

This document constitutes a supplement (the "**Supplement**") to, forms part of and must be read and construed in conjunction with, the base prospectus dated 15 June 2023 (the "**Prospectus**") for the purpose of Article 23(1) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended (the "**Prospectus Regulation**").



Nova Ljubljanska banka d.d., Ljubljana
("NLB", the "Issuer" or the "Bank")

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

EUR 2,500,000,000

Euro Medium Term Note Programme
(the "**Programme**")

This Supplement has been prepared and published, *inter alia*, for the purposes of updating the Prospectus in respect of the Issuer's Unaudited Condensed Interim Financial Statements as of 30 September 2023. As a result, certain modifications to the Prospectus are hereby being made.

This Supplement has been approved by the *Commission de Surveillance du Secteur Financier* of the Grand Duchy of Luxembourg (the "**CSSF**") in its capacity as competent authority under the Prospectus Regulation and the Luxembourg act relating to prospectuses for securities dated 16 July 2019 (*Loi du 16 juillet 2019 relative aux prospectus pour valeurs mobilières et portant mise en oeuvre du règlement (UE) 2017/1129*, the "**Luxembourg Prospectus Law**"). The CSSF only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or of the quality of the Notes that are the subject of this Supplement. Neither does the CSSF give any undertaking as to the economic and financial soundness of the operation or the quality or solvency of the Issuer pursuant to Article 6(4) of the Luxembourg Prospectus Law. Investors should make their own assessment as to the suitability of investing in the Notes.

This Supplement will be published in electronic form together with the document incorporated by reference on the website of the Luxembourg Stock Exchange (www.LuxSE.com) and on the website of the Issuer (www.nlb.si). For the avoidance of doubt, the content of the aforementioned websites does not form part of this Supplement and has not been scrutinised or approved by the CSSF.

This Supplement shall only be distributed in connection with the Prospectus. It should only be read in conjunction with the Prospectus.

Terms given a defined meaning in the Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

To the extent that there is any inconsistency between any statement in this Supplement and any other statement contained in or incorporated by reference in the Prospectus, the statements in this Supplement shall prevail.

This Supplement does not constitute an offer of, or an invitation by or on behalf of any of the Issuer, the Dealers or the Arranger to subscribe for, or purchase, any Notes.

Save as disclosed on pages 1 to 7 of this Supplement, there has been no other significant new factor, material mistake or material inaccuracy relating to information contained in and incorporated by reference in the Prospectus which is capable of affecting the assessment of Notes issued under the Programme since the publication of the Prospectus.

IMPORTANT NOTICES

RESPONSIBILITY STATEMENT

The Issuer, with its registered office in Ljubljana, Slovenia, accepts responsibility for the information contained in and incorporated by reference into this Supplement and declares that, to the best of its knowledge, the information contained in this Supplement is in accordance with the facts and this Supplement makes no omission likely to affect its import.

NOTICE

Unauthorised information

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Supplement or any other document entered into in relation to the Programme or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer or any Dealer.

Neither the Dealers nor any of their respective affiliates have authorised the whole or any part of this Supplement and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Supplement or any responsibility for the acts or omissions of the Issuer or any other person (other than the relevant Dealer) in connection with the issue and offering of the Notes. Neither the delivery of this Supplement or any Final Terms nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Supplement is true subsequent to the date hereof or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuer since the date thereof or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. None of the Dealers undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Supplement nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers.

Restrictions on distribution

The distribution of this Supplement and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Supplement comes are required by the Issuer and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Supplement or any Final Terms and other offering material relating to the Notes, see "*Subscription and Sale*" in the Prospectus.

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

NEITHER THE PROGRAMME NOR THE NOTES HAVE BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION (THE "SEC"), ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAS ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF ANY OFFERING OF NOTES OR THE ACCURACY OR ADEQUACY OF THIS SUPPLEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

Neither this Supplement nor any Final Terms constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer, the Dealers or any of them that any recipient of this Supplement or any Final Terms should subscribe for or purchase any Notes. Each recipient of this Supplement or any Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

SUPPLEMENTAL INFORMATION

The following significant new factors relating to the information included in the Prospectus which are capable of affecting the assessment of the Notes, have arisen:

1. Changes to the section "Description of the Issuer and the Group"

- 1.1 On page 126 of the Prospectus, under the heading "**STRATEGY**", sub-heading "**Sustainable development vision**", the third paragraph shall be replaced by the following:

"In November 2023, NLB obtained a new ESG Rating by Sustainalytics of low risk 16.0 (top 13% between banks)."

- 1.2 On page 144 of the Prospectus, under the heading "**LOAN PORTFOLIO**", sub-heading "**Quality of credit portfolio**", the first paragraph shall be replaced by the following:

"Project financing or similar financing depending on real estate within the Commercial Real Estate ("**CRE**") exposure represents approximately EUR 300 million as at 31 December 2022."

- 1.3 On page 159 of the Prospectus, under the heading "**CORPORATE GOVERNANCE OF NLB**", sub-heading "**Supervisory Board**", the table shall be replaced in its entirety by the following:

"

<u>Name, surname and position</u>	<u>Immediate responsibility</u>	<u>Principal activities performed outside NLB</u>
Members of the Supervisory Board, representatives of capital		
Primož Karpe, Chairman Term of office: 2016-2020, renewed term 2020-2024	• Nomination Committee (Chairman)	• Angler d.o.o. – Director
	• Audit Committee (Member)	• Aroma Global 3 Ltd. – Chairman of the Supervisory Board
	• Operations and IT Committee (Member)	
David Eric Simon, Member Term of office: 2016-2020, renewed term 2020-2024	• Audit Committee (Chairman)	• Jihlavan a.s. - Chairman of the Supervisory Board
	• Risk Committee (Member)	• Czech Aerospace industries sro - legal representative
Shrenik Dhirajlal Davda, Deputy Chair Term of office: 2019-2023, renewed term 2023-2027	• Remuneration Committee (Chairman)	• IPSO, UK - Lay Member of the Board
	• Audit Committee (Member)	• Charity Commission of England and Wales – Board Member
	• Risk Committee (Member)	

Name, surname and position	Immediate responsibility	Principal activities performed outside NLB
<p>Mark William Lane Richards, Member</p> <p>Term of office: 2019-2023, renewed term 2023-2027</p>	<ul style="list-style-type: none"> • Remuneration Committee (Deputy Chairman) • Nomination Committee (Deputy Chairman) • Operations and IT Committee (Chairman) 	<ul style="list-style-type: none"> • Vencap International pic Ukraine (UK) – Chairman • Berry Palmer & Lyle Ltd. (BPL Global) (Lloyds of London insurance Broker) - Non-Executive Director • Sheffield Haworth Ltd - Non-Executive Director
<p>André-Marc Richard Prudent-Toccanier, Member</p> <p>Term of office: 2023-2027</p>	<ul style="list-style-type: none"> • Risk Committee (Chairman) • Audit Committee (Member) • Operations and IT Committee (Member) 	<ul style="list-style-type: none"> • none
<p>Cvetka Selšek, Member</p> <p>Term of office: 2023-2027</p>	<ul style="list-style-type: none"> • Risk Committee (Deputy Chairman) • Audit Committee (Deputy Chairman) 	<ul style="list-style-type: none"> • none
<p>Verica Trstenjak, Member</p> <p>Term of office: 2020-2024</p>	<ul style="list-style-type: none"> • Nomination Committee (Member) • Remuneration Committee (Member) 	<ul style="list-style-type: none"> • none
<p>Islam Osama Zekry, Member</p> <p>Term of office: 2021-2025</p>	<ul style="list-style-type: none"> • Nomination Committee (Member) • Risk Committee (Member) • Operations and IT Committee (Deputy Chairman) 	<ul style="list-style-type: none"> • CIB Housing association, Egypt – President of the Supervisory Board • Egyptian AI Council (Ministry of Communication and Information Technology) – Member of the Supervisory Board

<u>Name, surname and position</u>	<u>Immediate responsibility</u>	<u>Principal activities performed outside NLB</u>
<ul style="list-style-type: none"> Members of the Supervisory Board, representatives of employees 		
Sergeja Kočar, Member Term of office: 2020-2024	<ul style="list-style-type: none"> Remuneration Committee (Member) Nomination Committee (Member) 	<ul style="list-style-type: none"> none
Tadeja Žbontar Rems, Member Term of office: 2021-2025	<ul style="list-style-type: none"> Operations and IT Committee (Member) Remuneration Committee (Member) 	<ul style="list-style-type: none"> none

"

- 1.4 On page 168 of the Prospectus, under the heading "**RECENT DEVELOPMENTS**", after the last paragraph, the following paragraphs shall be added:

"In June 2023, NLB paid dividends (the first tranche) of EUR 55 million, or EUR 2.75 gross per share.

In June 2023, the General Meeting appointed four members to the Supervisory Board of NLB, two of whom were members before – Shrenik Dhirajlal Davda and Mark William Lane Richards, and two new members – Cvetka Selšek and André-Marc Richard Prudent-Toccanier, all for a four-year term. All four are appointed for a four-year term of office, which begins on the day of their appointment or, in the case of newly appointed members, after receiving all of the necessary regulatory approvals.

On 3 August 2023, NLB received the authorisation of the ECB for the merger of N Banka. On 1 September 2023, the legal merger between N Banka and NLB was successfully completed.

On 10 November 2023, NLB Skladi concluded a purchase agreement with the company Generali Investments for the purchase of the majority ownership of the company Generali Investments AD Skopje. The completion of the transaction is expected in the first half of 2024.

On 30 November 2023, NLB entered into a sale and purchase agreement to acquire a 100% shareholding in SLS HOLDCO, holdinška družba, d.o.o., the parent company of Summit Leasing Slovenija d.o.o., and its subsidiaries, from funds managed by affiliates of Apollo Global Management Inc. and the EBRD.

On 1 December 2023, the European Central Bank, Banking Supervision issued a SREP 2023 Decision for NLB to comply with on a consolidated basis. The total SREP capital requirement (TSCR) is 10.12 per cent. valid from 1 January 2024. The Pillar 2 Requirement amounts to 2.12 per cent. (decreased by 0.28 percentage points compared to the previous decision due to a better overall SREP assessment).

On 7 December 2023, Moody's upgraded NLB's deposits rating (BCA) from Ba1 to Baa3 (unsolicited rating).

On 19 December 2023, the Bank paid dividends (the second tranche) of EUR 55 million, or EUR 2.75 gross per share.

On 21 December 2023, NLB received a decision of the Bank of Slovenia relating to the MREL requirement which superseded its previous decision dated 23 May 2023. According to the new

decision, NLB must comply with the MREL requirement on a consolidated basis at resolution group level (i.e. the NLB Resolution Group, consisting of NLB and other members of the Group excluding banks) which amounts to 30.66 per cent. of TREA (excluding Combined Buffer Requirement) and 10.69 per cent. of the Leverage Ratio Exposure (LRE) and has to be complied as of 1 January 2024.

On 22 December 2023, the Bank of Slovenia announced that as of 1 January 2025 it will increase the countercyclical capital buffer rate for exposures in Slovenia from 0.5 per cent. to 1.0 per cent. of the total risk exposure amount. Simultaneously, the Bank of Slovenia took the decision to reduce the sectoral systemic risk buffer for retail exposures to natural persons secured by residential real estate from 1.0 per cent. to 0.5 per cent. "

- 1.5 On page 172 of the Prospectus, under the heading "**LEGAL AND ADMINISTRATIVE PROCEEDINGS**", sub-heading "***Other material proceedings, actual or threatened***", before the list starting with "Other substantial claims against the members of the NLB Group include:", the following paragraph shall be inserted:

"NLB and N Banka offered from 2005 until 2008 as a part of the loan portfolio, also loans in Swiss Francs ("**CHF**"). The cumulative disbursed amount of the CHF loans amounts to EUR 269 million (including N Banka). Several borrowers of CHF loans have initiated legal proceedings against NLB in which they are claiming that their CHF-denominated loan agreements are null and void due to the failure by NLB to inform them properly of the currency risk they were assuming by borrowing such loans. The total amount of such claims is not material and, until recently, the plaintiffs were mostly unsuccessful. However, a recent change in the interpretation of the relevant provisions of law by Slovenian courts increases the possibility of the plaintiffs' success, although the outcome still depends largely on factual matters as determined by the court. In addition, such change in the case law resulted in a slight increase in number of proceedings against NLB. In the event of a significant increase in the number of proceedings and judgments adverse to NLB, NLB's profit could be materially affected."

- 1.6 On page 173 of the Prospectus, under the heading "**NO MATERIAL ADVERSE OR SIGNIFICANT CHANGE**", the second paragraph shall be replaced by the following:

"There has there been no significant change in the financial position or performance of NLB and the Group, which has occurred since 30 September 2023."

2. Changes to the section "**Taxation**"

- 2.1 On page 175 of the Prospectus, under the heading "**Taxation in Slovenia**", subheading "***Taxation of interest income - Other methods of taxation***", the first paragraph shall be replaced by the following:

"Interest on the Notes received by (a) a legal person resident for taxation purposes in the Republic of Slovenia or (b) a permanent establishment (*poslovna enota*) in the Republic of Slovenia of a legal person not resident for taxation purposes in the Republic of Slovenia will be subject to Slovenian tax as a part of the net annual income of such legal person or permanent establishment, being Slovenian Corporate Income Tax (*davek od dohodkov pravnih oseb*) which is levied at the rate of 19 per cent. (except for the years 2024, 2025, 2026, 2027 and 2028 for which the applicable rate is 22 per cent.)."

- 2.2 On page 175 of the Prospectus, under the heading "**Taxation in Slovenia**", sub headings "***Taxation of capital gains - Legal Persons***", the first paragraph shall be replaced by the following:

"Capital gains earned on the sale or disposition of the Notes by a legal person resident for taxation purposes in the Republic of Slovenia or a permanent establishment (*poslovna enota*) in the Republic of Slovenia of a legal person not resident for taxation purposes in the Republic of Slovenia will be subject to Slovenian Corporate Income Tax as a part of its overall income tax (levied at the rate of 19 per cent. except for the years 2024, 2025, 2026, 2027 and 2028 for which the applicable rate is 22 per cent.)."

3. Changes to the section "Subscription and Sale"

On page 180 of the Prospectus, under the heading "SUBSCRIPTION AND SALE", sub-heading "Singapore", the section shall be replaced in its entirety by the following:

"Each Dealer will be required to acknowledge that this Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "SFA")) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA."

4. Changes to the section "Information incorporated by Reference"

4.1 On page 184 of the Prospectus, under the heading "INFORMATION INCORPORATED BY REFERENCE", sub-heading "Document/Heading", the following information shall be inserted at the beginning of the table:

"

The following sections of the English language version of the NLB Group Interim Report Q3 2023, containing the unaudited condensed financial statements of the Issuer in respect of the nine months ended 30 September 2023;

Source:

<https://www.nlb.si/nlb/nlb-portal/eng/investor-relations/financial-reports/2023/nlb-group-interim-report-q3-2023-.pdf>

Key Members Overview	4
Key Financial Indicators (Table 1)	8
Income Statement of NLB Group (Table 3)	15
Net Interest Income	15 – 16
Net non-interest income of NLB Group (Figure 4)	17
Total costs	18
Statement of Financial Position (Table 4)	20
Total assets of NLB Group by the location of NLB Group entities (Figure 7)	20
Balance sheet structure of NLB Group on 30 September 2023 (Figure 8)	21
NLB Group gross loans to customers YtD dynamics (Figure 9)	21
NLB Group deposits from customers YtD dynamics (Figure 10)	22
NLB Group capital ratios and regulatory thresholds (Figure 13)	24
NLB Group capital requirements and buffers (Table 5)	25
Total risk exposure for NLB Group (Table 6)	26
MREL Compliance	27
NLB Group's unencumbered liquidity reserves structure reflects a robust liquidity position (Figure 15)	29
Segments of NLB Group (Table 9)	30

Key financials of Retail Banking in Slovenia segment (Table 10)	32
Key financials of Corporate and Investment Banking in Slovenia segment (Table 11)	34
Key financials of Strategic Foreign Markets segment (Table 12)	37
Financial Markets in Slovenia	40 – 41
NLB Group structure of the credit portfolio (gross loans) by segment and rating (Figure 19)	52
NLB Group loan portfolio by stages as at 30 September 2023 (Table 18)	53
NLB Group corporate and retail loan portfolio (in %) by interest rates as at 30 September 2023 (Figure 21)	53
Alternative Performance Indicators	61 – 71
Unaudited Condensed Interim Financial Statements of NLB Group and NLB	76 – 120

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- 4.2 On page 185 of the Prospectus, under the heading "**INFORMATION INCORPORATED BY REFERENCE**", the second paragraph after the table shall be replaced by the following:

"For the avoidance of doubt, such parts of the NLB Group Interim Report Q3 2023 and the Interim Report Q1 2023, and the annual reports for the fiscal year ended 31 December 2021 and 31 December 2022 respectively, which are not explicitly listed in the tables above, are not incorporated by reference into this Prospectus as these parts are either not relevant for the investor or covered elsewhere in this Prospectus."