

confidential

Policy

Policy on the selection of suitable candidates for members of the Supervisory Board of NLB d.d.

Version 3, general internal document

Table of contents

Introduction.....	3
Application of the Policy.....	3
The grounds of the Policy.....	3
Determination of the conditions for a Supervisory Board member.....	4
Selection procedure.....	5
Identification of the need to search for and appoint a candidate for Supervisory Board member and determination of the conditions for a Supervisory Board member.....	6
Determination of the competency profile.....	6
Searching for suitable candidates	6
Selection of the candidates	7
Fit & proper assessment of the candidates.....	7
Proposal for appointment of candidates.....	8
Appointment of a member of the Supervisory Board.....	8
Unselected candidate's rights.....	8
Assistance by specialist departments.....	8
Discretion of the procedure.....	9
Reference documents.....	9
Transitional and final provisions.....	9
Statement of the administrator of the internal document about the alignment and approval of the internal document.....	10
Attachment 1: Areas of experience required.....	12
Attachment 2: Competency profile.....	13

Chronology of amendments

Version	Date	Description
1.	August 2015	Adoption of the Policy
2.	March 2019	Amendments and supplements to the Policy – adjustment to the EBA Guidelines on internal governance
3.	April 2025	Amendments due to the amendment of ZGD-1M and the Slovenian Corporate Governance Code

3 1. Introduction

The Policy on the selection of suitable candidates for members of the Supervisory Board of NLB d.d. (hereinafter: the Policy), specifies the procedure and conditions for the selection of suitable candidates for the members of the Supervisory Board of NLB d.d. (hereinafter: the Supervisory Board). The Policy lays down the framework enabling the Supervisory Board of NLB d.d. to be composed in such a way that, as a whole, it has the appropriate range of knowledge, skills and experience required for an in-depth understanding of the Bank's strategy and challenges, and the risks to which it is exposed. The Policy sets out the process of selecting suitable candidates for Supervisory Board members, which is composed of several steps, and the professional criteria of selection and expertly managed procedures of candidate selection enabling the bodies of the Bank to provide grounds for the selection and perform due diligence in accordance with the highest ethical standards and care in the selection of suitable candidates for Supervisory Board members. This will also ensure that the Bank's Supervisory Board is composed of individuals having a balanced range of skills, knowledge and experience with regard to the strategic goals and challenges, and possessing appropriate qualifications as a team considering the size, complexity and risk profile of the Bank. Expertly and transparently managed processes are not only in the Bank's interest but also in the interest of the selected candidates because they dispel doubts about their expertise, qualification, independence, references and whether they are the right choice.

The terms relating to persons in this Policy written in masculine grammatical form are meant to be neutral and apply to both men and women.

2. Application of the Policy

The Policy shall be applied in the following cases:

- reappointment of a member of the Supervisory Board (re-election);
- appointment of a new member of the Supervisory Board;
- early termination of the mandate of a member of the Supervisory Board;
- changed circumstances on the part of the member of the Supervisory Board or the Bank.

The selection of employee representatives to the Supervisory Board shall be made in accordance with the internal policies of the Works Council and agreements between the Bank and the Works Council. For the above-mentioned representatives, this policy shall apply mutatis mutandis in the part referring to assessing suitability and obtaining an authorisation to perform the function of a member of the Supervisory Board.

3. The grounds of the Policy

- a) The function of a member of a bank's supervisory board may only be performed by a person who has obtained the authorisation to perform the function of a member of a supervisory board in accordance with the Banking Act.
- b) The Supervisory Board as a whole must cover an adequately wide range of knowledge, skills and experience of its members, and be composed with regard to the criteria laid down in the Policy for the Assessment of Suitability of the Management and Supervisory Board Members of NLB d.d. and (hereinafter: the Suitability Assessment Policy).
- c) The Policy promotes achieving variety in the composition of the Supervisory Board, including an appropriate target representation of both genders in its membership.
- d) The selection procedure is divided into seven steps, namely: identification of the need to search for and appoint a candidate for Supervisory Board member, definition of the competency profile, search for suitable candidates, selection of the candidates, assessment of appropriateness and suitability of candidates (fit&proper), proposal for the appointment of the candidate, and appointment of a member of the Supervisory Board.
- e) The selection procedure is conducted and performed by the Nomination Committee of the Supervisory

4. Determination of the conditions for a Supervisory Board member

Candidates for members of the Bank's Supervisory Board may only be persons who meet the legally prescribed conditions for a supervisory board member under the law regulating banking and other bases stated in item 9 of this Policy, and who could obtain an authorisation from the Bank of Slovenia or the European Central Bank.

In addition to meeting all legal and statutory conditions, the candidates for members of the Supervisory Board must also have the knowledge, skills, experience and competencies for supervising and monitoring the operations of the Bank, including personal integrity and sufficient time to perform the function of a member of the Supervisory Board considering any other activities of the candidate outside the Bank.

This enables them to supervise and monitor the Bank's business in a diligent, responsible and efficient manner, whereby they act alongside the Management Board of NLB d.d. (hereinafter: the Management Board) in defining and setting the values of the Bank and its business strategy in a way making it successful in the long term and in alignment with the Bank's interests and the general ethical standards of bank governance. More detailed criteria for assessing the suitability of the candidate's characteristics are laid down in the applicable Suitability Assessment Policy.

The candidates for members of the Supervisory Board must prove they are capable of constructive-critical assessment in adopting decisions/discussing the most important matters of the Bank with the aim of constant pursuit of the best interest of the Bank and thus the ability to be actively involved in the supervision of the work of the Bank's Management Board and the operations of the Bank, as well as their independence. Subject to meeting the conditions prescribed by the law and other legal acts indicated under item 9 of this Policy, and the statutory conditions, the candidate must also obtain a positive assessment of suitability in accordance with the Suitability Assessment Policy applicable at the time.

The composition of the Supervisory Board must be such to **achieve collective suitability**, which is shown in:

- different levels of experience, age, education and expert knowledge at the level of individual Supervisory Board members and consequently at the level of the entire Supervisory Board, in particular in the field of capital markets, financial analyses and reports, matters related to financial strength, strategic planning, corporate governance and familiarity with laws and regulations;
- knowledge of the local, regional and, if appropriate, global economic market as well as the characteristics of the legal and regulatory environment, taking into account the international experience of individual members of the Supervisory Board;
- suitable method of communication, cooperation and critical judgement or discussion in the process of decision-making, to which contribute the characteristics of every member; and
- appropriate gender representation.

To assess the suitability of the candidates and the collective suitability, the criteria and the procedures laid down in the Suitability Assessment Policy applicable at the time are used, as appropriate.

It is crucial in the process of searching for and selecting the candidates to provide a considerable range of potential candidates in order to achieve collective suitability and efficiency of the Supervisory Board as a whole. The search for potential candidates may include the traditional methods of searching, external consultants or specialised recruitment agencies with international experience chosen by the Bank. The Supervisory Board may, at its discretion, decide to engage an external expert or a specialised recruitment agency for the selection, in accordance with the Rules of Procedure of the Supervisory Board of NLB d.d. or any other regulations. An external consultant or a specialised recruitment agency is a person or company professionally dealing with the selection and search for personnel and is independent of the Bank, the Management Board and the Supervisory Board. The contract on cooperation with an external consultant or a specialised recruitment agency is signed by the Chairman of the Supervisory Board on behalf of and for the account of the Bank.

The selection of candidates for members of the Supervisory Board shall pursue the goal of having both genders appropriately represented in the Supervisory Board. With that aim, a notification of the search for suitable candidates shall be sent to various sections of managers' associations and executive search agencies shall be instructed to have both genders appropriately represented in the group of potential candidates. When proposing candidates to the Supervisory Board, the Nomination Committee must rank them in such a way (while

confidential

equally fulfilling the prescribed criteria and conditions of the selection procedure) that preference is given to a person of the underrepresented gender, except in exceptional cases (such as professional experience in management or supervisory tasks, international experience, multidisciplinary, leadership, communication skills, networking skills and knowledge of specific relevant areas such as finance, financial control or human resources management).

The selection of candidates for Supervisory Board members shall follow the aim of the Supervisory Board as an integrated body possessing the appropriate knowledge, skills and experience to successfully supervise the operations and performance of the Bank, monitor the conduct of the Bank's business, among other based on the knowledge and understanding of its operations and financial data, goals, strategies and policies, as well as taking into account the provisions, standards and requirements of the regulator. Supervisory Board members shall have complementary knowledge and experience in order for them to work in accordance with the Bank's goals, strategies and policies and act in its best interest, and be independent and of high reputation.

Continuity in the composition of the Supervisory Board is ensured by a careful and timely approach to the selection of suitable candidates, taking into account applicable legislation, and by selecting as successors candidates with appropriate knowledge, skills and experience in such a way that the Supervisory Board as a whole will have the appropriate knowledge, skills and experience necessary for in-depth understanding of the Bank's activities and the risks to which it is or may be exposed. The Bank thus provides for an appropriate ratio between the existing members of the Supervisory Board and the new candidates for Supervisory Board members. The Bank also ensures continuity by not changing all members of the Supervisory Board at the same time.

5. Selection procedure

Prior to starting the procedure, the Bank must determine clear, neutral and unambiguous criteria and conditions for the selection procedure for the nomination of members of the Supervisory Board that must be followed throughout the entire selection procedure for nominating a candidate for a vacancy.

The Supervisory Board shall once a year assess its composition, performance, potential conflicts of interest of individual members, performance of individual members and the Supervisory Board as a whole (assessment of collective suitability), as well as the efficiency and effectiveness of cooperation with the Management Board. If it establishes that the number of the members of the Supervisory Board is inappropriate or that the number of the members of the Supervisory Board must be increased, or that certain knowledge, skills and experience are lacking, or that the members in the Supervisory Board are no longer qualified to perform this function because they do not meet the required conditions, or because one or several members are unsuitable and thus the Supervisory Board as a whole no longer meets the required collective suitability, the Nomination Committee shall inform about this the persons holding the shares or other rights representing significant stakes in accordance with the provisions of applicable regulations who informed the Bank about this.

In the notice referred to in the preceding paragraph, the Supervisory Board shall invite the addressees to examine the candidates for Supervisory Board members who meet the conditions prescribed by the applicable regulations, this Policy, other regulations and other Bank's internal documents.

It is recommended that the Nomination Committee initiates a procedure at least one (1) year or at least six months before the expiry of the term of office of a member of the Supervisory Board, either to re-elect the current member of the Supervisory Board, to search for new candidates for membership in the Supervisory Board, or that it immediately starts to search for new candidates for the Supervisory Board upon early termination of the term of office of a member of the Supervisory Board or upon the occurrence of changed circumstances on the part of the member of the Supervisory Board or the Bank. The Nomination Committee shall determine and propose that the Supervisory Board adopts and approves:

- conditions for a member of the Supervisory Board (conditions as defined by the law as well as any other conditions that are necessary according to the specific future needs of the Bank);
- the proposed competency profile of a candidate for a member of the Supervisory Board;
- the proposed method of searching for candidates (selection path), defining individual steps or phases of the procedure, according to which the procedure will be conducted;
- the method of reviewing received applications and assessing the integrity/completeness of applications and meeting the conditions for candidacy;

confidential

- 6
- preparation of a scenario for conducting interviews with key questions;
 - the method of assessing candidates according to the competency profile and creating a list of potential candidates;
 - the method of conducting selection interviews with potential candidates;
 - the drafting for the Supervisory Board of a proposal indicating the candidates (may be several candidates) for membership in the Supervisory Board;
 - a timetable for the procedure for selecting a member of the Supervisory Board, defining the powers and responsibilities of all stakeholders involved in the selection procedure;
 - the method of informing potential candidates.

It is recommended to ensure appropriate continuity in the composition of the Supervisory Board through the selection procedure, which means an appropriate ratio between the existing and new candidates for Supervisory Board members. Continuity is ensured by not changing all members of the Supervisory Board at the same time and by ensuring the transfer of experience and knowledge among them.

The General Meeting shall decide on the appointment and recall of the members of the Supervisory Board at the proposal by the Supervisory Board, after prior review of the candidates by the Nomination Committee. The Supervisory Board must review all candidates proposed by the Nomination Committee and prepare an explanation of its proposal, which must, in addition to the contents defined below, also comprise an explanation of the rejection of the non-selected candidates.

The selection procedure consists of the following steps:

- identification of the need to search for and nominate a candidate for Supervisory Board member;
- determination of the competency profile;
- Searching for suitable candidates;
- selection of the candidates;
- fit & proper assessment of the candidates;
- proposal for appointment of candidate;
- appointment of a candidate as a Supervisory Board member.

5.1 Identification of the need to search for and appoint a candidate for Supervisory Board member and determination of the conditions for a Supervisory Board member

The Nomination Committee defines the need based on the collective suitability assessment of the Supervisory Board, if any gaps appear and with regard to other changed circumstances. The Nomination Committee also takes into account the goals of the strategy, the Bank's challenges, risk etc. In this step, the Nomination Committee assesses the composition of the Supervisory Board, the level of experience, skills, knowledge and competences, any conflicts of interest, and the element of independence and diversity.

The conditions for selecting a member of the Supervisory Board are determined after identifying the need to search for and appoint a candidate for a member of the Supervisory Board, in accordance with the provisions of the applicable regulations listed in item 9 of this Policy.

5.2 Determination of the competency profile

In the second step, the **competency profile is defined** (stated in Attachment 2), i.e. a detailed list of criteria to be met by the sought candidate. The areas of experience required are determined (stated in Attachment 1), in accordance with the collective suitability of the Supervisory Board. The Nomination Committee may include different stakeholders and persons holding the shares or other rights representing significant stakes in accordance with the provisions of applicable regulations who have informed the Bank about this. A precisely defined profile or matrix of knowledge and skills enables making a correct list of the candidates, their selection and appointment.

5.3 Searching for suitable candidates

confidential

During the **search for suitable candidates**, it is indispensable that the range of candidates is as large and diversified as possible, so as to enable correct selection.

Candidates for the Supervisory Board may be sought in the following ways:

- by personal invitation to potential candidates at the proposal of the members of the Supervisory Board;
- with the help of external experts or specialised recruitment agencies;
- other.

The search is aimed at finding potential candidates with a competency profile that is lacking in the Supervisory Board for a positive assessment of the collective suitability of the entire composition of this body, or candidates from an international environment, taking into account the goals for achieving diversity according to the Policy on the provision of diversity of the management body and senior management of NLB d.d. (hereinafter: Diversity Policy).

Appointing members invited by the existing members should be avoided, so as to prevent the so-called group thinking, i.e. to avoid that the composition is not sufficiently diversified with regard to the criteria. Candidates submit a CV, a motivation letter, information on past and current membership in other management or supervisory bodies and any potential conflict of interest, a statement that they do not perform management, supervisory, representation or advisory tasks for competitive companies and are not major shareholders or members of such companies in the area of the Bank's activities.

The candidate must already disclose proactively any potential conflict of interest in the selection procedure. The candidate must put the Bank and its structure before any individual or personal interest, particular interest of third parties and interest that could arise from the candidate's previous offices and other activities and economic, professional or private connections with third parties (including the members of the Management Board or Supervisory Board of the Bank) and possibly affect them when taking decisions for the benefit of the Bank. **Thus, the candidates must indicate information on their membership in other management or supervision bodies, and the assessment of potential conflict of interest.**

5.4 Selection of the candidates

During the **selection phase**, the Nomination Committee makes a short list of the candidates in accordance with the defined competency profile (Attachment 2) and on the basis of required experience (Attachment 1), and other requirements specified in the relevant legislation. The Nomination Committee gives its opinion on each candidate, especially with regard to any conflict of interest, question of independence and lack of time that the candidate can dedicate to working in the Supervisory Board. The Nomination Committee prepares a list of suitable candidates, with no interference by any third party. The Nomination Committee interviews the suitable candidates and presents the possible work and the procedure itself. The Nomination Committee conducts selection interviews with short-listed potential candidates who meet all legal and statutory conditions and demonstrate appropriate suitability in terms of meeting other conditions for candidacy and prepares an assessment for the purpose of an objective comparative assessment of candidates in terms of meeting the criteria and conditions. Based on all the listed activities and specified conditions, it selects the most suitable candidate.

If the Bank does not meet the gender representation ratio specified in the Diversity Policy, it must give preference to a person of the underrepresented gender in the procedure for selection of members of the supervisory bodies. In exceptional cases where, for objectively justified reasons, such as compliance with the Diversity Policy based on other personal circumstances, preference should be given to a candidate of the opposite sex, this must be specifically justified by the Bank (e.g., professional experience in management or supervisory tasks, international experience, multidisciplinary, leadership, communication skills, networking skills and knowledge of specific relevant areas such as finance, financial control or human resources management).

5.5 Fit & proper assessment of the candidates

confidential

The Bank (Human Resources and Organisation Development, and Compliance and Integrity), based on the proposal received from the Nomination Committee or the Supervisory Board for a candidate for a member of the Supervisory Board, shall prepare the bases for assessing the candidate's suitability in accordance with the Suitability Assessment Policy and submit it to the Chair of the Nomination Committee before appointing the candidate to the position. The Chair of the Nomination Committee may provide additional guidelines for further investigation of certain facts or circumstances and for supplementing the assessment bases of the Nomination Committee before it makes the suitability assessment. The Nomination Committee shall assess the documentation obtained from the candidates and, if necessary, conduct additional interviews with the candidates for the position of member of the Supervisory Board. The Nomination Committee may request the candidate to submit additional documents or evidence necessary for the assessment of suitability. If the Nomination Committee does not determine any candidate as suitable and consequently no candidate has been appointed, it shall inform the Supervisory Board thereof. The candidate selection procedure shall be carried out/repeated.

5.6 Proposal for appointment of candidates

The Nomination Committee shall prepare a final report on the candidate(s), explaining how they will contribute to bridging any identified gaps in the collective composition or how they will contribute to the diverse composition of the Supervisory Board.

The Committee shall propose the most suitable candidate for appointment to the Supervisory Board. If the Supervisory Board does not agree with the proposal for appointment, the Nomination Committee shall propose the second best candidate. If two candidates, equally fulfilling the prescribed criteria and conditions of the selection procedure for appointment to the position of a member of the Supervisory Board, meet the criteria and conditions, preference must be given to the person of the underrepresented gender.

If the gender representation ratio is not met and when the selection of a member of the Supervisory Board is carried out by voting, the Nomination Committee, assisted by the competent services, shall provide all those with the right to vote with information, prior to voting, about the Bank's obligations and on any sanctions in the event that, while equally fulfilling the prescribed criteria and conditions of the selection procedure, the Bank has not given preference to the person of the underrepresented gender (unless there are objectively substantiated reasons for such a decision, which must be specifically justified).

5.7 Appointment of a member of the Supervisory Board

A member of the Supervisory Board shall be appointed by the General Meeting of Shareholders of NLB d.d. by a resolution that is effective for the member of the Supervisory Board under the condition precedent and takes effect if the candidate obtains the authorisation to perform the function. After the appointment of a candidate as member of the Supervisory Board, the Secretariat, in cooperation with the candidate, shall submit a request to the regulator for the issuance of an authorisation to perform the function of a member of the Supervisory Board. Upon reappointment of members of the Supervisory Board, the Secretariat shall notify and forward the suitability assessment to the Bank of Slovenia, and the Internal Audit shall forward it to the European Central Bank.

6. Unselected candidate's rights

A candidate of the underrepresented gender who was not selected as member of the Supervisory Board (unselected candidate) may request information from the Bank on the criteria and conditions of the selection procedure, an objective comparative assessment of candidates in terms of their fulfilment of the criteria and conditions and the justification for the exception referred to in item 5.6. If a person who is not a person of the underrepresented gender was appointed to the vacant position in the selection procedure, the appointment shall be deemed valid and the unselected candidate shall have the right to compensation under the general rules of civil law and the right to compensation for discrimination in accordance with the law governing protection against discrimination.

The Advocate of the Principle of Equality is responsible for assessing the adequacy of the selection procedure for the appointment of a member of the Supervisory Board, and shall monitor, promote, analyse and provide support in promoting balanced gender representation in management and supervisory bodies.

7. Assistance by specialist departments

The following organisational units in particular provide assistance and support to the Nomination Committee:

- Legal and Secretariat,
- Human Resources and Organisation Development,
- Compliance and Integrity,
- Internal Audit.

All documentation related to the selection procedure shall be kept in: Human Resources and Organisation Development (related to documentation on suitability assessment) and the Legal and Secretariat (related to submission of the application to the Bank of Slovenia and the European Central Bank).

All documentation shall be kept in accordance with the Policy and Rules on Safekeeping of Documentary Material of NLB d.d. applicable at the time.

8. Discretion of the process

The process of selecting candidates shall be strictly confidential, discrete and feature the highest possible level of personal data protection. The interest by top-notch candidates to apply for the job may only be invoked by a respect for discretion of the candidates who apply.

9. Reference documents

- Articles of Association of NLB d.d. Ljubljana;
- Banking Act (Official Gazette of the RS, no. [92/21](#), [123/21](#) – ZBNIP and [2/25](#) – Dec. of CC) Companies Act, Official Gazette of the RS, no. [65/09](#) – official consolidated text, [33/11](#), [91/11](#), [32/12](#), [57/12](#), [44/13](#) – Dec. of CC, [82/13](#), [55/15](#), [15/17](#), [22/19](#) – ZPosS, [158/20](#) – ZIntPK-C, [18/21](#), [18/23](#) – ZDU-1O, [75/23](#), [102/24](#) and 17/25;
- Slovenian Corporate Governance Code for Listed Companies (Slovenian Directors' Association and the Ljubljana Stock Exchange, applicable since 01/01/2025);
- Regulation of the Bank of Slovenia on internal management arrangements, management body and the internal capital adequacy assessment process for banks and savings banks (Official Gazette of the RS, no. 115/2021);
- ECB's Guide to fit and proper assessments (December 21);
- EBA Guidelines on internal governance (EBA/GL/2021/05, 02/07/2021),
- Decision on the application of the Guidelines on internal governance (Official Gazette of the RS, 184/2021); ESMA and EBA Guidelines on the assessment of the suitability of members of the management body and key function holders (EBA/GL/2021/06);
- Regulation on the application of Guidelines on the assessment of the suitability of members of the management body and key function holders (Official Gazette of the RS, no. 184/2021);
- Policy to assess the suitability of the Management and Supervisory Board members of Nova Ljubljanska banka d.d., Ljubljana;
- Policy on the provision of diversity of the management body and senior management in NLB d.d.

10. Transitional and final provisions

The Policy on the selection of suitable candidates for members of the Supervisory Board of NLB d.d. shall enter into force when it is adopted by the General Meeting of Shareholders and after its publication in the Register of internal documents. On the day of entry into force hereof, the Policy for selecting suitable candidates for members of the Supervisory Board of NLB d.d., Version 2, of March 2019 shall cease to apply.

11. Statement of the administrator of internal document about the alignment and approval of the internal document

"I, the administrator of this internal document, hereby assure that this internal document was submitted for review, revision and confirmation to all the organisation units in the Bank affected by this internal document and its amendments and that it was approved by them. The internal document is aligned with them in a way that its contents are clear, compliant with other internal documents of the Bank and not in conflict with other internal documents of the Bank."

Attachments: Areas of experience required (Attachment 1)
Competency profile (Attachment 2)

Preparation and revision

Name and surname	Prepared/Reviewed by
Polonca Meden, Advisor for Human Resources Development Human Resources and Organisation Development	Prepared by
Aleksandra Hrovatin, Legal Consultant Legal and Secretariat	Prepared by
Manja Kerstein, Corporate Governance Consultant Legal and Secretariat	Prepared by
Jan Lakner, Independent Compliance Officer Compliance and Integrity	Prepared by
Vesna Vodopivec, Assistant to the Management Board Human Resources and Organisation Development	Reviewed by
Rok Praprotnik, Director Compliance and Integrity	Reviewed by
Jan Geiger, Director Legal and Secretariat	Reviewed by

Competent body which adopted the document: Supervisory Board of NLB d.d.

Ljubljana,

Primož Karpe
Chairman of the Supervisory Board

Attachment 1

Areas of experience required

The required knowledge, experience and skills are in accordance with the Policy to assess the suitability of the Management and Supervisory Board members in Nova Ljubljanska banka d.d.

Areas of experience required (adequacy of knowledge, experience and skills) are:

- banking and financial markets;
- legal requirements and regulatory frameworks;
- money laundering and terrorist financing prevention;
- strategic planning, understanding of a credit institution's business strategy or business plan, and implementation thereof;
- risk management (identifying, assessing, monitoring, controlling, managing and mitigating the main types of risk of a credit institution);
- knowledge and experience in the area of climate and environmental risks;
- accounting and auditing;
- assessing the effectiveness of the organisation of a credit institution to ensure effective governance, supervision and controls;
- interpreting a credit institution's financial information, identifying key issues based on this information and appropriate controls and measures.

Other conditions, requirements, experiences, knowledge, and skills required by binding documents are also taken into account simultaneously, namely from:

- Companies Act (ZGD-1);
- Banking Act (ZBan-3);
- Regulation of the Bank of Slovenia on internal management arrangements, management body and the internal capital adequacy assessment process for banks and savings banks;
- ESMA and EBA Guidelines on the assessment of the suitability of members of the management body and key function holder;
- Slovenian Corporate Governance Code for Listed Companies;
- Articles of Association of NLB d.d.;
- ECB's Guide to fit and proper assessments.

Attachment 2

Competency profile

The competency profile was established based on the ECB competency model.

COLLABORATING AND COMMUNICATING

Providing assistance	<ul style="list-style-type: none">• providing input and supporting when required• identifying other people who can help• resolving problems by providing information
Proactively supporting others	<ul style="list-style-type: none">• offering subject matter support to others• demonstrating openness to participation in teams, is aware of other people's needs and motives, and speaks out even in difficult circumstances• sharing proactively relevant information with others
Cooperation with others	<ul style="list-style-type: none">• actively seeking diverse expertise and input from others• fostering trust by sharing views and inviting others to openly discuss issues• maintaining and using networks internally and externally• demonstrating an understanding of the needs of others and effectively managing expectations
Building relationships	<ul style="list-style-type: none">• building and maintaining relationships• creating opportunities to connect and share with others in order to build culture of trust and openness• seeking common ground with stakeholders (internal and external) by emphasising common mission and objectives to achieve the best outcome• bringing up less comfortable but important issues to discuss and resolve them
Facilitating collaboration	<ul style="list-style-type: none">• taking calculated risks to advance a collaborative relationship, forgoing personal objectives• helping build relationships between different stakeholders at different levels, across and beyond the organisation• recognising potential sources of conflict related to the needs and agendas of others, and proposing how to resolve the problem and, in turn, work more effectively together
Establishing a collaborative culture	<ul style="list-style-type: none">• convincing others to pursue a course of action against their initial inclination, for the good of all (shapes stakeholders' agendas)• making specific efforts to encourage long-term collaboration, focusing on mutual long-term benefits even if at short-term costs to own interests• systematically fostering collaboration with other units and institutions

FOCUSING ON RESULTS

Fulfilling assigned tasks	<ul style="list-style-type: none">• working to complete assigned tasks• demonstrating effort to deliver on expectations• contributing reliably towards team objectives
Working to improve own output	<ul style="list-style-type: none">• understanding what high-quality output of own task looks like and delivers accordingly• prioritising own work to optimise time and resources; proactively informing relevant people of any changes in schedule or priorities• monitoring own work and takes appropriate corrective actions to achieve greater quality, effectiveness or efficiency
Pursuing team goals	<ul style="list-style-type: none">• regularly reporting on work progress and its alignment with team objectives• taking action to improve own ability to meet existing team goals, including looking beyond own expertise• employing strategies (e.g. prioritisation) to ensure goals are achieved efficiently and cost effectively

	<ul style="list-style-type: none"> • working towards overcoming obstacles, setbacks and uncertainty and following through on plans even when information is incomplete
Driving to achieve goals	<ul style="list-style-type: none"> • recognising and leveraging opportunities to achieve a goal • effectively working towards achieving goals, also under adverse circumstances • demonstrating the ability to take calculated risks in order to achieve goals or have a more positive impact • setting new and challenging goals with relevant metrics for self or team, with a view to create value
Improving business practices for higher performance	<ul style="list-style-type: none"> • identifying strategically important areas in the organisation where performance can be improved (assesses performance at the organisational level) • identifying and examining alternatives including by evaluating costs, risks and benefits for the organisation to improve organisational performance • introducing evidence-based proposals to improve results or exceed goals at the organisational level
Pursuing improved results at the system level	<ul style="list-style-type: none"> • proposing mechanisms to measure performance at the system level • introducing major new initiatives to enhance the performance of the system as a whole • actively collaborating with system participants in order to identify ways to improve delivery of system-wide initiatives

LEVERAGING DIVERSITY

Understanding and respecting diverse perspectives	<ul style="list-style-type: none"> • demonstrating understanding of others' perspectives and explaining how they differ from one's own • modifying own behaviour and communication based on an understanding of individual differences • treating others with respect regardless of their background and working cultures
Integrating diverse perspectives	<ul style="list-style-type: none"> • reaching out to understand the backgrounds and working styles of others • displaying appreciation of differences in peoples' perspectives and seeing these as an opportunity to learn
Drawing on the strengths of the diverse team to get the best results	<ul style="list-style-type: none"> • interacting with others who offer different perspectives in order to make better decisions • consciously establishing and maintaining effective working relationships with people from diverse backgrounds • using own understanding of individual differences when communicating, influencing, and managing teams
Building diverse teams	<ul style="list-style-type: none"> • enriching the team with people from diverse backgrounds to increase the variety of working styles • fostering an environment of inclusion, where diverse thoughts are freely shared, respected and integrated • coaching individuals on how to interact with people from diverse backgrounds
Strategically bridging diversity gaps in the organisation and beyond	<ul style="list-style-type: none"> • recognising strategic value of diversity, identifying and addressing diversity gaps in the system • consciously using appropriate influence-based approaches to negotiate across cultures and agendas for a common purpose • inspiring creative approaches on how to ensure a representative workforce • enabling structures, policies and procedures that encourage diversity and inclusion
Creating an inclusive culture	<ul style="list-style-type: none"> • bringing together the best of the vast array of diverse backgrounds to create a high-performing organisation/system • acting as a diversity champion to promote an inclusive working environment across the system

MANAGING CHANGE

Adapting to change	<ul style="list-style-type: none"> • seeking information to understand the need for change • changing plans to accommodate new information • demonstrating openness to cope with own resistance to change
Signalling the need for change	<ul style="list-style-type: none"> • questioning in a positive manner conventional approaches and traditional ways of doing things to identify specific areas where improvement is needed • proposing alternative solutions to addressing the need for improvement • explaining the need for change to others and taking a role in promoting change in own area of responsibility
Facilitating change	<ul style="list-style-type: none"> • engaging key stakeholders at an early stage of the change process by communicating a clear vision and the expected benefits • supporting others throughout the change process by explaining the need for change and their role in this change process • encouraging others to openly share their views of the change process and addressing their concerns • setting clear milestones and continuously monitoring progress of the change process
Fostering environment of creativity and innovation	<ul style="list-style-type: none"> • enabling creative thinking and encouraging others to question the status quo • encouraging others to pursue and communicate opportunities for change and innovation, and to be change agents • strengthening overall change initiatives by openly supporting the individuals who lead them • announcing and celebrating successes in order to keep people engaged and committed
Driving momentum for change	<ul style="list-style-type: none"> • anticipating the critical turning points in the transformation process and plans accordingly • building support or alliances to energise and sustain the organisational momentum of change • introducing high-impact measures, such as redesigning organisational structures, processes and systems to drive and reinforce the direction of change
Embedding culture of change	<ul style="list-style-type: none"> • establishing an organisational culture of continuously embracing change through systemic actions, such as organisational restructuring, consistent role modelling of values, etc. • engaging and aligning multiple stakeholders/organisations in order to foster a sense of collective commitment towards achieving the vision of change • building alliances with leaders of national and international institutions and decision-making bodies to lead global changes

THINKING ANALYTICALLY AND CHALLENGING CONSTRUCTIVELY

Understanding and identifying issues, and concepts	<ul style="list-style-type: none"> • gathering and using data/information to understand issues and concepts • comparing and using data/information and different perspectives to identify and solve recurring problems
Handling incomplete information well	<ul style="list-style-type: none"> • matching existing or previously used solutions to new situations • identifying issues correctly and taking appropriate decisions despite having incomplete and ambiguous information, and by challenging own biases • looking for missing information by using research or by asking intrusive questions when appropriate
Effectively using analogies, patterns and different perspectives	<ul style="list-style-type: none"> • identifying and communicating the key details about complex concepts in a clear and concise way • finding underlying patterns in complex data to identify solutions • constructively challenging others' perspectives to support problem solving/decision-making • discussing different perspectives with others before drawing conclusions from presented information

Approaching issues from fresh perspectives	<ul style="list-style-type: none"> • offering new perspectives on issues/problems as a situation change • drawing insights from various information sources, going beyond own experiences • identifying issues not seen by others
Objectively assessing situations in a complex organisational context	<ul style="list-style-type: none"> • selecting a suitable approach to integrating and evaluating information where no organisational guidelines exist • using concepts and models to assess complex alternatives and arguments • integrating information from a variety of organisational sources and demonstrating sound judgement when drawing conclusions/solving problems with a high system impact
Creating system-wide paradigms	<ul style="list-style-type: none"> • introducing new paradigms in the organisation and beyond • proposing breakthrough solutions to address complex system-wide issues and create value • identifying complex system-wide issues even with very limited information

ADDING VALUE FOR STAKEHOLDERS

Understanding stakeholder needs	<ul style="list-style-type: none"> • demonstrating understanding of stakeholder requests and addresses them accordingly • demonstrating understanding of how internal or external stakeholders use products and services • taking note of stakeholder feedback to learn about stakeholder needs and expectations, and incorporates it in future interactions
Delivering in line with stakeholder needs	<ul style="list-style-type: none"> • regularly seeking stakeholder feedback to develop deeper understanding of their needs and priorities and, in turn, to provide relevant advice • continuously working to improve stakeholder satisfaction with regard to current products and services • clearly communicating updates to the stakeholder in a timely manner
Knowing and anticipating stakeholder needs	<ul style="list-style-type: none"> • demonstrating an understanding of how stakeholders benefit from products and services in order to provide high-quality advice • developing and applying indicators to monitor stakeholder satisfaction • anticipating evolving stakeholder needs and plans closely with the stakeholder how those needs can be addressed
Continuously taking action to add value for the stakeholder	<ul style="list-style-type: none"> • continuously improving products and services by taking into account the stakeholder's perspective to achieve a win-win result • taking actions beyond standard practice in the interest of the stakeholder • identifying and developing best practices to maintain and improve relationships with and add value for the stakeholders
Building sustainable stakeholder relationships	<ul style="list-style-type: none"> • proactively exploring innovative approaches and solutions to add value to the stakeholder relationship • advocating for the stakeholder's needs by overcoming substantial obstacles to deliver greater value • establishing self and team as trusted advisers to the stakeholder
Leveraging the stakeholder relationship	<ul style="list-style-type: none"> • investing in stakeholder-related initiatives, for the sake of long-term mutual benefit • partnering with stakeholders to redesign service delivery models

DEVELOPING OTHERS

Supporting development in a general way	<ul style="list-style-type: none"> • identifying and distinguishing between high and low levels of performance • encouraging those who try to develop themselves or who show improvement • generally supporting the development needs of others
Encouraging individuals to develop themselves	<ul style="list-style-type: none"> • explaining and demonstrating what a high level of performance looks like

further	<ul style="list-style-type: none"> • providing specific and timely feedback • recognising tangible evidence of development and communicates it upwards • offering guidance and support to others when planning their professional development
Systematically supporting individual development	<ul style="list-style-type: none"> • collecting feedback from multiple people when assessing the performance of team members • holding feedback sessions with team members throughout the year to support them in defining appropriate steps for development • coaching team members with regard to developing their skills and reaching their potential • encouraging team members to be independent, future-oriented and open-minded
Strengthening own team's capability	<ul style="list-style-type: none"> • introducing new skills, competencies or ways of thinking by developing individual team members, fostering cross-team collaboration and knowledge sharing • encouraging individuals to support their team's development, either by professionally developing themselves or by helping their colleagues • providing appropriate challenges for team members to expose them to new areas of work
Strategically planning for people development	<ul style="list-style-type: none"> • addressing and planning for existing and future development needs of teams in own areas, to allow them to deliver on the overall strategy • establishing feedback culture that reinforces and encourages development of individuals and the organisation as a whole • providing feedback to team on its effectiveness in developing others outside the team
Building culture of continuous development	<ul style="list-style-type: none"> • conducting systematic capability reviews in order to assess organisational capacity • challenging and guiding individuals and own team on how to develop their talent • displaying courage to make bold, people-related decisions in the interest of building sustainable organisational capability • holding self and others accountable for delivering on managing talent

THINKING STRATEGICALLY

Relating own work to a wider and future-oriented context	<ul style="list-style-type: none"> • demonstrating understanding of how key priorities in own area of responsibilities address future trends that impact the bank and its environment • identifying relevant strategic priorities in own area of responsibilities • linking day-to-day tasks to a wider context
Understanding and responding to the overall strategy	<ul style="list-style-type: none"> • demonstrating understanding of current business challenges and strategic goals set by leaders • identifying different ways of dealing with business challenges and delivering on strategic objectives within own business area • monitoring activities and resources to ensure alignment with the strategic priorities and adjusting them accordingly when changes occur
Articulating strategic priorities and scenarios for own team	<ul style="list-style-type: none"> • communicating the vision for the future to inspire a sense of purpose among the team • translating the business area's vision and strategic priorities into concrete objectives • thinking beyond current practices to identify new or innovative approaches when defining and translating strategic priorities • discussing alternative scenarios when translating strategic priorities into operational objectives
Designing strategic outlook for own business	<ul style="list-style-type: none"> • actively encouraging strategic thinking at business area level • defining and articulating the vision and strategy for own business

area	<ul style="list-style-type: none"> area, taking into account its role in the wider context ensuring that the banks mission and strategy are communicated at all levels of the organisation
Contributing towards vision and strategy development beyond own area	<ul style="list-style-type: none"> demonstrating significant awareness of the strategic meaning of the social/political/economic context identifying previously unidentified opportunities and proposes innovative solutions beyond own business area
Creating the overall vision and strategy	<ul style="list-style-type: none"> creating a coherent and innovative vision, building on core values, behaviours, structure and history of the bank and the system developing an overall strategy based on an advanced level of insight and understanding of the banks mission drawn from multiple stakeholders and global trends articulating the direction to be taken by the bank in the future, with explanation and justification

LEADING TEAMS

Using directive approach	<ul style="list-style-type: none"> assigning tasks with clear responsibilities giving clear instructions when delegating tasks treating all staff members equitably and fairly; delivers on promises made to the team
Explaining what to do, why and how	<ul style="list-style-type: none"> demonstrating awareness of a variety of leadership styles (as well as their preferred one) and how they can be applied to different situations effectively facilitating a level of independence in how team members deliver on their objectives by providing them with the context and rationale for their goals as well as clear expectations with regard to performance consistently monitoring team members' progress against expected results/outcomes by using transparent measures and providing specific feedback
Building high performing teams	<ul style="list-style-type: none"> adapting own leadership style taking into account team's engagement as well as team's stage of development and competence invite ideas and opinions from the team when forming decisions and making plans; implementing and positively communicating decisions taken, including those not favoured empowering individuals by ensuring that decisions are taken at the lowest possible level; and by regularly delegating work inspiring team spirit, acknowledging contributions and achievements, and consistently finding ways of minimising stress at the team level
Fostering commitment and engagement	<ul style="list-style-type: none"> encouraging people to provide constructive feedback and to openly challenge ideas and actions fostering an open working environment and encourages people to speak up empowering the team to develop plans independently and to solve issues through collaborative problem solving, providing support when needed standing by the team when it is under criticism
Empowering teams to perform independently	<ul style="list-style-type: none"> encouraging teams to work together without a leader creating a clear sense of team identity and holds teams accountable for their actions identifying and consistently finding ways of minimising stress at the organisational level
Inspiring teamwork at organisation level	<ul style="list-style-type: none"> looking for and leverages common ground to bind multiple organisational units into a common direction and purpose leading individuals to make personal trade-offs for the benefit of the team

DIGITIZATION

IT knowledge	<ul style="list-style-type: none"> common knowledge of IT systems
--------------	--

	<ul style="list-style-type: none"> • common knowledge of business processes • understanding of risk pertaining to new technology, data and information security
Digital banking	<ul style="list-style-type: none"> • understanding of digital banking and new/emerging technologies • experience with digital transformation • experience with outsourcing and partnership