

Report on Remuneration for members of the Management Body of NLB d.d. for Business Year 2024



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1. Introduction

The NLB Group is a leading banking and financial group with its headquarters and strategic focus in its home region. In addition to Nova Ljubljanska banka d.d., Ljubljana (hereinafter NLB or the Bank), a leading publicly listed bank in Slovenia, the NLB Group consists of six banking members and several companies providing ancillary services (asset management, real estate management, leasing, etc.) operating in the markets of Bosnia and Herzegovina, Montenegro, Kosovo, North Macedonia, Serbia and Croatia.

In 2024, the NLB Group continued its excellent performance, achieving a profit after tax of EUR 514.6 million, and further strengthening its market positions in its target markets. The year was also marked by, among other things, the successful acquisitions of the SLS Group and Generali Investments AD Skopje, successful issuance on regional and international capital markets, numerous improvements in the customer experience, a significant dividend pay-out of EUR 220 million and the launch of an ambitious medium-term business strategy.

The NLB Group's 5-year business strategy, called **New Horizons**, envisages the doubling of total assets to above Euro 50 billion, with revenues increasing to over EUR 2 billion and net profit exceeding EUR 1 billion by the end of 2030 through a combination of organic growth and selective acquisitions in its target markets.

The NLB Group is committed to sustainable banking and continues to improve operational energy efficiency and reduce carbon footprint. In November 2024, the Bank received an **ESG risk rating of 10.4**, from Morningstar Sustainalytics, a prominent ESG rating company, which places the NLB Group in the top five percent of all banks it assesses.

Response to Stakeholders' Feedback on Remuneration Policy

In response to stakeholders' feedback regarding the Remuneration Policy, NLB d.d. has conducted a thorough review of its approach to executive compensation and implemented a series of enhancements aimed at strengthening transparency, accountability, and alignment with shareholders' expectations.

Through a detailed analysis of voting outcomes, proxy advisor recommendations, and direct shareholders' feedback, we have identified the key areas requiring attention and addressed them accordingly. The remuneration benchmarking exercise undertaken in 2023 against best practices and peer institutions has informed targeted adjustments to ensure that our remuneration framework is competitive and aligned with the market standards.

Key improvements include the introduction of clearly defined Step-in (Gateway) Criteria - both regulatory and performance-related - which need to be met prior to any awarding of short-term (STI) and long-term (LTI) incentives. In addition, we have refined the methodology for determining the Bonus Pool for Management Board members, and clarified the roles and responsibilities of internal governance bodies and control functions involved in remuneration decision-making processes to enhance scrutiny and oversight.

To further support these enhancements, we have actively engaged with major shareholders and investor representatives to gain deeper insights into their expectations. This dialogue has been instrumental in shaping a clearer and more comprehensive remuneration policy.

We remain committed to continuous improvement and to maintaining an open, constructive dialogue with our stakeholders. These initiatives underscore our commitment to aligning executive remuneration with the long-term performance of the Company and the interests of our shareholders.

The fourth version of the Remuneration Policy was adopted by the Supervisory Board of NLB d.d. on 22 April 2024 and has been in effect since 1 January 2024. The Remuneration Policy was approved at the General Meeting of NLB d.d. on 17 June 2024 with 62.35% in favour and 37.65% voting against it.

The **key changes of the fourth version** compared to the third version of the Remuneration Policy are:

- clear wording was introduced in the definitions and elsewhere in the Remuneration Policy;
- definitions are used more consistently throughout the Remuneration Policy;
- maximum total rental cost for company car provided to each Management Board member was increased to EUR 2,100 per month;
- in relation to guaranteed variable remuneration a stipulation was added that there will be no obligation on the part of the Bank to pay any guaranteed variable remuneration if the Supervisory Board has decided not to pay any Variable Remuneration to the Management Board members due to the Bank's capital and liquidity considerations;
- stipulations on retention bonus have been removed;
- properties of the Instrument that is usually used for Variable Remuneration were supplemented with yields equal to the dividends of the NLB d.d.'s share; the yields are, however, limited by the limits laid down by applicable regulations; furthermore, any yields are only payable to a Management Board member from the time of the handing over of such individual Instrument;
- more detailed LTI key performance indicators were introduced;
- possibility of awarding compensation for early termination of the term of office in case of resignation of a Management Board member has been removed.

The Remuneration Policy sets forth the principles and the framework of the remuneration system whereas the Remuneration Report provides a comprehensive and detailed presentation of the remuneration awarded to and received by the members of the Management Board and Supervisory Board (together 'the Management Body') in the preceding business year. In 2024, the Remuneration Report for the members of the Management Body in Business Year 2023 was submitted for vote at the General Meeting on 17 June 2024 and was approved with 99,19% of the votes.

In 2024, the term of office of 3 members of NLB Supervisory Board expired. At the 42nd NLB General Meeting held on 17 June 2024, Primož Karpe's mandate was renewed for another term and two new members, Natalia Olegovna Ansell and Luka Vesnaver, were appointed. In the same period, the Workers' Council re-appointed Sergeja Kočar as the employee representative on the Supervisory Board for another term of office.

The NLB Supervisory Board consists of the Chairman of the Supervisory Board Primož Karpe, Vice Chairman Shrenik Dhirajlal Davda, Andre-Marc Prudent-Toccanier, Mark William Lane Richards, Cvetka Selšek, Islam Osama Zekry, Sergeja Kočar, Tadeja Žbontar Rems, Natalia Olegovna Ansell and Luka Vesnaver.

In 2024, the Remuneration Committee of the Supervisory Board of NLB d.d. had the following members: Shrenik Dhirajlal Davda – Chairman of Committee, Mark William Lane Richards - Deputy Chair, Sergeja Kočar - member, Verica Trstenjak - member until 17.6.2024, Islam Osama Zekry - member since 9.9.2024, Andre-Marc Prudent- Toccanier - member since 9.9.2024 and Tadeja Žbontar Rems - member until 9.9.2024.

2. Remuneration Report for the Business Year 2024

The Report on Remuneration for the members of the Management Body of NLB d.d., Ljubljana for the business year 2024 (hereinafter: the Remuneration Report) has been prepared in accordance with Article 294.b of the Companies Act (hereinafter: the ZGD-1) and in line with the applicable Remuneration Policy.

3. Remuneration of NLB Management Board members

The remuneration of the Management Board is governed by the Remuneration Policy which is devised in a manner to align with: the business strategy of the NLB Group, its organisational culture and the values to promote the long-term interests of its stakeholders and environmental, social and governance (ESG) considerations whilst preventing conflicts of interest and undue risk taking.

The remuneration of NLB Management Board members for 2024 was made in accordance with the 4th version of the Remuneration Policy.

3.1. Overview of Components of Remuneration NLB Management Board Members

When remunerating the Management Board members the following principles were observed:

- Setting the remuneration at a level sufficient to attract, retain and motivate high calibre management talent
- aligning remuneration to be in line with the trend in salaries on the market and competitive to the remuneration of Management in comparable regional financial institutions;
- linking variable remuneration to performance against a set of pre defined objectives.

Fixed Part of Remuneration		
Component	Elements	Properties
Base salary	Gross base salary	set based on the level of professional experience, responsibilities, powers and duties of a Management Board member
		benchmarked againsts Peer Group salaries
Other Income and Reimbursement of Costs	Holiday allowance and compensations	Annual holiday allowance and family separation allowance
	Travel expenses	Travel and accommodation expenses in relation to business trips of the Management Board member
		Round trips of expatriate Management Board Members or their close family members to the country specified in their employment contract
		Compensation for the use of own assets and cost of material related to working from home (electricity)
		Company car or company car with a driver if travelling for business purposes
Other benefits	Benefits	Entertainment allowance, membership fees and training and education
		Company mobile phone
	Health services	The option of taking a preventive health check-up once in a calendar year, option of spa treatment and rehabilitation, insurance (accident insurance abroad, supplementary health insurance etc.)
	Supplementary pension insurance	Premiums for collective voluntary supplementary pension insurance
	Other benefits	D&O insurance, Cost of tax consulting, payment of the difference in tax liability; cost of educating and caring for children of an expatriate Management Board member

Variable Part of Remuneration		
STI		
Component	Elements	Properties
50% non-deferred part of STI	25% payment in cash	Payment in cash upon awarding
	25% payment in Instruments	Handover upon awarding
50% deferred part of STI	25% deferred part in cash	Vesting of one fifth every year during the five-year Deferral Period
	25% deferred part in Instruments	Vesting of one fifth every year during the five-year Deferral Period

LTI		
Component	Elements	Properties
50% non-deferred part of LTI	25% payment in cash	Payment in cash after the expiration of the Subsequent Performance Period
	25% payment in Instruments	Handover after the expiration of the Subsequent Performance Period
50% deferred part of LTI	25% deferred part in cash	Vesting of one fifth every year during the five-year Deferral Period which starts after the expiration of the Subsequent Performance Period
	25% deferred part in Instruments	Vesting of one fifth every year during the five-year Deferral Period which starts after the expiration of the Subsequent Performance Period

Fixed Remuneration of the NLB Management Board members paid in Business Year 2024

In January 2024, concluding the long-term post-privatisation objective of gradually aligning Management Board's total compensation to be competitive with comparable peers, the Supervisory Board increased the Fixed Salaries of each Management Board member (except the CRO) by 15 %. This figure was arrived at using relevant reference points provided by the AON Benchmarking Analysis undertaken in 2023 to position NLB Management Board total compensation at the median level of the Benchmarking Peer Group. The Supervisory Board also reviewed the salary of the CRO at the same time and considered that the disparity with the salaries of the CEO and CFO was too large, given the scope and nature of his responsibilities and his valuable contribution to the sustainable development of the NLB Group. As a result, he was awarded a 25% salary increase. In approving the increases the Supervisory Board also took into account the fact that Management had not been awarded any salary increase in 2023 and factored in: the strong financial performance across key metrics; continued delivery of attractive Total Shareholder Returns, excellent progress in ESG, digitisation, employee development, payments strategy execution as well as the successful integration of NBanka, a highly value accretive transaction.

A pre-condition imposed by the Supervisory Board before effecting the foregoing increases was that the Remuneration Committee had to be satisfied that the Management Board of NLB d.d. had reviewed the overall employee remuneration structure to ensure that performance is rewarded and that there is internal equality, i.e. fair and consistent treatment across all employee levels.

On 1 May 2024, The Fixed Salaries of the three new Management Board members were increased by 7.5%. This was in line with the Supervisory Board resolution of October 2023, which implemented the AON Benchmarking Analysis recommendation to reduce the disparity between the salaries of the original Management Board members in three stages, so that the salary of the lowest paid member of the Management Board reaches cc 66% of that of the highest paid member. This salary increase was the final stage of the Fixed Salary disparity reduction process. A pre-condition imposed by the Supervisory Board was that before any increase, the Remuneration Committee had to be satisfied that each new Management Board member had made satisfactory progress on their respective individual development plans.

The foregoing revised Management Board salary structure has allowed NLB to recently attract Reinhard Holl as Group Chief Transformation Officer from his role as a Senior Partner in the Düsseldorf office of McKinsey.

In 2024, all six Management Board members participated in the STI Plan for the full year. The Variable Remuneration for 2024 was directly linked to KPI performance assessment and resulted in STI Awards ranging from 90% - 96.25% of the maximum of 9 monthly salaries.

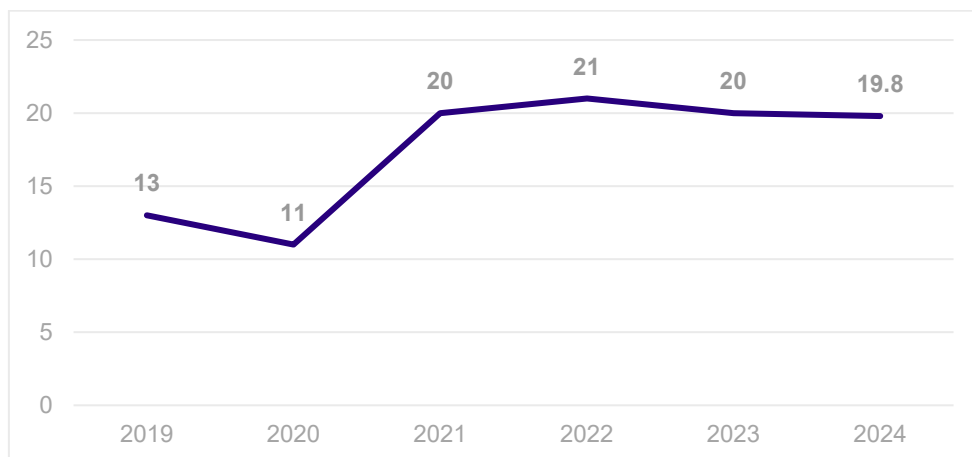
2024 was the first year since the introduction of the LTI plan. The LTI award for each MB member has been calculated based on the performance criteria for the accrual period (i.e. 2024 business year) for LTI - however this amount is subject to adjustment based on performance assessment against specific LTI criteria for the period 2025-2027 (Subsequent Performance Period). This adjustment will be made in 2028.

There was no change in the remuneration paid to the Supervisory Board in 2024.

Evolution of CEO Total Paid Remuneration compared to Employee Average Paid Remuneration

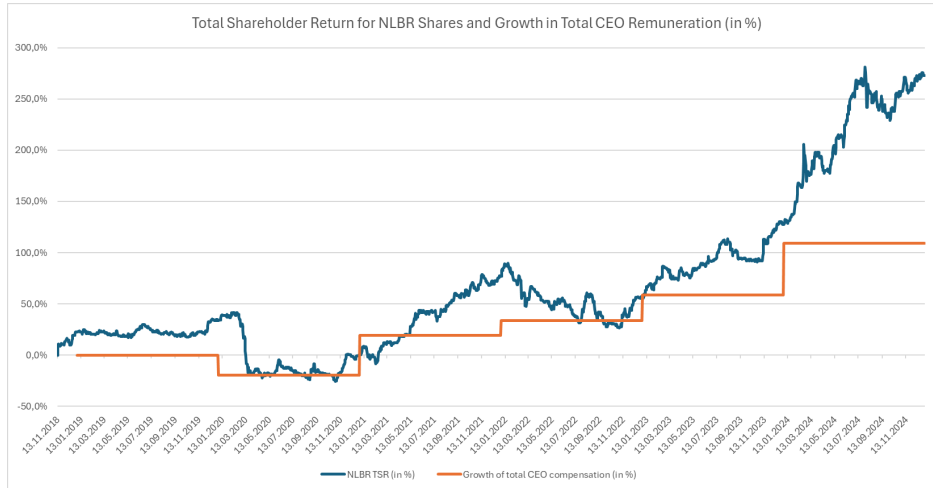
The graph below shows the ratio of yearly CEO total paid remuneration to average total paid remuneration of all employees (except MB members) in period from 2019 to 2024

Graph: Ratio of yearly CEO remuneration to NLB d.d. employees average paid remuneration



Evolution in CEO Remuneration compared to Total Shareholder Return

This graph compares the percentage growth in NLB total shareholder return (reinvesting paid dividends), from the IPO date (13.11.2018) until 31.12.2024 with the growth in total CEO remuneration paid out each year from 1.1.2019 to 31.1.2024. This chart indicates that CEO remuneration was broadly aligned with total shareholder return until end 2023 after which the total share holder return has materially outgrown CEO remuneration.



Variable Remuneration (Performance Bonus) for Management Board Members awarded for Business Year 2024

Based on the criteria set by the Supervisory Board in the Bank's Annual Business Plan and in line with the applicable Remuneration Policy, an element of the total compensation of individual Management Board members was performance bonus (STI and LTI) for the Business Year 2024.

The performance bonus (STI and LTI) of an individual Management Board member for the Business Year 2024 reflects their performance against a set of predefined key performance indicators linked to, amongst others, sustainable and risk-adjusted performance.

3.2. Goals of NLB Management Board Members, achievements and assessment for Business Year 2024

For the business year 2024, the short-term and long-term goals and criteria (STI and LTI) were set in 2023 for each management board member. Their achievements and results, as well as the overall score, are presented in the tables below. Long-term performance criteria have been established for the determination of the LTI, which are assessed separately after the end of the Subsequent Performance Period in accordance with the applicable Remuneration Policy.

Short-term Performance Criteria for STI and LTI per Management Board member are as follows:

Blaž Brodnjak

President of the Management Board

**NLB Group Financial goals
(50%)**

GOALS	CRITERIA	1	2	3	4	WEIGHTS	RESULTS	GRADE
NLB Group Financial goals*	Goals (in EUR milion / in %)	not achieved	partially achieved	Achieved	Exceeded			
Total revenue	1098	< 3,5 %	= - 3,5 % < 0 %	= 0 % to = +3.5%	> +3,5 %	10%	1245	4
Cost/income ratio (CIR)	48%	> + 200 b.t.	= +200 b.t. > 0 b.t.	= 0 b.t. to - 200 b.t.	< -200 b.t.	10%	45,7%	4
Return on equity after tax (ROE a.t.), normalised	21,8%	< - 150 b.t.	= - 150 b.t. to < 0 b.t.	= 0 b.t. to + 100 b.t.	> +100 b.t.	10%	25,5%	4
Cost of risk	28	> + 20 b.t.	= + 20 b.t. to > + 5 b.t.	= + 5 b.t. to - 5 b.t.	< - 5 b.t.	5%	14	4
Net fees and commission income	291	< 3,5 %	= - 3,5 % < 0 %	= 0 % to = +3.5%	> +3,5 %	5%	313	4
Operational business margin (bps)	457	<447 bps	= 447 bps to < 457 bps	=457 bps to = 467 bps	> 467 bps	10%	497	4

**GOALS IN THE AREAS COVERED BY THE PRESIDENT OF THE MANAGEMENT BOARD
(30%)**

1. NLB Group level NPS enhancement

Target	Results	Weight	Grade
NLB Group members' NPS remains on the same level as previous year (result for a year is calculated as running average measurements end of June and end of December in 2023)	NPS has been constantly increasing throughout the years as a result of continuous service development, enhancement of the existing and development of the new products and digital solutions. In 2024, NPS experienced a slight decline (4 i.p.) due to various market conditions, though the overall trend since 2019 remains positive. As a key performance indicator and integral part of NLB's strategy, the NPS results were thoroughly analysed, and an action plan was developed to enhance customer satisfaction moving forward.	5%	1

2. Implementation of Group HR Strategy and ensure consistent practice and collaboration throughout Group and deliver on 2024 milestones

Target	Results	Weight	Grade
NLB Group Talent Strategy - retain 90% of talents and key employees identified as at year end 2023	Overall retention rate for both groups (talents and key employees) is 93%	5%	4
Employer Branding annual rating	Average improving of Employer Brand key factors is 12,3%	5%	4
NLB Group gender pay gap analyses and preparation of action plan to reduce	An analysis of salaries and gender pay gaps was prepared for the banking members of the NLB Group and an action plan was prepared to eliminate any gaps.	5%	4

3. ESG rating improvement

Target	Results	Weight	Grade
Yearly result improved for at least 5% (ESG Sustainability rating 15.2 or less)	Rating was improved and its score is 10,5.	5%	4

4. NLB GROUP CLIMATE STRATEGY

Target	Results	Weight	Grade
a) First version of a comprehensive climate strategy (portfolio and operations) developed and in the process of implementation according to project plans	a) Climate strategy has been developed b) NLB Group without external consultancy is not adequately staffed to execute climate strategy, however, intensive training has been undergoing in this area.	5%	4

b) Personnel for the implementation of the strategy trained, appointed and/or hired

a) 9000 children participating in sports activities sponsored by NLB (effect of enhanced sponsorship activities in sports)	Realisation: 13.899	5%	4
b) 600 people who participated in financial and/or digital literacy training/program organized by NLB (financial inclusion as a core impact of any financial institution)	A: 11.119 (the number of children supported within the project increased mainly due to the larger number of selected clubs this season, but otherwise a slight decrease in the number of children per club can be observed.) B: 2.780 (the number of people who participated in financial and/or digital literacy training/program is higher, due to past activities - schools began to respond en masse, and we also increased activities in the promotion of the Museum/Bankarium)		

PERSONAL GOALS of the PRESIDENT OF THE MANAGEMENT BOARD (20%)

Target	Results	Weight	Grade
Acting in accordance with the NLB Group values	The Management Board was actively involved in culture transformation process and value implementation. Through the year they fully committed to discuss culture code with the project team and organized several meetings on how to improve also their leadership styles in order to meet desired culture norms. Culture and values were also actively presented and discussed on two leadership meetings and one leadership workshop, where MB members actively participated. Also 360 evaluation (feedback from SB) was executed for MB.	5%	4
Employee engagement enhancement - NLB Group (decrease the % of disengaged (actively disengaged and not engaged) employees in favour of engaged for 2p.p. per results December 2023)	Decrease of actively disengaged, disengaged and not engaged for 4,1%. Engagement in NLB Group in 2024 is 54% increase for 4 p.p.	5%	4
Employee Development/ Succession Planning (5,5 days of training per employee /succession plans prepared for all B-1 in NLB d.d. CEO stream and MB members)	NLB and the NLB Group are constantly committed to promoting education throughout the region and employee development as a core value. In NLB d.d. 8.85 training days per employee, in the NLB Group 7.7 days per employee, and in the CEO area 10.1 days per employee.	5%	4
Realisation of Individual development plan	The CEO conducted an assessment interview at the Supervisory Board committee, based on which a development plan was prepared. Further follow-up meetings were held with the coach to prepare an individual development plan based on the previous L/I assessment.	5%	4

OVERALL ASSESSMENT

3,85

Archibald Kremser

Deputy Chief Executive Officer and CFO

**NLB GROUP FINANCIAL GOALS
(50%)**

GOALS	CRITERIA	1	2	3	4	WEIGHTS	RESULTS	GRADE
NLB Group Financial goals*	Goals (in EUR milion / in %)	not achieved	partially achieved	Achieved	Exceeded			
Total revenue	1098	< 3,5 %	= - 3,5 % < 0 %	= 0 % to = +3.5%	> +3,5 %	10%	1245	4
Cost/income ratio (CIR)	48%	> + 200 b.t.	= +200 b.t. > 0 b.t.	= 0 b.t. to - 200 b.t.	< -200 b.t.	13%	45,7%	4
Return on equity after tax (ROE a.t.), normalised	21,8%	< - 150 b.t.	= - 150 b.t. do < 0 b.t.	= 0 b.t. to + 100 b.t.	> +100 b.t.	12%	25,5%	4
Cost of risk	28	> + 20 b.t.	= + 20 b.t. to > + 5 b.t.	= + 5 b.t. to - 5 b.t.	< - 5 b.t.	5%	14	4
Operational business margin	457	<447 bps	= 447 bps to < 457 bps	=457 bps to = 467 bps	> 467 bps	10%	497	4

**GOALS IN THE AREAS COVERED BY THE MANAGEMENT BOARD MEMBER
(30%)**

1. NLB Group level NPS enhancement

Target	Results	Weight	Grade
NLB Group members' NPS remains on the same level as previous year (result for a year is calculated as running average measurements end of June and end of December in 2023)	NPS has been constantly increasing throughout the years as a result of continuous service development, enhancement of the existing and development of the new products and digital solutions. In 2024, NPS experienced a slight decline (4 i.p.) due to various market conditions, though the overall trend since 2019 remains positive. As a key performance indicator and integral part of NLB's strategy, the NPS results were thoroughly analysed, and an action plan was developed to enhance customer satisfaction moving forward.	5%	1

2. Implementation of NLB Group IT strategy

Target	Results	Weight	Grade
(1) Increase Number of Business Partners in alignment with OPS-IT (goals to be aligned in Q1) / Increase Project Delivery Team in alignment with OPS-IT (goals to be aligned/reconfirmed in Q1); Building and activating and retaining talents as "data universe" champions in alignment with updated plans to be presented in Q1 at OPSIT	Achieving planned achievements in accordance with the strategic group's guidelines.	10%	3
(2) Complete Group data migration to warehouse with appropriate functionality in alignment with already presented plans at OPSIT	Achieved the planned project targets	5%	3
(3) Cross functional goal related to efficient delivery of LOPA/Veriloan and its Operational Efficiency with CRO			
(4) Cross Functional Goal Delivery of Retail and CIB CRM			
(5) Delivery of Omni Channel in alignment with plans to be updated by Q1 at OPSIT			

3. Groupwide reduction of energy consumption

Target	Results	Weight	Grade
1. Electricity: -5%	In 2024 a 5% electricity consumption decrease was reached and	5%	4
2. Heating: -10%	9% decrease for heating.		

4. ESG IT&data Strategy:

Target	Results	Weight	Grade
Automatization of ESG data collection for different processes, such as loan origination, operational CO2 measurements, portfolio decarbonisation measurements, ESG KPI dashboard and non-financial reporting requirements (as per CSRD/ESRS)	Automatization of ESG data gathering: -for loan origination: the process is well underway both on corporate and retail side, whereas all functionalities are bound to ESG application. Group-wide it is yet to be implemented but also already under development. -for operational CO2 measurements: real-estate data gathering has been automatized by end of 2024, whereas Scope 3 categories will be developed in Q1 2025. -risk management is in process, as well as other competence lines are following.	5%	3

PERSONAL GOALS of the MANAGEMENT BOARD MEMBER (20%)

Target	Results	Weight	Grade
Acting in accordance with the NLB Group values	The Management Board was actively involved in culture transformation process and value implementation. Through the year they fully committed to discuss culture code with the project team and organized several meetings on how to improve also their leadership styles in order to meet desired culture norms. Culture and values were also actively presented and discussed on two leadership meetings and one leadership workshop, where MB members actively participated. Also 360 evaluation (feedback from SB) was executed for MB.	5%	4
Employee engagement enhancement in NLB d.d. CFO stream and NLB Group IT - decrease the % of disengaged (actively disengaged and not engaged)employees in favour of engaged by 2p.p. as compared with per results of December 2023 in NLB d.d. CFO STREAM and NLB Group IT	Decrease of actively disengaged and disengaged in the CFO stream by 11.28%. In IT NLB d.d., disengagement increased by 4.72%, and in Digit by 6.91%. In IT NLB d.d., despite greater demands, a more stable environment was created, and the empowerment of the management team continues, resulting in generally better engagement. In the NLB Group IT, disengagement increased due to a larger number of demands, which are also more demanding, and an increase in demands for the development of new technologies. All these areas have been identified and will be appropriately addressed in the future.	5%	3
Employee Development/ Succession Planning (5,5 days of training per employee /succession plans prepared for all B-1 in NLB d.d. CFO stream and NLB Group IT)	NLB and the NLB Group are constantly committed to promoting education throughout the region and employee development as a core value. In NLB d.d. 8.85 training days per employee, in the NLB Group 7.7 days per employee, and in the CFO area 7.0 days per employee.	5%	4
Realisation of Individual development plan	The CFO conducted an assessment interview at the Supervisory Board committee, based on which a development plan was prepared. Further follow-up meetings were held with the coach to prepare an individual development plan based on the previous L/I assessment.	5%	4

OVERALL ASSESSMENT

3,60

Andreas Burkhardt
Chief Risk Officer

NLB GROUP FINANCIAL GOALS (20%)

GOALS	CRITERIA	1	2	3	4	WEIGHTS	RESULTS	GRADE
NLB Group Financial goals*	Goals (in EUR milion / in %)	not achieved	partially achieved	Achieved	Exceeded			
<i>CIR</i>	48%	> + 200 b.t.	= +200 b.t. > 0 b.t.	= 0 b.t. do - 200 b.t.	< -200 b.t.	10%	45,7%	4
<i>ROE normalized</i>	21,8%	< - 150 b.t.	= - 150 b.t. do < 0 b.t.	= 0 b.t. to + 100 b.t.	> +100 b.t.	10%	25,5%	4

GOALS IN THE AREAS COVERED BY THE MANAGEMENT BOARD MEMBER (60%)

1. Cost of risk

Target	Results	Weight	Grade
In bps = 28	Achievement = 14	30%	4

2. Implementation of Risk strategy of the NLB Group

Target	Results	Weight	Grade
Staying within defined limits	Bank was above risk appetite indicators through the year 2024, while on other side growing substantially. We did not detect that limits were hindering business growth, just directed it into preferred segments of business	30%	4

3. Cross functional goal related to efficient delivery of LOPA / Veriloan and its Operational Efficiency with Head of IT

Target	Results	Weight	Grade
progress on delivery on LOPA and achievement of operational efficiency	Achievement was below plan	10%	2

4. NLB Group Climate Strategy

Target	Results	Weight	Grade
Appoint responsible persons, identify new roles (ESMS Officer in NLB d.d., climate scientists etc.), the necessary knowledge, capabilities, trainings and support development of adequate processes to ensure the successful implementation and execution of the Net0 portfolio strategy in the area of risk management	All activities required to achieve the second round of the Net Zero project for 2024 have been carried out, such as the RFP for external consultancy. It is also very important to note that not all expertise exists within the bank and it is common practice to engage external consultants for consultancy. However, an ESG Risk Coordinator has been appointed and his work is very valuable and contributes to the effectiveness of sustainability implementation.	4%	4

5. Supervisory (ECB, BS, EBA) risk management requirements and expectations related to ESG

Target	Results	Weight	Grade
Supervisory (ECB, BS, EBA) risk management requirements and expectations related to ESG successfully met	All regulatory and ESG requirements related to risk management were overachieved.	4%	4

6. Develop templates and data collection process for the regular reporting (quarterly basis) on the ESMS funnel (on the level of transaction, client, and portfolio)

Target	Results	Weight	Grade
50% of Key Clients + SME exposure Credit in Slovenia ESG reviewed	55% ESG in-depth reviews for of the exposure based on the exposure on 12/31/2023 were performed or we covered EUR 3.31 billion of exposure with ESG reviews. In addition, ESG in-depth reviews of a total exposure of EUR 567 million were carried out in accordance with the new rules during the year.	2%	4

**PERSONAL GOALS of the MANAGEMENT BOARD MEMBER
(20%)**

Target	Results	Weight	Grade
Acting in accordance with the NLB Group values	The Management Board was actively involved in culture transformation process and value implementation. Through the year they fully committed to discuss culture code with the project team and organized several meetings on how to improve also their leadership styles in order to meet desired culture norms. Culture and values were also actively presented and discussed on two leadership meetings and one leadership workshop, where MB members actively participated. Also 360 evaluation (feedback from SB) was executed for MB.	4%	4
Employee engagement enhancement - NLB d.d. CRO stream (decrease the % of disengaged (actively disengaged and not engaged) employees in favour of engaged for 2p.p. per results December 2023 for CRO Stream)	Decrease of actively disengaged for 5,92%. Engagement increased to 69% and is inline with engagement with NLB d.d. (68%).	4%	4
Employee Development / Succession Planning (5,5 days of training per employee/succession plans prepared for all B-1 in CRO stream NLB d.d.)	NLB and the NLB Group are constantly committed to promoting education throughout the region and employee development as a core value. In NLB d.d. 8.85 training days per employee, in the NLB Group 7.7 days per employee, and in the CRO area 7.91 days per employee.	4%	4
Realisation of Individual development plan	The CRO conducted an assessment interview at the Supervisory Board committee, based on which a development plan was prepared. Further follow-up meetings were held with the coach to prepare an individual development plan based on the previous L/I assessment	4%	4
NLB Group members' NPS remains on the same level as previous year (result for a year is calculated as running average measurements end of June and end of December in 2023)	NPS has been constantly increasing throughout the years as a result of continuous service development, enhancement of the existing and development of the new products and digital solutions. In 2024, NPS experienced a slight decline (4 i.p.) due to various market conditions, though the overall trend since 2019 remains positive. As a key performance indicator and integral part of NLB's strategy, the NPS results were thoroughly analysed, and an action plan was developed to enhance customer satisfaction moving forward.	4%	1

Overall assessment

3,68

Antonio Argir

Board Member responsible for Payments and Group Steering

NLB GROUP FINANCIAL GOALS (50%)

GOALS	CRITERIA	1	2	3	4	WEIGHTS	RESULTS	GRADE
NLB Group Financial goals*	Goals (in EUR milion / in %)	not achieved	partially achieved	Achieved	Exceeded			
Total revenue	1098	< 3,5 %	= - 3,5 % < 0 %	= 0 % to = +3.5%	> +3,5 %	5%	1245	4
CIR	48%	> + 200 b.t.	= +200 b.t. > 0 b.t.	= 0 b.t. to - 200 b.t.	< -200 b.t.	5%	45,7%	4
ROE normalized	21,8%	< - 150 b.t.	= - 150 b.t. do < 0 b.t.	= 0 b.t. to + 100 b.t.	> +100 b.t.	5%	25,5%	4
Net fees and commission income	291	< 3,5 %	= - 3,5 % < 0 %	= 0 % to = +3.5%	> +3,5 %	10%	313	4
Operational business margin (bps)	457	<447 bps	= 447 bps to < 457 bps	=457 bps to = 467 bps	> 467 bps	5%	497	4
Net Fees and Commissions income (Payments+Cards and ATM operations)	120	< 3,5 %	= - 3,5 % < 0 %	= 0 % to = +3.5%	> +3,5 %	10%	125	4
Total income - SEE Banks+Leas&GO+NLB Skladi	606	< 3,5 %	= - 3,5 % < 0 %	= 0 % to = +3.5%	> +3,5 %	10%	646	4

GOALS IN THE AREAS COVERED BY THE MANAGEMENT BOARD MEMBER (30%)

1. Delivery of measurable targets for Payments System, Cards and Payment Operations as per Payments Strategy

Target	Results	Weight	Grade
Scheme RFP (Visa and MC) decision adopted and activities in progress according to the project plan	Proposal internally aligned in March 2024, official confirmation on MB in the beginning of April, - contracts signed on time - proposal for migration of MC portfolios to Visa aligned in Q4 and in line with internal timeline, activities and analysis adopted and were executed - definition of premium product prepared in paralel - effect of saving on group level cca 97 mio EUR	4%	4
Decrease share of cash transactions in branches	The realized share at the level of NLB Group was 18.4%, while the plan was 20.7%, which means a reduction of 2.3 percentage points, which exceeded the target.	3%	4

2. Increase groupwide digital and specifically mobile penetration

Target	Results	Weight	Grade
Mobile penetration (active) according channel strategy increase groupwide mobile penetration for 4 b.p.	NLB Group average in 2023: 40,0%, average at 2024 end of year = 49,3%	4%	4
Increase Share of transactions with digitized cards (wallet transactions) in all card transactions (establish stable metrics and KPI across the group as precondition)	Target for EOY 2024 was 3,09% for NLB Group. Achieved target for NLB group was 6,42%	4%	4

3. NLB Group level NPS enhancement

Target	Results	Weight	Grade
NLB Group members' NPS remains on the same level as previous year (result for a year is calculated as running average measurements end of June and end of December in 2023)	NPS has been constantly increasing throughout the years as a result of continuous service development, enhancement of the existing and development of the new products and digital solutions. In 2024, NPS experienced a slight decline (4 i.p.) due to various market conditions, though the overall trend since 2019 remains positive. As a key performance indicator and integral part of NLB's strategy, the NPS results were thoroughly analysed, and an action plan was developed to enhance customer satisfaction moving forward.	5%	1

4. New ESG Policy and Rulebook: implementation in core subsidiaries

Target	Results	Weight	Grade
New ESG Policy and Rulebook: timely implementation in core subsidiaries	ESG Policy and Rulebook were accurately and timely implemented in core subsidiaries.	5%	4

5. NLB Group Climate Strategy

Target	Results	Weight	Grade
a) implement Net0 operations strategy in core subsidiaries (Net0 operations strategy will be prepared on the Group level by end of H1 2024) b) implement Net0 portfolio strategy in core subsidiaries (including ESG risk management related enhancements)	Net-zero Operational Strategy has been well developed and presented on both MB and SB, with no further objections. Due to its broad implications on CAPEX and resolution by the MB, that cost-effectiveness will be presented by end of H1 2025 and the fact that the Strategy is to be implemented through Competence lines directly to the Group, the Group itself doesn't have any obligation to implement Strategy, but should wait for adequate instructions from CL (mostly real-estate and Lease&GO). Time-wise the Strategy was adopted in H2 2024, namely due to rather extensive number of assumptions, which had to be cross-checked by relevant CL several times, the process of harmonization organizationally could not be carried out earlier.	5%	4

PERSONAL GOALS of the MANAGEMENT BOARD MEMBER (20%)

Target	Results	Weight	Grade
Acting in accordance with the NLB Group values	The Management Board was actively involved in culture transformation process and value implementation. Through the year they fully committed to discuss culture code with the project team and organized several meetings on how to improve also their leadership styles in order to meet desired culture norms. Culture and values were also actively presented and discussed on two leadership meetings and one leadership workshop, where MB members actively participated. Also 360 evaluation (feedback from SB) was executed for MB.	5%	4
Employee engagement enhancement in NLB d.d. CGPO STREAM (decrease the % of disengaged (actively disengaged and not engaged) employees in favour of engaged for 2p.p. per results December 2023 in NLB d.d. CGPO STREAM)	Increase of actively disengaged for 3,64%. In the CGPO area are 4 OU; 2 of them presents significant improvement and assessment grade was 4, in 2 OU assessment were 1, but the response rate was higher (for 31% and 18%). Also 3 newly appointed directors were in 2024 of which two successors of long term very well recognized predecessors and one B1 newly coming in the bank who is dealing with building and renewal of the team payments business development which is pretty new role in the bank and also focusing and dealing with some legacy regulatory matters. If we take all employees of the stream in one there is increase in respondents for almost 10% while number of engaged employees increase, actively disengaged remained almost the same, and increase is notices in disengaged only and for less than number of total increase of respondents. Response rate is for 2,26% higher than in 2023 and much higher than overall bank response rate.	5%	3
Employee Development / Succession Planning (5,5 days of training per employee/succession plans prepared for all B-1 in relevant OE in CGPO stream in NLB d.d.)	NLB and the NLB Group are constantly committed to promoting education throughout the region and employee development as a core value. In NLB d.d. 8.85 training days per employee, in the NLB Group 7.7 days per employee, and in the CGPO area 8.98 days per employee.	5%	4
Realisation of Individual development plan	The MB member conducted an assessment interview at the Supervisory Board committee, based on which a development plan was prepared. Further follow-up meetings were held with the coach to prepare an individual development plan based on the previous L/I assessment	5%	4

Overall assessment

3,80

Andrej Lasič

Management Board member responsible for Commercial and Investment Banking

NLB GROUP FINANCIAL GOALS

(50%)

GOALS	CRITERIA	1	2	3	4	WEIGHTS	RESULTS	GRADE
NLB Group Financial goals*	Goals (in EUR milion / in %)	not achieved	partially achieved	Achieved	Exceeded			
Total revenue	1098	< 3,5 %	= - 3,5 % < 0 %	= 0 % to = +3.5%	> +3,5 %	5%	1245	4
CIR	48%	> + 200 b.t.	= +200 b.t. > 0 b.t.	= 0 b.t. to - 200 b.t.	< -200 b.t.	5%	45,7%	4
ROE normalized	21,8%	< - 150 b.t.	= - 150 b.t. do < 0 b.t.	= 0 b.t. to + 100 b.t.	> +100 b.t.	5%	25,5%	4
cost of risk	28	> + 20 b.t.	= + 20 b.t. to > + 5 b.t.	= + 5 b.t. to - 5 b.t.	< - 5 b.t.	5%	14	4
Net fees and commission income	291	< 3,5 %	= - 3,5 % < 0 %	= 0 % to = +3.5%	> +3,5 %	5%	313	4
Operational business margin (bps)	457	< 447 bps	= 447 bps to < 457 bps	= 457 bps to = 467 bps	> 467 bps	5%	497	4
CIB Total net income	287	< 3,5 %	= - 3,5 % < 0 %	= 0 % to = +3.5%	> +3,5 %	10%	312	4
CIB Total net fees	73	< 3,5 %	= - 3,5 % < 0 %	= 0 % to = +3.5%	> +3,5 %	10%	75	3

GOALS IN THE AREAS COVERED BY THE MANAGEMENT BOARD MEMBER

(30%)

1. Develop Credible Granular Segemented Group wide SME strategy

Target	Results	Weight	Grade
Preparation SME Strategy for SLO and Serbia	Both SME strategies for both countries were prepared on time. For Serbia, it was also approved by their MB, and in Slovenia it was approved by the sales committee, for the approval of the MB, we are still waiting for open HR cases. In addition, an Agro strategy was also prepared for SLO, which was also approved by the MB and contains very ambitious growth until 2030.	5%	4

2. Grow Market Share in Serbia and enhance capacity to serve specialised target sub segments

Target	Results	Weight	Grade
To achieve market share at least 10% of CIB	Market share on this markets increase to 10,7%	5%	4

3. Achieving NLB Group level NPS enhancement (NPS NLB Group 50% and NPS Slovenia SME 50%)

Target	Results	Weight	Grade
NLB Group members' NPS remains on the same level as previous year (result for a year is calculated as running average measurments of end of June and end of December 2023)	NPS has been constantly increasing throughout the years as a result of continuous service development, enhancement of the existing and development of the new products and digital solutions. In 2024, NPS on both segments experienced a slight decline due to various market conditions, though the overall trend since 2019 remains positive. As a key performance indicator and integral part of NLB's strategy, the NPS results were thoroughly analysed, and an action plan was developed to enhance customer satisfaction moving forward.	5%	1

4. Implementation of IT projects

Target	Results	Weight	Grade
implementation of critical IT projects: CRM, OMNI for corp, credit granting process tool for SME - Veriloan	All projects are proceeding in accordance with expectations but not reaching the expected goals.	5%	2

5. Annual growth of Groupwide corporate green lending portfolio

Target	Results	Weight	Grade
150 m EUR of new green loan production	<p>The year 2024 was very successful in green financing and we managed to exceed the targets.</p> <p>By December 2024, the following had been realized:</p> <ul style="list-style-type: none"> - New production: more than EUR 260 million, of which green-bond eligible more than EUR 205 million - Stock: more than EUR 650 million total green, of which EUR 556 million green-bond eligible 	5%	4

6. NLB Group Climate Strategy

Target	Results	Weight	Grade
a) implement Net0 portfolio strategy	a) NZBA strategy implemented and KPI'S are achieved	5%	4
b) develop & implement a client engagement strategy together with systematic training for frontline employees	b) large number of trainings were carried out, ESG coordinators provided in-depth ESG training to their commercialists		

PERSONAL GOALS of the MANAGEMENT BOARD MEMBER (20%)

Target	Results	Weight	Grade
Acting in accordance with the NLB Group values	The Management Board was actively involved in culture transformation process and value implementation. Through the year they fully committed to discuss culture code with the project team and organized several meetings on how to improve also their leadership styles in order to meet desired culture norms. Culture and values were also actively presented and discussed on two leadership meetings and one leadership workshop, where MB members actively participated. Also 360 evaluation (feedback from SB) was executed for MB.	5%	4
Employee engagement enhancement decrease the % of disengaged (actively disengaged and not engaged) employees in favour of engaged for 2p.p. per results December 2023 in NLB d.d. Corporate stream)	Decrease actively disengaged for 2,07%.	5%	3
Employee Development / SuccessionPlanning (5,5 days of training per employee/succession plans prepared for all B-1 in NLB d.d. Corporate stream)	NLB and the NLB Group are constantly committed to promoting education throughout the region and employee development as a core value. In NLB d.d. 8.85 training days per employee, in the NLB Group 7.7 days per employee, and in the CMO corporate area 8.54 days per employee.	5%	4
Realisation of Individual development plan	The MB member conducted an assessment interview at the Supervisory Board committee, based on which a development plan was prepared. Further follow-up meetings were held with the coach to prepare an individual development plan based on the previous L/I assessment	5%	4

Overall assessment	3,60
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Hedvika Usenik

Management Board member responsible for Retail Banking

NLB GROUP FINANCIAL GOALS

(50%)

GOALS	CRITERIA	1	2	3	4	WEIGHTS	RESULTS	GRADE
NLB Group Financial goals*	Goals (in EUR milion / in %)	not achieved	partially achieved	Achieved	Exceeded			
Total revenue	1098	< 3,5 %	= - 3,5 % < 0 %	= 0 % to = +3.5%	> +3,5 %	5%	1245	4
CIR	48%	> + 200 b.t.	= +200 b.t. > 0 b.t.	= 0 b.t. to - 200 b.t.	< -200 b.t.	5%	45,7%	4
ROE normalized	21,8%	< - 150 b.t.	= - 150 b.t. do < 0 b.t.	= 0 b.t. to + 100 b.t.	> +100 b.t.	5%	25,5%	4
cost of risk	28	> + 20 b.t.	= + 20 b.t. to > + 5 b.t.	= + 5 b.t. to - 5 b.t.	< - 5 b.t.	5%	14	4
Čiste opravnine	291	< 3,5 %	= - 3,5 % < 0 %	= 0 % to = +3.5%	> +3,5 %	5%	313	4
Marža operativnega poslovanja	457	< 447 bps	= 447 bps to < 457 bps	= 457 bps to = 467 bps	> 467 bps	5%	497	4
RETAIL Total net income	782	< 3,5 %	= - 3,5 % < 0 %	= 0 % to = +3.5%	> +3,5 %	10%	846	4
Retail Total net fees	206	< 3,5 %	= - 3,5 % < 0 %	= 0 % to = +3.5%	> +3,5 %	10%	224	4

GOALS IN THE AREAS COVERED BY THE MANAGEMENT BOARD MEMBER

(30%)

1. Group Operational CRM and Omni channel project delivery

Target	Results	Weight	Grade
Project implementation in accordance with plan	<p>CRM - planned activities on the oCRM project (in LJ and KB) were implemented: processes optimized (onrollment, onboarding, acc. mng LE), processes prepared, specifications. An RFP was prepared for mCRM and we already have concrete offers. The selection will continue depending on the decision on oCRM (new platform).</p> <p>Omni - basic processes were developed; the last deposit was concluded in December. The plan for Digital Penetration was exceeded - at the group level 56.6%. We are extremely proud of the breakthrough in the field of Digital Sales in NLB d.d. - 31.12.2024 amounted to 29.6%, which significantly exceeded the plan (15%) . NLB d.d. 2024 Achievements: After 4 years, NLB d.d. has finally regained position of the market leader with regards to Mobile banking, WEB Banking and WEBSITE.</p>	5%	4

2. NLB Group retail level NPS ENHANCEMENT (NLB Group 50% and NPS Slovenia retail 50%)

Target	Results	Weight	Grade
Merila	Doseganje	Utež	Ocena
NLB Group members' NPS remains on the same level as previous year (result for a year is calculated as running average measurements of end of June and end of December 2023)	NLB d.d.: +5.4, NLB Group: -4.4. Average: +0.5	5%	3

3. Growth in market share of retail lending

Target	Results	Weight	Grade
Market share in accordance with plan	Market share has increase in all markets except in Montenegro	5%	3

4. NLB Group Retail green lending portfolio

Target	Results	Weight	Grade
Volume of new retail green loan production = 63,7 mil (as per budget)	Volume of new Group Retail green loan production is above budget.	5%	4

5. NLB Group Climate Strategy: implement Net0 portfolio strategy

Target	Results	Weight	Grade
Timely implementation of targets and portfolio actions in line with the Group's Net0 ambition to lead the green transition. Responsible for short- and long-term business targets related to financing green transition, the CMO, along with the CRO and CFO functions, ensures that net zero targets are translated into relevant business KPIs. The CMO ensures that operative business functions fulfill their role as the first line of defence for climate-related risks, by implementing appropriate client screening, mitigation measures and due diligence processes. CMO ensures climate related and client engagement trainings are available for all relevant frontline staff.	<p>Main achievements:</p> <p>NLB d.d.:</p> <ul style="list-style-type: none"> - NZBA RRE target above set target - ESG app connection with front-end app NBO developed - Sales manual implemented - Sales advisors education/training done - review of individual loans with green purpose executed by Back office of NLB d.d. - LIA from the perspective of data security done - Operational risk listed in LER app <p>NLB Group:</p> <ul style="list-style-type: none"> - RET ESG stream (lead from LJ RET): Q WS with banks, 1:1 meetings with banks - monitoring the KPI, development of ESG area, best practice sharing. - RFP for PED baseline (RRE) for members done - development demands for ESG app connection with core systems filed - Sales Manuals drafted 	5%	4

6. Digital penetration

Target	Results	Weight	Grade
Increase for 4 p.p. in 2024	Annual growth by 6.2 p.p., from 50.4% to 56.6%, also rated as the best 2024 digital bank in Slovenia.	5%	4

PERSONAL GOALS of the MANAGEMENT BOARD MEMBER (20%)

Target	Results	Weight	Grade
Acting in accordance with the NLB Group values	The Management Board was actively involved in culture transformation process and value implementation. Through the year they fully committed to discuss culture code with the project team and organized several meetings on how to improve also their leadership styles in order to meet desired culture norms. Culture and values were also actively presented and discussed on two leadership meetings and one leadership workshop, where MB members actively participated. Also 360 evaluation (feedback from SB) was executed for MB.	5%	4
Employee engagement enhancement in NLB d.d. retail stream (decrease the % of disengaged (actively disengaged and not engaged) employees in favour of engaged for 2p.p. per results December 2023 in Retail stream of NLB d.d.)	Actively disengaged increase by 1.7%. In retail, the response rate is always slightly lower, but the level of engagement is the same as the bank's average. The increase in response rate is higher than 6% and is higher than the overall response rate of NLB d.d.	5%	3
Employee Development/Succession Planning (5,5 days of training per employee/ succession plans prepared for all B-1 in Retail stream of NLB d.d.)	NLB and the NLB Group are constantly committed to promoting education throughout the region and employee development as a core value. In NLB d.d. 8.85 training days per employee, in the NLB Group 7.7 days per employee, and in the CMO retail area 9.51 days per employee.	5%	4
Realisation of Individual development plan	The MB member conducted an assessment interview at the Supervisory Board committee, based on which a development plan was prepared. Further follow-up meetings were held with the coach to prepare an individual development plan based on the previous L/I assessment	5%	4

Overall assessment
3,85

3.3. Goals for LTI

The following targets were set to determine the performance of an individual Management Board member during the Subsequent Performance Period (i.e. for 2024 this is performance between 2025 – 2027), i.e. to determine the fulfilment of the Long-term Performance Criteria for the payment of LTI:

	Target	Criteria																
Financial LTI targets (50%; 20% CRO)	relative Total Shareholder Return (TSR) in Subsequent Performance Period (2025 - 2027) compared to a defined Peer Group of Banks	rank at least 4 of relative TSR to peer bank <table><tr><td>NLB d.d. Rank</td><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td><td>6</td><td>7</td></tr><tr><td>Grade</td><td>4</td><td>4</td><td>3</td><td>3</td><td>2</td><td>2</td><td>1</td></tr></table>	NLB d.d. Rank	1	2	3	4	5	6	7	Grade	4	4	3	3	2	2	1
NLB d.d. Rank	1	2	3	4	5	6	7											
Grade	4	4	3	3	2	2	1											
non-financial LTI targets (50%, except CRO 20%)	Targets linked to organisational culture, employee development, customer relations	Organisational Culture should show decrease for 25% of the gap between the actual and desired culture																
		Gender pay gap in NLB d.d. should decrease to 18% (baseline is 22% as per 2022 survey)																
		Sustainable loan portfolio target for 2027 extrapolated from net0 strategy is 1,276 M EUR (Retail 347 M EUR and CIB 929 M EUR)																
LTI targets (for CRO Only 60%)	Cost of risk	average realised negative deviation of CoR relative to plan established for STI (as per Slide 1) over subsequent performance period																

An assessment will take place in April 2028 of the Subsequent Performance Period and the LTI will be adjusted accordingly. The assessment will be disclosed in the Remuneration Report for business year ending 31.12.2027.

3.4. Awarding of STI and LTI to the NLB Management Board Members for Business Year 2024

Based on the criteria set by the Supervisory Board as part of the Bank's Annual Business Plan and in accordance with the Remuneration Policy, each member of the Management Board is entitled to a performance bonus for short-term (STI) and long-term (LTI) performance for the financial year 2024.

The Management Board Member's Performance Bonus (STI and LTI) for business year 2024 reflects their performance compared to the set of pre-defined targets related to, among other things, sustainable and risk-based performance.

On the basis of Short Term Performance Criteria, the Management Board members are awarded a Short Term Performance Bonus (STI) in the maximum amount of 9 monthly salaries and a Long Term performance bonus (LTI) in the maximum amount of 3 monthly salaries.

The Supervisory Board decided on 10 April 2025 on the awarding and payment of the performance bonus (STI and LTI) for business year 2024 and the payment of the deferred part of the variable part of the salary for past business years to the current and former Management Board members based on the remuneration policy applicable in that period. The payment of the cash part of the non-deferred part of the STI and the handing over of instruments as the non-deferred part of the STI for the business year 2024 were carried out on 18 April 2025. The fulfilment of the Long Term Performance Criteria for the LTI will be determined after the expiry of the Subsequent Performance Period (3 years i.e. 2028).

For the awarding of STI and LTI for the business year 2024, a joint assessment by the Supervisory Board of the achievement of goals per Management Board member was conducted and individual scores graded, as shown in the table below.

Table: Calculation of the amount of STI and LTI according to the assessment of goals per Management Board member

	Maximum Score in line with the Policy	Score achieved per MB member for 2024	STI and LTI as % of maximum score
Brodnjak Blaž	4	3.85	96.25%
Kremser Archibald	4	3.60	90.00%
Burkhardt Andreas	4	3.68	92.00%
Argir Antonio	4	3.80	95.00%
Lasič Andrej	4	3.60	90.00%
Usenik Hedvika	4	3.85	96.25%

The ratio between the gross fixed salary of a Management Board member and the maximum variable part of the salary of the same Management Board member in the business year 2024 was as it is shown in the table above.

On 10/4/2025, NLB Supervisory Board awarded STI and LTI (of which 50% is awarded in cash and 50% in instruments) for the business year 2024 per Management Board member, as indicated in the table below. The awarded LTI is subject to additional adjustment based on the achievement of Long-term Performance Criteria during the 3 year Subsequent Performance Period.

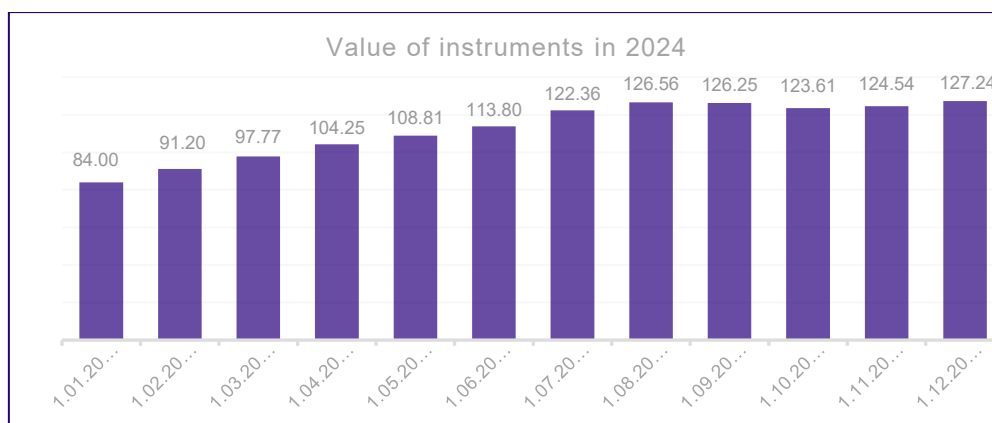
Table: STI and LTI awarded per Management Board member for the business year 2024

		Total awarded	Total awarded (subject to additional adjustment after 3 year Subsequent Performance Period)
Name	Term of Office	STI in EUR	LTI in EUR
Blaž Brodnjak	1.1.- 31/12/2024	547.903,13	182.634,38
Archibald Kremser	1.1.- 31/12/2024	489.037,50	163.012,50
Andreas P. Burkhardt	1.1.- 31/12/2024	474.386,04	158.128,68
Antonio Argir	1.1.- 31/12/2024	326.504,55	108.834,85
Andrej Lasič	1.1.- 31/12/2024	309.320,10	103.106,70
Hedvika Usenik	1.1.- 31/12/2024	330.800,66	110.266,89
Skupaj		2.477.951,98	825.983,99

The non-deferred part of the awarded LTI¹ is to be paid after the adoption of the NLB Group's Annual Report for the business year preceding the business year in which the ex-post performance period expires, but not before the expiry of the ex-post performance period. For the 2024 LTI² the non deferred part is expected to be paid in 2028. Prior to the payment of the non-deferred part of the awarded LTI, the Supervisory Board will assess the achievement of the Long Term Performance Criteria of the MB members during the Subsequent Performance Period and, taking into account this assessment and other criteria for ex-post risk adjustment prior to any payment (e.g. malus), adjust the amount of the LTI award.

In line with applicable legislation, NLB d.d. has created for the purpose of awarding 50% of the variable remuneration, an instrument the value of which is linked to the share price of NLB d.d. (i.e. phantom share). The Instrument gives its holder yields equal to the dividends the NLB d.d.'s share gives its holder and in accordance with Slovene Law and Remuneration Policy is subject to a three year retention from the date of vesting before it can be monetised. The member of the Management Board shall be entitled to the yields from the date of handover of the instruments.

Table: Average 90-day value of the instrument in 2024



¹ please note that the awarded LTI is subject to additional adjustment to the achievement of Long-term Performance Criteria during the 3 year Subsequent Performance Period

² please note that the awarded LTI is subject to additional adjustment to the achievement of Long-term Performance Criteria during the 3 year Subsequent Performance Period

3.5. Overview of remuneration paid to the Management Board members from 1/1/2024 to 31/12/2024

The table below shows all payments of both fixed and variable pay made to Management Board members in the business year 2024 (paid either in cash or made available as a benefit) comprising non deferred cash payment in 2024 and the deferred part of prior year variable pay.

		in EUR
Name and surname	remuneration	gross amount
Blaž Brodnjak 1.1.2024 - 31.12.2024	Short – term benefits:	767.503,81
	gross salary and holiday allowance	753.098,33
	benefits and separation allowance	14.405,48
	Costs refunds	1.451,76
	Long – term benefits:	2.903,64
	- other benefits	2.903,64
	Sum variable part of remuneration paid in cash in 2024	241.055,01
	deferred part for 2019 payment in cash	70.000,00
	deferred part for 2020 payment in cash	17.500,00
	deferred part for 2021 payment in cash	14.042,91
	deferred part for 2022 payment in cash	15.762,10
	non-deferred part for 2023 payment in cash	123.750,00
	Total:	1.012.914,22
Archibald Kremser 1.1.2024 - 31.12.2024	Short – term benefits:	754.672,31
	gross salary and holiday allowance	718.973,34
	benefits and separation allowance	35.698,91
	Costs refunds	1.433,76
	Long – term benefits:	2.903,64
	- other benefits	2.903,64
	Sum variable part of remuneration paid in cash in 2024	229.865,41
	deferred part for 2019 payment in cash	66.666,66
	deferred part for 2020 payment in cash	16.666,67
	deferred part for 2021 payment in cash	13.374,14
	deferred part for 2022 payment in cash	15.032,94
	non-deferred part for 2023 payment in cash	118.125,00
	Total:	988.875,06
Andreas P. Burkhardt 1.1.2024 - 31.12.2024	Short – term benefits:	726.687,94
	gross salary and holiday allowance	678.405,36
	benefits and separation allowance	48.282,58
	Costs refunds	1.503,52
	Long – term benefits:	2.903,64
	- other benefits	2.903,64
	Sum variable part of remuneration paid in cash in 2024	210.292,08
	deferred part for 2019 payment in cash	64.166,66
	deferred part for 2020 payment in cash	16.041,67
	deferred part for 2021 payment in cash	12.826,50
	deferred part for 2022 payment in cash	14.130,75
	non-deferred part for 2023 payment in cash	103.126,50
	Total:	941.387,18

Antonio Argir 1.1.2024 - 31.12.2024	Short – term benefits:	509.334,22
	gross salary and holiday allowance	453.128,33
	benefits and separation allowance	56.205,89
	Costs refunds	1.431,24
	Long – term benefits:	2.903,64
	- other benefits	2.903,64
	Sum variable part of remuneration paid in cash in 2024	73.113,98
Andrej Lasič 1.1.2024 - 31.12.2024	deferred part for 2022 payment in cash	6.809,29
	non-deferred part for 2023 payment in cash	66.304,69
	Total:	586.783,08
	Short – term benefits:	454.492,57
	gross salary and holiday allowance	453.128,34
	benefits and separation allowance	1.364,23
	Costs refunds	1.387,24
Hedvika Usenik 1.1.2024 - 31.12.2024	Long – term benefits:	2.903,64
	- other benefits	2.903,64
	Sum variable part of remuneration paid in cash in 2024	73.113,98
	deferred part for 2022 payment in cash	6.809,29
	non-deferred part for 2023 payment in cash	66.304,69
	Total:	531.897,43
	Short – term benefits:	465.464,45
Hedvika Usenik 1.1.2024 - 31.12.2024	gross salary and holiday allowance	453.128,35
	benefits and separation allowance	12.336,10
	Costs refunds	1.325,24
	Long – term benefits:	2.903,64
	- other benefits	2.903,64
	Sum variable part of remuneration paid in cash in 2024	73.113,98
	deferred part for 2022 payment in cash	6.809,29
Total remuneration paid (either in cash or made available as a benefit) to Management Board members in 2024	non-deferred part for 2023 payment in cash	66.304,69
	Total:	542.807,31
Total remuneration paid (either in cash or made available as a benefit) to Management Board members in 2024		EUR 4.604.664,28

3.6. Overview of variable remuneration awarded to the members of the Management Board for the business year 2023.

Table: Disclosure of variable remuneration awarded to the members of the Management Board during 2024 for the business year 2023.

Name and surname	Term of office	Non-deferred part		Deferred part		Total awarded
		Cash part	Instruments	Cash part	Instruments	
Blaž Brodnjak	1.1.- 31.12.2023	123.750,00 €	123.750,00 €	123.750,00 €	123.750,00 €	495.000,00 €
Archibald Kremser	1.1.- 31.12.2023	118.125,00 €	118.125,00 €	118.125,00 €	118.125,00 €	472.500,00 €
Andreas P. Burkhardt	1.1.- 31.12.2023	103.126,50 €	103.126,50 €	103.126,50 €	103.126,50 €	412.506,00 €
Antonio Argir	1.1.- 31.12.2023	66.304,69 €	66.304,69 €	66.304,69 €	66.304,69 €	265.218,75 €
Andrej Lasič	1.1.- 31.12.2023	66.304,69 €	66.304,69 €	66.304,69 €	66.304,69 €	265.218,75 €
Hedvika Usenik	1.1.- 31.12.2023	66.304,69 €	66.304,69 €	66.304,69 €	66.304,69 €	265.218,75 €
Total		543.915,57 €	543.915,57 €	543.915,57 €	543.915,57 €	2.175.662,28 €

The table below shows full fixed remuneration of Management Board members paid in 2024 and variable remuneration awarded for years from 2019 to 2023.

Table: Disclosure of fixed remuneration of Management Board members in 2024 and variable remuneration awarded for years from 2019 to 2023

	Blaž Brodnjak	Archibald Kremser	Andreas P.Burkhardt
Fixed remuneration	771.859,21	759.009,71	731.095,10
Gross salary in 2024	750.750,01	716.625,02	678.405,36
Other remuneration in 2024	21.109,20	42.384,69	52.689,74
Variable remuneration			
Cash remuneration			
Awarded for 2019	140.000,00	133.333,32	128.333,32
Awarded for 2020	35.000,00	33.333,34	32.083,34
Awarded for 2021	140.429,12	133.741,44	128.264,98
Awarded for 2022	157.621,04	150.329,38	141.307,54
Awarded for 2023	247.500,00	236.250,00	206.253,00
Instruments			
Awarded for 2019	140.000,00	133.333,32	128.333,32
Awarded for 2020	35.000,00	33.333,34	32.083,34
Awarded for 2021	140.429,12	133.741,44	128.264,98
Awarded for 2022	157.621,04	150.329,38	141.307,54
Awarded for 2023	247.500,00	236.250,00	206.253,00

	Antonio Argir	Andrej Lasič	Hedvika Usenik	Former Management Board members**
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Fixed remuneration	513.669,10	458.783,46	469.693,33	
Gross salary in 2024	450.780,01	450.780,03	450.780,03	0.00
Other remuneration in 2024	62.889,09*	8.003,43	18.913,30	0.00
Variable remuneration				
Cash remuneration				
Awarded for 2019				79,062.50
Awarded for 2020				20,082.70
Awarded for 2021				63,639.22
Awarded for 2022	68,092.94	68,092.94	68,092.94	0,00
Awarded for 2023	132.609,38	132.609,38	132.609,38	0,00
Instruments				
Awarded for 2019				79,062.50
Awarded for 2020				20,082.70
Awarded for 2021				63,639.22
Awarded for 2022	68,092.94	68,092.94	68,092.94	
Awarded for 2023	132.609,38	132.609,38	132.609,38	

* includes payment of education expenses for the children, other pay to cover tax liability difference etc

Former Management Board member* (Laszlo Pelle, Petr Brunclik)

The table below shows variable remuneration awarded in instruments, both as value and as the number of instruments for years from 2019 to 2023; the value is based on the value of the share of NLB d.d. on the date of award.

Table: Disclosure of instruments awarded for years from 2019 to 2023

	2019, 2020, 2021 and 2022		2023	
	Value of variable remuneration awarded in instruments - share value at date of award (in €)	Number of instruments awarded	Value of variable remuneration awarded in instruments - share value at date of award (in €)	Number of instruments awarded
Blaž Brodnjak	473.050,15	6698	247.500,00	2464
Archibald Kremser	450.737,47	6382	236.250,00	2352
Andreas P.Bukhardt	429.989,15	6087	206.253,00	2054
Antonio Argir	68.092,94	972	132.609,38	1320
Andrej Lasič	68.092,94	972	132.609,38	1320
Hedvika Usenik	68.092,94	972	132.609,38	1320
Former Management Board member** (Laszlo Pelle, Petr Brunclik)	162.784	2.289	0	0
Total	1.720.839,59	24.372	1.087.831,14	10.830

4. Remuneration of the members of the Supervisory Board of NLB d.d.

In relation to their position of a member of the Supervisory Board, a member of the Supervisory Board may only receive remuneration that is compliant with the relevant resolutions adopted by the Bank's General Meeting. The Bank's General Meeting may determine and change the remuneration of the members of the Supervisory Board independently from the Remuneration Policy, and may change, repeal or replace any of its resolutions in relation to the remuneration of the Supervisory Board members at any time, or adopt a new resolution in relation to the remuneration of the Supervisory Board members.

Supervisory Board members' remuneration entitlement in accordance with the relevant resolutions of the General Meeting of NLB d.d., is limited to fixed remuneration only and comprises fees for the performance of the office on the Supervisory Board and its committees, other benefits and reimbursement of costs.

Each member of the Supervisory Board receives for the performance of the office a payment of €69,000.00 gross annually ("basic remuneration"). The Chair of the Supervisory Board is entitled to a bonus for the performance of the office amounting to 25% of the basic remuneration, while the Deputy Chair of the Supervisory Board is entitled to a bonus for the performance of the office amounting to 15% of the basic remuneration (hereinafter both bonuses referred to as "bonus").

The members of the Supervisory Board receive an extra payment for performing the function of a member of a committee, amounting to 10% of the basic remuneration ("extra remuneration") and shall only be paid for membership in up to two committees. In addition to the extra remuneration, the chair of a committee shall also be entitled to an additional extra payment amounting to 15% of the basic remuneration ("additional extra remuneration"), for the performance of the function of the chair of the committee in no more than one committee, even if an individual member of the Supervisory Board performs this function in more than one committee.

The Members of the Supervisory Board receive the basic remuneration, bonus, extra remuneration and additional extra remuneration in proportional monthly payments to which they shall be entitled for as long as they perform the function.

The Supervisory Board members are entitled to the reimbursement of travel expenses, daily allowances and costs of overnight accommodation related to their work in the Supervisory Board up to the amount specified in the regulations on reimbursement of work-related expenses and other income not included in the tax base.

The Supervisory Board members shall not be entitled to any benefits exceeding the provision of the conditions for smooth work of the Supervisory Board (payment of insurance premiums, except for D&O insurance, company car, company flat and fuel). The members of the Supervisory Board shall be entitled to benefits for providing or improving the conditions or methods of their work (ICT equipment, professional training, visits to institutions, organisations and bodies and D&O insurance), accounting for the actual needs of the company and the individual needs of the members of the Supervisory Board, as decided by the Supervisory Board.

A member of the Supervisory Board representing the interests of employees ("workers' representatives") for the performance of the function is entitled to €69,000 gross per year ("basic remuneration"), less the gross amount of annual basic salary as set in their employment contract with NLB d.d. or another NLB Group member ("basic salary").

For membership in the committees of the Supervisory Board, workers' representatives shall receive an extra payment for performing the function of a member of the committee, which for an individual member of the committee shall amount to 10% of the basic remuneration ("extra remuneration") and shall be paid for membership in no more than two committees, even if a workers' representative is a member of more than two committees.

The monthly payment for workers' representatives is calculated by reducing 1/12 of the basic remuneration in the amount of EUR 5,750 gross by the basic salary from employment in the bank in a particular month. This is a resolution adopted by the General Meeting and it is publicly available. If the

basic salary in a particular month exceeds EUR 5,750 (increased by any extra remuneration), the monthly payment in the following month is reduced by the basic salary in excess of this amount.

The workers' representatives are entitled to a reimbursement of travel expenses and costs of overnight accommodation related to their work in the Supervisory Board up to the amount specified in the regulations on reimbursement of work-related expenses and other income not included in the tax base. Overnight accommodation costs may be reimbursed only if the distance from the permanent or temporary residence of the workers' representative or the workers' representative who is a Supervisory Board member to the place of work of the relevant body is 100 kilometres, if they have not been able to return because no public transport has been scheduled at the time according to the timetable or for other objective reasons.

The workers' representatives are not entitled to any benefits exceeding the provision of the conditions facilitating professional operations of the Supervisory Board (e.g. payment of insurance premiums (excluding liability insurance), company car, company flat, fuel). The workers' representatives shall be entitled to benefits for providing or improving the conditions or methods of their work (ICT equipment, professional training, visits to institutions, organisations and bodies and liability insurance), accounting for the actual needs of the Bank and the workers' representative's individual needs as decided by the Supervisory Board.

All remuneration of the members of the Supervisory Board specified in the resolutions of the General Meeting shall constitute fixed remuneration.

Table: Disclosure of remuneration paid to the members of the Supervisory Board from 01/01/2024 to 31/12/2024

			in EUR
	Name and surname	Remuneration	Gross amount
1.	Primož Karpe	Remuneration	110.400,00
	01.01.2024 - 31.12.2024	Base pay	69.000,00
		Chair of SB Fee	17.250,00
		Member of a Committee Payment	13.800,00
		Chair of a Committee Payment	10.350,00
		Travel Reimbursement	12.364,46
		Benefits	291,67
		Total payment for performing function SB	123.056,13
2.	Shrenik Dhirajlal Davda	Remuneration	103.500,00
	01.01.2024 - 31.12.2024	Base pay	69.000,00
		Vice Chair of SB Fee	10.350,00
		Member of a Committee Payment	13.800,00
		Chair of a Committee Payment	10.350,00
		Travel Reimbursement	13.299,65
		Benefits	291,67
		Total payment for performing function SB	117.091,32
3.	Mark William Lane Richards	Remuneration	93.150,00
	01.01.2024 - 31.12.2024	Base pay	69.000,00
		Member of a Committee Payment	13.800,00
		Chair of a Committee Payment	10.350,00
		Travel Reimbursement	11.983,95
		Benefits	291,67
		Total payment for performing function SB	105.425,62
4.	Islam Osama Bahgat Zekry	Remuneration	82.800,00
	01.01.2024 - 31.12.2024	Base pay	69.000,00
		Member of a Committee Payment	13.800,00
		Travel Reimbursement	10.621,17
		Benefits	291,67

		Total payment for performing function SB	93.712,84
5.	André Marc Richard Prudent Toccanier	Remuneration	93.150,00
	01.01.2024 - 31.12.2024	Base pay	69.000,00
		Member of a Committee Payment	13.800,00
		Chair of a Committee Payment	10.350,00
		Travel Reimbursement	11.125,81
		Benefits	291,67
		Total payment for performing function SB	104.567,48
6.	Cvetka Selšek	Remuneration	86.020,00
	01.01.2024 - 31.12.2024	Base pay	69.000,00
		Member of a Committee Payment	13.800,00
		Chair of a Committee Payment	3.220,00
		Travel Reimbursement	2.431,17
		Benefits	291,67
		Total payment for performing function SB	88.742,84
7.	Luka Vesnaver	Remuneration	20.930,00
	30.09.2024 - 31.12.2024	Base pay	17.441,67
		Member of a Committee Payment	3.488,33
		Travel Reimbursement	1.463,12
		Benefits	291,67
		Total payment for performing function SB	22.684,79
8.	Natalia Olegovna Ansell	Remuneration	12.190,00
	08.11.2024 - 31.12.2024	Base pay	10.158,33
		Member of a Committee Payment	2.031,67
		Travel Reimbursement	9.659,92
		Total payment for performing function SB	21.849,92
9.	Sergeja Kočar	Remuneration	34.572,22
	01.01.2024 - 31.12.2024	Base pay	28.694,94
		Member of a Committee Payment	5.877,28
		Travel Reimbursement	4.114,68
		Benefits	291,67
		Total payment for performing function SB	38.978,57
10.	Tadeja Žbontar Rems	Remuneration	54.265,00
	01.01.2024 - 31.12.2024	Base pay	45.039,95
		Member of a Committee Payment	9.225,05
		Travel Reimbursement	1.291,97
		Benefits	291,67
		Total payment for performing function SB	55.848,64
11.	David Eric Simon	Remuneration	43.211,25
	01.01.2024 – 17.6.2024	Base pay	32.008,33
		Member of a Committee Payment	6.401,67
		Chair of a Committee Payment	4.801,25
		Travel Reimbursement	9.534,36
		Total payment for performing function SB	52.745,61
12.	Verica Trstenjak	Remuneration	38.410,00
	01.01.2024 – 17.6.2024	Base pay	32.008,33
		Member of a Committee Payment	6.401,67
		Travel Reimbursement	1.048,09
		Total payment for performing function SB	39.458,09
TOTAL:			864.161,85

The table below shows an overview of membership of Supervisory Board members in the committees of the Supervisory Board of NLB d.d. in 2024

Table: Overview of membership of Supervisory Board members in the committees

Name and surname / Committee	Remuneration Committee	Nomination Committee	Risk Committee	Audit Committee	Operational and IT Committee
Primož Karpe		Chair		Member	Member
Shrenik Dhirajlal Davda	Chair	Member from 9/09/2024	Member		
Verica Trstenjak	Member until 17/6/2024	Member until 17/6/2024			
Islam Osama Zekry	Member since 9/9/2024	Member			Deputy Chair
Mark William Lane Richards	Deputy Chair	Deputy Chair			Chair
David Eric Simon	Member until 17/6/2024	Member until 17/6/2024	Member	Chair until 17/6/2024	
André-Marc Prudent-Toccanier	Member since 9/9/2024		Chair	Deputy Chair since 9/9/2024	
Cvetka Selšek			Deputy Chair	Deputy Chair until 9/9/2024 Chair since 9/9/2024	
Luka Vesnaver			Member since 30/9/2024	Member since 9.9.2024	
Natalia Olegovna Ansell			Member since 8/11.2024		Member since 8/11/2024
Sergeja Kočar	Member	Member			
Tadeja Žbontar Rems	Member until 9/9/2024			Member since 9/9/2024	Member

5. Disclosure of Annual Change in Management Body Remuneration

In accordance with point 2 of Article 294.b of the Companies Act (ZGD-1), the Remuneration Report must also contain the annual change in the remuneration of individual members of the Management Body and the performance of the company, at least for the past five business years, presented in a way that allows comparison.

Summary Overview of NLB Group Performance 2019 - 24

The table below shows the Banks development since its privatisation in 2018. It is clear that this has been a period of significant growth in scale and profitability achieved despite the headwinds created by a global pandemic, the war in Ukraine and unprecedented flooding in Slovenia. This period also reflects the positive impact of the successful integration of material acquisitions which have transformed the NLB Group in terms of its scale, capacity and scope for future growth.

Evolution of NLB Group Financial Performance 2019 - 24

NLB Group	2019	2020	2021	2022	2023	2024
Total Assets (in EURm)	14,174	19,566	21,577	24,160	25,942	28,035
Profit after Tax (in EURm)	193.58	269.71	236.40	446.86	550.70	514.55
ROE a.t.	11.68%	8.11%	11.42%	19.87%	21.00%	16.50%
Cost to Income Ratio	58.97%	58.27%	62.28%	57.64%	45.90%	45.71%
NPE Ratio	2.67%	2.33%	1.71%	1.33%	1.11%	1.08%
Total Number of Employees	5,878	8,792	8,185	8,228	7,982	8,322
Total Dividends (in EURm)	N/A	92	100	110	220	50% of 2024 profit

2019

The Group generated EUR 193.6 million of profit after tax in 2019. Net interest income totalled EUR 318.5 million and increased by EUR 5.6 million or 2% YoY due to an increase of interest income in most of the banks of the Group, supported by loan book growth. Net non-interest income reached EUR 195.1 million and increased by EUR 14.8 million or 8% YoY. Total costs amounted to EUR 301.4 million (of which EUR 1.6 million were comprised of non-recurring costs related to restructuring, as well as EUR 3.0 million of performance rewards paid in December 2019) and were thus by EUR 12.8 million or 4% higher YoY. The increase was mostly due to higher employee costs in the amount of EUR 6.1 million (adjustments on management board and senior management post privatization compensation) and other general and administrative costs (licenses, consulting and supervision).

2020

The Group generated a profit in the amount of €269.7 million, which is 39% more than in the previous year (2019: €193.6 million). The Covid situation and the acquisition of Komercijalna banka Belgrade have had an impact on operations; the latter having a positive effect of negative goodwill in the amount of €137.9 million. Without the acquisition, the Group's profit would have been 32% lower year-on-year, mainly owing to the impact of additional impairments and provisions related to the outbreak of Covid-19. Costs remained well contained through all cost categories and geographies, 4% lower costs YoY; CIR 58.3%). The COVID-19 pandemic impacted the realized cost of risk (62 bps), however, remained within the set outlook. Stable NPE (EBA def.) of 2.3% with confident coverage ratio of 57.3%

2021

Revenue growth momentum continued and accelerated in 2021 resulting in EUR 236.4 million profit after tax on the back of net interest income, which grew by 37% YoY (excluding KB 4.0%) as a function of strong loan growth and a meaningful contribution from Komercijalna Banka group (EUR 98.5 million). Net non-interest income in 2021 was meaningfully marked with non-recurring items (EUR 26.0 million), but contributions declined when compared to the previous year (EUR 33.7 million). Impressive growth in net fee and commission income, up 39% YoY, further added to the NLB Group's remarkable performance in 2021. The NLB Group was able to keep the costs within the guidance, importantly impacted by integration costs of Komercijalna Banka Group. NLB remains a highly desired employer in the region and is able to partially mitigate labour cost inflation with sourcing employees from the

region and proactive approach to employment. The Group recorded 9% loan growth in 2021, thus exceeding the full year guidance. Loans to individuals recorded double digit growth throughout the Group (12%/13% excluding the impact of the sale of Komercijalna Banka, Banja Luka).

2022

Despite the precarious circumstances, shadow of war in Europe, resulting energy crisis, and economic slowdown in 2022, NLB Group's result after tax amounted to EUR 446.9 million, with the acquisition of N Banka in March significantly influencing the full-year business results of the Group. Excluding the total contribution from N Banka, the net profit grew by 11% and reached EUR 262.8 million. The Group's gross loans to customers increased by EUR 2,493.9 million (23%) in 2022, with a EUR 953.7 million increase due to the acquisition of N Banka. Without N Banka, a EUR 1,540.2 million growth (14%) in gross loans to customers was recorded. Strong growth was well distributed between segments of customers, with the gross corporate loan growth of 27% (to reach EUR 6,345.7 million) and growth of gross loans to individuals of 20% (to end the year at EUR 6,743.4 million).

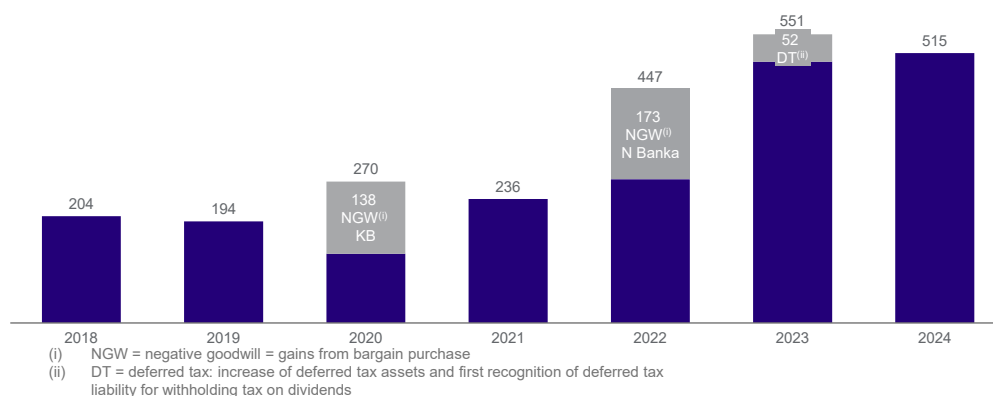
2023

NLB Group performed strongly in the entire year 2023 with EUR 550.7 million of result after tax. Yet at the same time the Group continued to take responsible actions and with its strategic planning and business decisions laid foundations for stable, growth oriented and profitable operations also in the years to come. Another significant milestone for the Group was the signing of sale and purchase agreement for Summit Leasing Slovenia in November 2023. On an annual basis, NII reached EUR 833.3 million (growth of 65%) in 2023. Key drivers of the annual growth of EUR 328.4 million were on the interest income side loans to customers (EUR 253.7 million, of which EUR 98.3 million to individuals and EUR 155.4 million to corporate and state) and balances at banks and central banks (EUR 127.7 million). The lending activity in 2023 was moderate but stable, and the Group's gross loans to customers increased by a tangible EUR 666.2 million (5%) YoY.

2024

The year was marked by the successful acquisitions of SLS Group and Generali Investments AD Skopje, dynamic activity on regional financial and international capital markets, several enhancements in clients' user experience, a substantial dividend payout of EUR 220 million in two tranches, and kick-off of a new period in the Group's transformation with the introduction of its new business strategy. The financial year concluded with a strong profit after tax result at EUR 514.6 million, with pre-provision profit up a respectable 9% YoY (EUR 51.2 million). Profit after tax was, however, still down EUR 36.1 million or a 7% decline compared to the previous year, which was positively influenced by the booking of deferred tax, increase of deferred tax assets (EUR 61.9 million) and first recognition of deferred tax liability for withholding tax on dividends (EUR 9.6 million). The year 2024 also showed a moderate, but positive cost of risk of 14 bps (2023 still had a negative cost of risk). The momentum in lending activity in 2024 was impressive, with gross loans growing by 19% (EUR 2,657.8 million), reaching EUR 16,721.4 million. In addition to a EUR 970.4 million YoY increase in gross loans from the SLS Group, the NLB Group achieved a significant 12% organic loan portfolio growth. The full year's growth of NII, to EUR 934.2 million came in at 12%, with SLS acquisition in September effecting this number yet only marginally. The YoY increase in the net non-interest income by 19% (from EUR 260.0 million in 2023 to EUR 310.6 million in 2024) derives from higher net fee and commission income on the back of economic activity and consumption, resulting in higher fees across banking members, renegotiated conditions with the service providers, increased activities in investment funds and bancassurance, and smaller negative impact from non-recurring items than in the previous year.

Figure 1: Profit after tax of the NLB Group (in € million)



Summary of Changes to the Total Remuneration of the Management Body of NLB 2019 - 2024

Below is stated an overview of the total remuneration of the members of the management body of NLB d.d. for business years from 2019 to 2024, however, comparison with other business years or business performance is difficult due to circumstances related to restrictions imposed by COVID pandemic in 2020 and 2021.

Table: Total remuneration for the members of the Management Body in a period 2019 – 2024

	Total Remuneration for the Management Board*	Total remuneration for the Supervisory Board*
2019 (in EUR)	1.837.553,22	442.670,99
No. of members**	4	11
2020 (v EUR)	1.668.581,08	681.030,57
No. of members**	5	14
2021 (in EUR)	2.376.883,77	730.874,99
No. of members**	4	13
2022 (in EUR)	2.571.420,03	770.184,57
No. of members**	6	12
2023 (in EUR)	3.504.677,13	832.318,94
No. of members**	6	12
2024 (in EUR)	4.604.664,35	864.161,85
No. of members**	6	12

*either in cash or made available as a benefit (including but not limited to reimbursement of travel and accommodation expense)

**number of members included in remuneration in certain business year

Evolution of the Management Body Remuneration 2019-24

In line with the objective of attracting, retaining and motivating high calibre management talent, the Supervisory Board has sought since the privatisation of the Bank to progressively raise the Management Board's total compensation from its levels as a state-owned predominantly Slovene bank (subject to state aid restrictions) to bring it more in line with the market compensation levels for a publicly listed regional market leader.

Following the successful privatization of the bank in 2018, remuneration restrictions committed to by the Republic of Slovenia to the European Commission upon the approval of state aid in 2013 and in accordance with the Act Governing the Remuneration of Managers of Companies with Majority Ownership held by the Republic of Slovenia or Self-Governing Local Communities (Slov. ZPPOGD), limiting variable pay were lifted.

2019

In 2019 whilst there was no increase in Management Board fixed salary as approved there was an effective year on year increase in total fixed pay due to the full year effect of the salary raise in November 2018. The Total Remuneration was also higher due to an increase in variable remuneration from 3.6 to 8 monthly salaries.

The Supervisory Board's remuneration structure was changed in October from a meeting-attendance-based fees to an annual-compensation-based structure designed to attract and reward committed, experienced, knowledgeable Supervisory Board members.

2020

In 2020, following the outbreak of Covid, the Management Board volunteered to reduce their salaries from 1/4/20 by 15% and also to limit their maximum variable pay to 2 monthly salaries instead of 8 as per the Remuneration Policy at the time. The Supervisory Board also reduced their remuneration by 15% at the same time. The Bank of Slovenia issued a Regulation on the macroprudential restriction on the profit distribution by banks (Official Gazette of the RS, no. 49/2020 of 10/04/2020), which prohibited the allocation and payment of the variable part of remuneration to employees whose professional activities have a significant impact on the risk profile of banks.

There was no increase awarded in Supervisory Board cash compensation but the total remuneration cost of the Supervisory Board increased due to the full year effect of the prior year change in the remuneration practice and due to mid-year appointment of "workers' representatives" to the Supervisory Board.

2021

At the beginning of 2021, Management and Supervisory Board remuneration was restored to pre-pandemic levels. The Management Board's contractual mandates expired on 5/7/21 and each member signed a new 5-year term of office which included a 15% salary increase but a reduction in the maximum bonus from 8 to 7 average gross monthly salaries per Management Board member.

The Bank of Slovenia's new Regulation lifted its Covid-related macroprudential restrictions on 30/09/2021 following which all unpaid non-deferred parts of variable remuneration for 2019 as well as deferred parts of variable remuneration from previous years, which would have been due for payment in 2020, were paid out.

There was no increase awarded in Supervisory Board's cash compensation.

2022

The Management Board expanded with the appointment of Hedvika Usenik (responsible for Retail and Private Banking), Antonio Argir (responsible for Group Steering and Payments) and Andrej Lasič (responsible for Corporate and Investment Banking).

In May 2022, a salary increase of 14% to Blaž Brodnjak, 14% to Archibald Kremser and 13% to Andreas Burkhardt was awarded following the successful operational integration of Komercijalna Banka, Belgrade in recognition of the responsibilities assumed in the process. This increase acknowledged the substantial efforts of the management team in connection with the completion of

the merger process between NLB Bank Belgrade and the acquired Komercijalna Banka. This complex process had been finished and thus the full benefits of the acquisition including substantial synergies amounting to some EUR 15 million annually would accrue to the bottom line of NLB Group in the amount of approximately EUR 100 million annually (the target published at Investor Day in 2021), a target which has since shown to have been substantially overachieved (Serbia contributed in excess of 130 million in 2023). The increase in compensation thus recognised the transformative nature of the transaction for the all-important Serbian market and realisation of NLB's objective of becoming a regional market leader. The acquisition materially increased the scale of the NLB Group (total assets increased by approx. EUR 4.2 billion or with earnings growing by 25% in 2023).

In October 2022, a further increase of 20% to Blaž Brodnjak, 20% to Archibald Kremser and 10% to Andreas Burkhardt was awarded in recognition of the successful permanent assumption of significant additional responsibilities taken on by the three Management Board members following the elimination of the COO function after the departure of Peter Brunclik in 2021.

The newly appointed Management Board members received a bonus-based pro-rata to the time served as a member of the Management Board (May-December).

There was no increase in Supervisory Board cash compensation.

2023

The Bank enhanced its growth and market position on all target markets in 2023. The Supervisory Board decided to perform a Remuneration benchmarking exercise with the support of AON a leading remuneration consultancy.

On the basis of that analysis the Supervisory Board approved in October 2023 a resolution to:

- reduce the salary disparity between the new and original Management Board Members over an 18 - 24 month time frame so that the lowest paid member of the Management Board of NLB d.d. receives at least 66% of the highest paid member's salary
- From 1 October 2023 a 10% increase (from €28,750.00 to €31,625.00) of the salaries of the 3 new Management Board Members in recognition of their successful assumption of their Management Board roles and achievement of satisfactory progress on their respective individual development plans.

For the other three original members of the Management Board there were no increases in salary approved in 2023, however there was a year-on-year increase in their total fixed pay due to the full effect of the two salary increases approved during 2022.

The variable remuneration in 2023 was awarded to all three original Management Board members in the amount of seven salaries and to the three new Management Board members in an amount proportionate to their term of office on the Management Board in 2022.

Supervisory Board cash compensation was increased for the first time since 2019. The 15% increase was below the inflation rate between 2019 – 2023 and was significantly lower than the increases in that period received by Employees and Management. The objective of this increase was to attract and retain experienced committed individuals to supervise a Group whose scale, scope and complexity is much greater than it was in 2019 at the time of the previous increase.

2024

In 2023, the Remuneration Committee commissioned a Peer Group Benchmarking Analysis of the remuneration of the management boards of comparable banks from AON, a leading international remuneration consultancy. Based on that analysis and a proposal from the Remuneration Committee, the Supervisory Board approved in October 2023 a resolution to increase the salary of the Management Board members as follows:

- gross monthly salary of the President of NLB Management Board, Blaž Brodnjak, and each of NLB Management Board members, Hedvika Usenik, Andrej Lasič, Antonio Argir and Archibald Kremser, was to be increased by 15% for the period from 1 January 2024 inclusive, and the gross monthly salary of Andreas Peter Burkhardt, NLB Management Board member, was to be increased by 25% for the period from 1 January 2024 inclusive, whereby such increases in gross

monthly salaries are granted on condition that the Remuneration Committee of NLB Supervisory Board of NLB d.d. confirms that the NLB Management Board has reviewed the entire employee remuneration structure in order to ensure that performance is rewarded and that the internal system is fair, i.e. fair and consistent treatment at all levels of employees,

- gross monthly salary of each of NLB Management Board members, i.e. Hedvika Usenik, Andrej Lasič and Antonio Argir was to be increased by 7.5% for the period from 1 May 2024 inclusive, whereby any such increase in gross monthly salary was to be granted on the condition that the Remuneration Committee of NLB Supervisory Board was satisfied with the progress of each member of NLB Management Board with regard to his/her individual development plan.

6. Remuneration from other Group companies

In 2024, the Management Board and the Supervisory Board members did not receive any remuneration from other companies within the NLB Group.

7. Provision of shares and share options

In 2024, the Bank did not provide any shares or share options to the Management Board members and the Supervisory Board members.

8. The possibility of clawback and deviation from the procedure for the implementation of the Remuneration Policy due to extraordinary circumstances

In its provisions, the Remuneration Policies determine the cases in the scope of which the Supervisory Board of the Bank can demand clawback from a Management Board member of the variable part of remuneration, but this option was not realised in 2024.

The Remuneration Policy contains a provision stipulating that in the event of exceptional economic uncertainty or other extraordinary circumstances that could jeopardise the solid capital base of the Bank, the Supervisory Board may postpone the decision on awarding and/or paying the variable remuneration (or part thereof) to the Management Board member until such exceptional circumstances cease. In 2024, there was no decision by the Supervisory Board requiring any such postponement.

9. Financial bonuses provided to a Management Board member by a third party in the financial year

In the business year 2024, no additional financial bonus, duty or service was approved or provided by a third party to any member of the Management Board in connection with their activity as a Management Board member.

10. Payment provided to a Management Board member for the case of early termination of the term of office

In line with the employment contracts of the members of the Management Board, in case the Supervisory Board recalls a member of the Management Board "for other business and economic reasons", such a member of the Management Board is entitled to compensation for early termination of their term of office. The member of the Management Board is not entitled to compensation for early termination of the term of office if he/she is re-employed at the Bank or in the NLB Group after the termination of the term of office. In the event of resignation, the member of the Management Board is not entitled to any compensation for early discontinuation of the term of office, unless otherwise decided by the Supervisory Board. In 2024, there was no early termination of the term of office of any Management Board member.

11. Payment provided to a Management Board member for the case of regular termination of the term of office

The Bank does not provide for any payments to a member of the Management Board in the case of the regular expiry of the term of office excluding any payment under a non competition clause. In 2024, there was no case of regular termination of the term of office of a Management Board member of the Bank.

12. Payment provided to a former Management Board member for termination of the term of office

In 2024, there was no case of regular termination of the term of office of a former Management Board member of the Bank.

Ljubljana, 23/04/2025

Hedvika Usenik
Member of the
Management Board

Antonio Argir
Member of the
Management Board

Andrej Lasič
Member of the
Management Board

Archibald Kremser
Member of the
Management Board

Andreas Burkhardt
Member of the
Management Board

Blaž Brodnjak
President of the
Management Board

Primož Karpe
Chair of the Supervisory Board of NLB d.d.

Appendix 1

In accordance with the Remuneration Policy, the components of the fixed part of remuneration of a Management Board member for the business year 2024 could be as follows (the actual remuneration paid to individual members of the Management Board in 2024 are listed below herein):

Component ³	Maximum value
Salary:	
Gross Monthly Salary	The Gross Monthly Salary of a Management Board member may amount to up to 8 times the average gross monthly salary of a member of Senior Management of NLB d.d. ⁴ in the preceding Business Year ⁵ .
Other income and reimbursement of expenses:	
Holiday allowance	In the amount as specified in line with the relevant regulations and collective agreements with the currently applicable resolutions of the Bank relating to the payment of holiday allowance (pursuant to the valid Collective agreement for NLB d.d. and according to the Labour Law applicable at the time of adoption of this Policy, the minimum holiday allowance is 80% of the average gross salary in the Republic of Slovenia).
Business Travel and accommodation	Air transport costs within the EU in economy class and outside the EU in business class; costs of top class accommodation;
Compensation for the use of own assets and material costs related to working from home	In the amount defined by the Bank's relevant internal policies
Family separation allowance	In the amount exempt from taxation under Slovenian tax regulations. ⁶
Travel Allowance for Expatriates	In the amount up to the cost of 24 economy class return tickets for the Management Board member and his / her close family members to place of family original residence in each calendar year. Trips made with a company car are not included in this quota.
Other benefits which the Bank may provide, cover, or reimburse the costs related to them, as agreed with the member of the Management Board:	
Company car provided by the Bank, which can be used by the member of the Management Board for business and private purposes, where the Bank at its own expense provides services included in the total rental cost (TRC).	The total rental cost (TRC ⁷) for a member of the Management Board must not exceed EUR 2,100.00 per month (excluding VAT). The segment of vehicles for members of the Management Board shall include (<i>electric or hybrid or plug-in</i>) vehicles from the middle up to the highest segment as defined by the relevant internal policies of the Bank.
Company car with a driver for business purposes	The Bank shall provide at the request of the Management Board member.
Company mobile phone of the highest price range and an annual budget	Annual spending limit up to EUR 5,640.00, if exceeded the member of the Management Board shall report to the Supervisory Board at the end of the year.
Parking space at the location of work	At the market price for renting a parking space.

³ definitions of Remuneration are in accordance to the relevant regulation (ZDR-1, Collective Agreement of banking sector, Collective Agreement of NLB d.d., Income tax act)

⁴ Calculated based on the gross monthly salary of all the members of the Senior Management of NLB d.d.

⁵ For calculation in line with this provision, the gross monthly salary of a member of the Senior Management comprises the basic salary and the length of service bonus.

⁶ The Decree on the tax treatment of reimbursement of costs and other income from employment (Uredba o davčni obravnavi povračil stroškov in drugih dohodkov iz delovnega razmerja) stipulates that an allowance, paid by the employer to an employee which performs work outside the place where they reside with their family and due to the requirements of the company lives separately from their family when performing their duties, is exempt from taxation. Currently the maximum amount of such allowance that is exempt from taxation is EUR 434.00.

⁷ The TRC limit is defined based on a four-year lease and an annual limit kilometres travelled to 18,000 (the mileage may be exceeded by a maximum of 5,000 kilometres); if a higher amount of kilometres travelled is required, the TRC shall be re-calculated based on an application and the defined limits. Included services: amortisation and depreciation, financing, energy/fuel, vehicle registration, annual vehicle tax, insurance, service and maintenance, tires, monthly carwash, RV (residual value) – the value of the vehicle at the end of the lease period, fleet management fee, 24-hour roadside assistance (basic), replacement vehicle (basic for regular servicing).

Business credit/debit card	The Management Board member shall use a business credit/debit card as a means of payment for business-related costs.
Business representation	In accordance with the annual financial plan of the Bank approved by the Supervisory Board.
Training of the Management Board member in relation to their job	In the framework of the Bank's annual financial plan approved by the Supervisory Board.
Membership fees and expenses related to the membership in professional associations and costs of publications related to the duties of the Management Board member	The total costs referred to in this provision per Management Board member shall not exceed EUR 10,000.00 in a single calendar year.
The possibility of a preventive medical check-up once in each calendar year	At the market price.
Possibility of treatment and rehabilitation at a health resort if so recommended by a specialist doctor	At the market price.
Collective Accident insurance.	The monthly insurance premium per Management Board member shall amount to no more than EUR 100.00.
Health insurance	Total value of EUR 6,000.00 in each calendar year. The Bank shall cover (or compensate the Management Board member if they paid these themselves) also any applicable taxes, contributions and other duties that must be paid based on the Bank's payments under this provision.
Additional or supplementary health insurance	In an amount providing the highest possible coverage of medical expenses (including above-standard services and medical services abroad), with a monthly insurance premium for a Management Board member up to EUR 100.00.
Premiums for the collective voluntary supplementary pension insurance	Up to the amount of the maximum amount for which the Bank can claim a tax relief.
Directors and Officers Liability Insurance (hereinafter: D&O Insurance) in the amount and on other terms and conditions typical for the Banking sector in Europe and aligned with applicable Slovene regulations. The Bank may agree within the framework allowed by regulations to cover claims against the Management Board member and related costs not covered by D&O Insurance (e.g. due to Retention under the D&O Insurance or because the Bank did not provide for D&O Insurance) up to the amount defined in the previous sentence.	Insurance premium according to the market price, other payments by the Bank up to the amount defined in this provision on the D&O Insurance. The Bank can also arrange with the Management Board member that the Bank covers (or compensates the Management Board member if they paid these themselves) also any applicable taxes, contributions and other duties that must be paid based on the Bank's payments under this provision on the D&O Insurance.
Employee housing loan	In line with relevant internal acts of the Bank.
Accommodation for Expatriate Management Board members in Ljubljana (permanent hotel room or apartment)	Total monthly accommodation costs may not exceed EUR 5,000.00. In addition to the costs referred to in the previous sentence, the Bank covers the costs of the real estate agent and the security deposit for renting the apartment at the market price.
Costs of tax consulting ordered by Management Board member at their own discretion	Total value of EUR 2,000.00 in each calendar year. The Bank shall cover (or compensate the Management Board member if they paid these themselves) also any applicable taxes, contributions and other duties that must be paid based on the Bank's payments under this provision.
Education and care expenses for the children of Expatriate Management Board members (kindergarten, primary and secondary school)	In accordance with international educational programmes offered in the Republic of Slovenia. The Bank shall cover (or compensate the Management Board member if they paid these themselves) also any applicable taxes, contributions and other duties that must be paid based on the Bank's payments under this provision.
Payment of the difference of tax duties of the Expatriate Management Board member – for a Management Board member who acquires resident status in the Republic of Slovenia pursuant to tax regulations, the Bank during their term of office as Management Board member	In the amount of the difference of tax duties of the Management Board member as described in this provision. The Bank shall cover (or compensate the Management Board member if they paid these themselves) also any applicable taxes, contributions and other duties that must be paid based on the Bank's payments under this provision.

covers or compensates the part of their tax duties that arise from their variable remuneration paid by the former employer based on their employment with that former employer, which due to their resident status in the Republic of Slovenia pursuant to tax regulations exceeds the tax duties that the Management Board member would have from these variable pays if they did not change their resident status pursuant to the tax regulations to resident of the Republic of Slovenia.