory Board of NLB d.d. does not cease between their current term of office and their new term of office. The request for issuing the license to perform the function of a member of the Supervisory Board of NLB d.d. to the new members of the Supervisory Board of NLB d.d. will be submitted after the General Meeting of Shareholders of NLB d.d. decides on their appointment.

**6. Item on the agenda: Determination of payments to members of the Supervisory Board of NLB d.d. and its committees**

**Management Board of NLB d.d. and Supervisory Board of NLB d.d.**

hereby propose to the

General Meeting of NLB d.d.  
to discuss and pass the following

**proposed resolution under Item 6**

*6.1. The basic pay for performing the function of a member of the Supervisory Board of NLB d.d. shall increase by 15%, amounting to EUR 69,000 gross after the increase, causing the following amendments accordingly:*

- (i) resolution of the General Meeting of NLB d.d. on Determination of payment for performing the function of the members of the Supervisory Board and its committees, passed on 21 October 2019 at the 34<sup>th</sup> General Meeting of NLB d.d. under item 2 of the agenda in the part determining the Base Pay and*
- (ii) resolution of the General Meeting of NLB d.d. on Disbursement to members of the Supervisory Board of NLB d.d. who are employees' representatives, passed on 15 June 2020 at the 35<sup>th</sup> General Meeting of NLB d.d. under item 8 of the agenda in the part determining the Base Pay and monthly payment.*

*6.2. Resolution of the General Meeting of NLB d.d. on Disbursement to members of the Supervisory Board of NLB d.d. who are employees' representatives, passed on 15 June 2020 at the 35<sup>th</sup> General Meeting of NLB d.d. under item 8 of the agenda shall be amended in the first paragraph so that the current text:*

*“reduced by the gross amount of salary payment, all allowances referring to work, and holiday allowance that an individual employee representative receives if employed in NLB d.d. or any other member of the NLB Group (“Gross Pay”)”*

*shall be replaced with the following text:*

*“reduced by the gross amount of Basic Salary, as defined in the Employment Contract of the employee representative if employed in NLB d.d. or any other member of the NLB Group (“Basic Salary”) in an individual year.”*

*Throughout the text the wording “Gross Pay” shall be replaced with the wording “Basic Salary”.*

## **Grounds**

The Supervisory Board of NLB d.d. is proposing a 15% increase of the basic remuneration for Supervisory Board Members (from 60.000 EUR p.a. to 69.000 EUR p.a.) to the Shareholders for the following reasons:

There has been no increase in remuneration since October 2019, a period during which Slovenia has recorded inflation of 15.4%. In fact, the Supervisory Board of NLB d.d. voluntarily reduced its fees by 15% (in May 2020) in response to Covid crisis (the fees were re-instated in 2021). It is anticipated that there will be no further remuneration increases for the foreseeable future.

The proposed increase is appreciably lower than the average salary increase of 23,9% for employees under the collective agreement since 2019. The NLB Workers Council has not raised any objections to the proposed remuneration increase.

The workload and time commitment of the Supervisory Board has increased due to the growth in size and complexity of the NLB Group. During this period, NLB Group has grown 70% in assets and its future looking business model has gained strong sustainable finance focused momentum. Two significant value accretive transactions have been concluded and a number of important strategic project initiatives have been undertaken (e.g. related to IT and

payments). As a result, Supervisory Board of NLB d.d. members are providing an increasing amount of time in oversight and engagement with NLB Group and Subsidiary Management (including B-1 and B-2) beyond Board and Committee meetings.

On a comparative period basis, NLB Group after tax profits have increased 2.3 fold since 2019, with top line, profitability and efficiency indicators recording substantial and for the majority part triple digit (%) improvements as well.

The proposed remuneration increase will enable NLB d.d. to pay a regionally competitive level of fees in order to attract qualified independent Supervisory Board of NLB d.d. members with the requisite level of experience and expertise.

Additionally the resolution of the General Meeting of NLB d.d. on Disbursement to members of the Supervisory Board of NLB d.d. who are employees' representatives shall be amended in a way that the basic pay for performing the function of a member of the Supervisory Board of NLB d.d. who are employee's representatives is reduced by the gross amount of basic salary, as defined in the Employment Contract of the employee representative if employed in NLB d.d. or any other member of the NLB Group ("Basic Salary") in an individual year. Throughout the text the wording "Gross Pay" shall be replaced with the wording "Basic Salary".

Based on the above resolution, the resolution of the General Meeting of Shareholders of NLB d.d. on the determination of the payment for performing the function of the members of the Supervisory Board and its committees now reads in full:

*The members of the Supervisory Board shall receive the base pay for the performance of the office in the amount of EUR 69,000.00 gross per member annually ("Base Pay"). The Chair of the Supervisory Board shall be entitled to receive extra payment for the performance of this office accounting for 25% of the Base Pay, and the Deputy Chair of the Supervisory Board to extra payment for the performance of this office accounting for 15% of the Base Pay (both extra payments together: "Top-up Payment").*

*The members of a Supervisory Board committee shall receive a top-up payment for performing the function, which shall amount to 10% of the Base Pay per individual committee member ("Member of a Committee Payment"), whereby the Member of a Committee Payment shall be paid for membership of up to two committees, regardless if an individual member of the Supervisory Board is member of more than two committees. In addition to a Member of a Committee Payment, the Chair of a Supervisory Board committee shall be entitled to a Chair of a Committee payment in the amount of 15% of the Base Pay ("Chair of a Committee Payment"), whereby the Chair of a Committee Payment shall be paid for the performance of the office of the Chair in up to one committee, regardless if an individual member of the Supervisory Board performs this office in more than one committee.*

*The members of the Supervisory Board shall receive the Base Pay, Top-up Payment, Member of a Committee Payment, and Chair of a Committee Payment in proportional monthly payments to which they are entitled for as long as they perform the office. The monthly payment shall amount to one twelfth of the above stated annual amounts. If they perform the office for less than one month, they shall be entitled to the proportional payment calculated based on the number of days they perform each function.*

*The Supervisory Board members shall be entitled to the reimbursement of travel expenses, daily allowances and costs of overnight accommodation related to their work in the Supervisory Board, namely up to the amount specified in the regulations on reimbursement of work-related expenses and other income not included in the tax base. Accommodation expenses shall be reimbursed if the permanent or temporary residence of a Supervisory Board member or a member of a Supervisory Board committee is at least 100 kilometres away from the place of work and when a Supervisory Board member is unable to return as there is no public transport connection scheduled or due to objective reasons.*

*Supervisory Board members shall not be entitled to any benefits exceeding the provision of the conditions for unhindered work of the Supervisory Board (payment of insurance premiums, except for liability insurance, company car, company flat and fuel). Supervisory Board members shall be entitled to benefits providing for or improving the conditions or method of their work, considering the Bank's needs and the individual requirements of individual Supervisory Board members, on which the Supervisory Board shall decide (IT equipment, professional training, visits to institutions, organisations and bodies, and liability insurance).*

*On the day this resolution is adopted, the resolution on the determination of the Supervisory Board and committee members' attendance fees which was adopted at the 22nd Annual General Meeting of NLB d.d. on 11/6/2013 shall cease to be valid.*

Based on the above resolution, the resolution of the General Meeting of Shareholders of NLB d.d. on disbursement to Members of the Supervisory Board of NLB, who are employees' representatives now reads in full:

*Payment of an individual member of the Supervisory Board representing the interests of employees ("employee representatives") for performing the function amounts to EUR 69,000 gross per year ("Base Pay"), reduced by the gross amount of Basic Salary, as defined in the Employment Contract of the employee representative if employed in NLB d.d. or any other member of the NLB Group ("Basic Salary") in an individual year.*

*Employee representatives shall receive for their membership in the Committees of the Supervisory Board an additional payment for performing the function of a Committee member, which for an individual member amounts to 10% of the Base Pay ("Extra Pay"), whereby the Extra Pay is payable for membership in not more than two Committees, irrespective of whether or not the employee representative is a member of more than two Committees.*

*Monthly payment is calculated in the way that 1/12 of the Base Pay in the amount of EUR 5,750 gross (increased by potential 1/12 of Extra Pay) is reduced by the Basic Salary from employment in NLB d.d. or any other member of the NLB Group in an individual month. Should the Basic Salary in an individual month exceed EUR 5,750 (increased by potential Extra Pay), monthly payment in the next month shall be reduced by the rest of the Basic Salary exceeding this amount.*

*If Employee representatives perform the function for less than a month, they are entitled to a proportional payout based on the number of days they perform each function.*

*Employee representatives shall be entitled to the reimbursement of travel expenses, daily allowances and costs of overnight accommodation related to their work in the Supervisory Board, namely up to the amount specified in the regulations on reimbursement of work-related expenses and other income not included in the tax base. Accommodation expenses shall be reimbursed if the permanent or temporary residence of an employee representative who is a member of a Supervisory Board committee is at least 100 kilometres away from the place of work and he is unable to return as there is no public transport connection scheduled or due to objective reasons.*

*Employee representatives shall not be entitled to any benefits exceeding the provision of the conditions for unhindered work of the Supervisory Board (payment of insurance premiums (except for liability insurance), company car, company flat and fuel). Employee representatives shall be entitled to benefits providing for or improving the conditions or method of their work, considering the Bank's needs and the individual requirements of individual employee representative, on which the Supervisory Board shall decide (IT equipment, professional training, visits to institutions, organisations and bodies, and liability insurance).*

*The resolution Determination of the payment for performing the function of the members of the Supervisory Board and its committees, adopted at the 34th General Meeting of NLB d.d. on 21 October 2019, shall not apply to the employee representatives.*

Supervisory Board of NLB d.d.

Management Board of NLB d.d.