

Material

for the 33rd General Meeting of NLB d.d.
on 10 June 2019

PUBLICATION OF THE AGENDA AND PROPOSED RESOLUTIONS TO BE PASSED AT THE 33rd ANNUAL GENERAL MEETING OF NLB d.d.

Pursuant to Article 295 of the Companies Act (ZGD-1) and Article 13 of the Articles of Association of Nova Ljubljanska banka d.d., Ljubljana (Articles of Association), the Management Board of NLB d.d. hereby convenes the

33rd General Meeting of NLB d.d., Trg republike 2, 1000 Ljubljana,

which will be held in Ljubljana, on 10 June 2019, starting at 11 a.m., at the address CANKARJEV DOM, kulturni in kongresni center, Prešernova cesta 10, Ljubljana

with the following agenda:

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

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

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

Item 2: Presentation of the NLB Group 2018 Annual Report (Annual Report 2018), the Report of the Supervisory Board of NLB d.d. on the results of the examination of the NLB Group Annual Report 2018 (Report of the Supervisory Board of NLB d.d.) and the Information on the income of the NLB d.d. Management Board of NLB d.d. and Supervisory Board of NLB d.d. members in 2018 (Information on the income).

The General Meeting of NLB d.d. hereby acknowledges the adopted Annual Report 2018, Report of the Supervisory Board of NLB d.d. and Information on the income.

Item 3: Decision on the allocation of distributable profit for 2018 and granting a discharge from liability to the Management Board of NLB d.d. and Supervisory Board of NLB d.d.

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

3.1 The distributable profit of NLB d.d. established as at 31 December 2018 amounts to EUR 194,491,264.58 and comprises the net profit for the business year 2018 in the amount of EUR 165,298,598.13, the impact of the change of the accounting policy due to the migration to the International Financial Reporting Standard IFRS 9: financial instruments in the amount of EUR 29,121,673.23, the transfer of valuation gains upon the derecognition of capital financial instruments measured at fair value through other comprehensive income in the amount of EUR 44,309.75 and profit brought forward from previous years in the amount of EUR 26,683.47.

Distributable profit in the amount of EUR 194,491,264.58 shall be used as follows:

- the part in total amount of EUR 142,600,000.00 shall be paid out to the shareholders as dividend, which amounts to EUR 7.13 gross per share,

- the part in the amount of EUR 51,891,264.58 shall remain undistributed and become part of the profit brought forward.

NLB d.d. will pay out dividends to persons that are as shareholders of NLB d.d. registered at Central Securities Clearing Corporation on the fifth day after the relevant General Meeting (17/6/2019, cut-off *date*). The obligation of NLB d.d. towards its shareholders falls due on the sixth working day after the relevant General Meeting (18/6/2019, *execution date*).

The day of announcement of a corporate act to the system members of Central Securities Clearing Corporation is the first day after the relevant General Meeting has taken place (11/6/2019, *announcement date*).

Day without eligibility is the fourth working day after the relevant General Meeting has taken place (14/6/2019, *day without eligibility*).

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

- Blaž Brodnjak, CEO,
- Archibald Kremser, member,
- Peter Andreas Burkhardt, member and
- László Pelle, member

is hereby granted discharge for the business year 2018.

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

- Primož Karpe, Chairman
- Andreas Klingen, Vice Chairman,
- László Zoltán Urbán, member,
- David Eric Simon, member,
- Alexander Bayr, member,
- Peter Groznik, member,

is hereby granted discharge for the business year 2018.

Item 4: Discussion on the Internal Audit's Report for 2018 and the opinion of the Supervisory Board of NLB d.d.

The General Meeting of Shareholders of NLB d.d. hereby acknowledges the adopted Annual Report of the Internal Audit for 2018 and the positive opinion of the Supervisory Board of NLB d.d. granted with the resolution passed on 8 March 2019.

Item 5: Election of members of the Supervisory Board of NLB d.d.

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

5.1 The General Meeting of NLB d.d. hereby appoints Mark William Lane Richards as member of the Supervisory Board of NLB d.d. from the date of adoption of this resolution, the term of office starts on the day of appointment and lasts until completion of the Annual General Meeting of the Bank, which decides on allocation of distributable profit for the fourth consecutive year from the election, whereby the year in which the member was appointed is considered to be the first year.

5.2 The General Meeting of NLB d.d. hereby appoints Shrenik Dhirajlal Davda as member of the Supervisory Board of NLB d.d. from the date of adoption of this resolution, the term of office starts on the day of appointment and lasts until completion of the Annual General Meeting of the Bank, which decides on allocation of distributable profit for the fourth consecutive year from the election, whereby the year in which the member was appointed is considered to be the first year.

5.3 The General Meeting of NLB d.d. hereby appoints Andreas Klingen as member of the Supervisory Board of NLB d.d. from the date of adoption of this resolution, the term of office starts on the day of appointment and lasts until completion of the Annual General Meeting of the Bank, which decides on allocation of distributable profit for the fourth consecutive year from the election, whereby the year in which the member was appointed is considered to be the first year.

5.4 The General Meeting of NLB d.d. hereby appoints Gregor Rok Kastelic as member of the Supervisory Board of NLB d.d. from the date of adoption of this resolution, the term of office starts on the day of appointment and lasts until completion of the Annual General Meeting of the Bank, which decides on allocation of distributable profit for the fourth consecutive year from the election, whereby the year in which the member was appointed is considered to be the first year.

Item 6: Authorisation for redeeming treasury shares and exclusion of the preemptive right of the existing shareholders in the disposal of treasury shares

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

With the aim of ensuring NLB d.d. treasury shares for the payment of variable part of the remuneration to the employees of NLB d.d. in the form of NLB d.d. shares, the General Meeting of NLB d.d. hereby authorises the Management Board of NLB d.d. to be able to redeem NLB d.d. treasury shares within the period of 36 months from the adoption of this resolution by means of transactions made on the regulated market, with a maximum deviation of the purchase price of NLB d.d. share (up or down) of no more than 4% of the closing price of NLB d.d. share on the regulated market as at the last trading day prior to the purchase.

The authorisation is valid for acquiring up to 36,542 NLB d.d. treasury shares, while the total percentage of shares acquired on the basis of this authorisation, together with the treasury shares already in possession of NLB d.d., may not exceed 10% of NLB d.d. share capital (2,000,000 shares).

NLB d.d. may dispose of treasury shares obtained on the basis of this authorisation by using them to pay the variable part of remuneration to the employees of NLB d.d. in the form of NLB d.d. shares.

When disposing its treasury shares which NLB d.d. acquired on the basis of this authorisation, the preemptive right of the existing shareholders to acquire shares is excluded in full in case treasury shares are disposed of for the purpose of paying the variable part of remuneration to the employees of NLB d.d. in the form of NLB d.d. shares.

Item 7: Adoption of the Policy on the provision of diversity of the management body and senior management

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

The General Meeting of NLB d.d. hereby adopts the Policy on the provision of diversity of the management body and senior management.

Item 8: Adoption of the Policy on the selection of suitable candidates for members of the Supervisory Board of NLB d.d.

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

The General Meeting of Shareholders of NLB d.d. hereby adopts the Policy on the selection of suitable candidates for the Supervisory Board of NLB d.d.

With the exception of Items 5 and 8, which are proposed by the Supervisory Board of NLB d.d., all other Items are proposed by the Management Board of NLB d.d. and Supervisory Board of NLB d.d. Items 2 and 4 of the Agenda are for information only.

Material:

The proposed resolutions with explanations and other material for the General Meeting are available to the shareholders for review at the Bank's registered office at Trg republike 2, 1000 Ljubljana, Secretariat, every business day from 9 a.m. to 12 noon, and are also available in the websites <https://www.nlb.si/general-meetings> which also provides detailed information on the shareholders' rights in accordance with the second indent of the second paragraph of Article 296 of the ZGD-1. This Publication is also published in the SEOnet electronic notification system of the Ljubljana Stock Exchange, on London Stock Exchange (Regulatory News Service) and the AJPES website.

Conditions for participation:

Those shareholders who are registered in the central register of dematerialised securities kept by KDD d.d., as at the end of the fourth day prior to the General Meeting, i.e. 6 June 2019, (hereinafter: the cut-off date), or their legal representatives or proxies who shall present a written power of attorney can attend the General Meeting and vote. The attendance must be notified to the Bank's Management Board using an application form which must be submitted to the Bank's registered office at least by the end of the fourth day prior to the General Meeting of Shareholders. The applications shall be accepted as timely if they are sent to the Bank's registered office (at Trg republike 2, Ljubljana), addressed to the Secretariat Office, by the end of the fourth day prior to the General Meeting i.e. 6 June 2019. The legal representatives of natural persons or legal entities must, on the day of the General Meeting, present a public document wherefrom it is evident that they have the right to act as a shareholder's representative; the document in question must not be older than 3 (three) days. The form for registering your attendance at the General Meeting (Registration of attendance at the General Meeting) is available at the website <https://www.nlb.si/general-meetings>.

Supplements to the agenda:

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

Shareholders' proposals:

Shareholders may submit written proposals for resolutions to each item on the agenda, in compliance with Article 300 of the Companies Act (ZGD-1) (hereinafter: the counterproposal). A counterproposal shall be published and notified in the manner laid down in Article 296 of the Companies Act (ZGD-1), but only if the shareholder sends to the Bank a proposal for publication in compliance with Article 300 of the ZGD-1 within seven days after the publication of the notice to convene the General Meeting.

Right to be informed:

During the General Meeting, the shareholders can exercise their right to be informed in compliance with the first paragraph of Article 305 of the ZGD-1.

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

The shareholders may exercise their voting right also through a proxy after they have signed and submitted a written form (Proxy Form) which is available at the website <https://www.nlb.si/general-meetings> and sent it to the company's registered office by the end of the fourth day prior to the General Meeting, i.e. 6 June 2019. The proxy form may be submitted to the company via e-mail by the same deadline as applicable to the written form, namely by sending an attached scan of the proxy form to the following e-mail: Skupscina2019@nlb.si; it must contain a handwritten signature of the natural person and in the case of legal persons a handwritten signature of the representative and stamp of the person, if used. The company shall reserve the right to verify the authenticity of the shareholder or the person who has authorised another person and submitted the power of attorney by electronic mail.

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

Any requests for an additional item on the agenda and proposed resolutions and voting proposals sent to the company via e-mail at the address Skupscina2019@nlb.si must be sent as an attached scan and must contain a



handwritten signature of the natural person and in the case of legal persons a handwritten signature of the representative and stamp of the person, if used. The company shall reserve the right to verify the identity of the shareholder or the authorised person who submitted the request or proposal via e-mail and the authenticity of their signature.

Share Capital and Number of Voting Rights

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

Call to the main shareholders, institutional investors and the state

In accordance with the Slovenian Corporate Governance Code, Section 6.2, the Company calls all the main shareholders, particularly the institutional investors and the state, to inform the public of their shareholding management policy for the Company, e.g. the voting policy, type and frequency of conducting management activities and the communication dynamics with the NLB Management Board and NLB Supervisory Board.

Organised collection of Powers of Representation in accordance with Article 310 of ZGD-1

In the period from this convocation until the General Meeting, the company will collect Powers of Representation in an organised manner, which will be communicated accordingly to the shareholders by way of letters sent to their addresses entered in the central register of book-entry securities managed by the Central Securities Clearing Corporation (KDD d.d.). Materials will be sent out in Slovene language and translation into English will be available at <https://www.nlb.si/general-meetings>.

Ljubljana, 29/04/2019

Management Board of NLB d.d.



FOUNDATIONS FOR THE PROPOSED RESOLUTIONS FOR THE 33rd GENERAL MEETING OF NLB d.d.

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

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

hereby propose to the

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

proposed resolution under Item 1

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

Grounds

In accordance with the Companies Act (hereinafter: ZGD-1) and the Articles of Association of Nova Ljubljanska banka d.d. (hereinafter: the Articles of Association), the Management Board hereby convenes the General Meeting. It had invited Notary Public Miro Košak from Ljubljana to participate, and the latter accepted the invitation and confirmed his attendance.

The Management and Supervisory Boards are obliged to propose to the General Meeting adoption of General Meeting resolutions in accordance with the ZGD-1. Pursuant to Article 17 of the Articles of Association, the General Meeting of NLB d.d. shall elect its chair at the General Meeting of NLB d.d. The Management Board of NLB d.d. and the Supervisory Board of NLB d.d. hereby propose to the General Meeting of NLB d.d. to elect Matej Kavčič, attorney at law from the Law Firm Kavčič, Bračun in partnerji, o.p., d.o.o. Chair of the General Meeting of NLB d.d.

Supervisory Board of NLB d.d.

Management Board of NLB d.d.

2. Item on the agenda: **Presentation of the NLB Group 2018 Annual Report (Annual Report 2018), Report of the Supervisory Board of NLB d.d. on the results of the examination of the NLB Group Annual Report 2018 (Report of the Supervisory Board of NLB d.d.) and the Information on the income of the NLB d.d. Management Board of NLB d.d. and Supervisory Board of NLB d.d. members in 2018 (Information on the income)**

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

hereby inform the

General Meeting of NLB d.d.
of the following

The General Meeting of NLB d.d. hereby acknowledges the adopted Annual Report 2018, the Report of the Supervisory Board of NLB d.d. and the Information on the income.

Grounds

Pursuant to the applicable ZGD-1, the General Meeting of NLB d.d. hereby acknowledges the discussed item on the agenda, i.e. the adopted Annual Report 2018, the Report of the Supervisory Board of NLB d.d. and the Information on the income.

In 2018, the Supervisory Board of NLB d.d. supervised the operations of NLB d.d. and the NLB Group in the scope of authorisations and powers specified in the statutory provisions and the Articles of Association.

Pursuant to the provisions of Article 282 of the ZGD-1, the Supervisory Board of NLB d.d. compiled the Report of the Supervisory Board of NLB d.d. which is intended for the General Meeting of Shareholders. The Supervisory Board of NLB d.d. passed this Report at its 54th regular meeting held on 12 April 2019 by which it approved the company's Annual Report 2018 in the form submitted to it by the Management Board of NLB d.d.

Furthermore, the General Meeting of NLB d.d. hereby acknowledges the Information on the income as stipulated by the provisions of ZGD-1.

Supervisory Board of NLB d.d.

Management Board of NLB d.d.

Attachments:

1. 2018 Annual Report
2. Report of the Supervisory Board of NLB d.d.
3. Information on the income of the members of the Management Board of NLB d.d. and Supervisory Board of NLB d.d.

3. Item on the agenda: Decision on the allocation of distributable profit for 2018 and granting a discharge from liability to the Management Board of NLB d.d. and Supervisory Board of NLB d.d.

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

hereby propose to the

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

proposed resolution under Item 3

3.1 The distributable profit of NLB d.d. established as at 31 December 2018 amounts to EUR 194,491,264.58 and comprises the net profit for the business year 2018 in the amount of EUR 165,298,598.13, the impact of the change of the accounting policy due to the migration to the International Financial Reporting Standard IFRS 9: financial instruments in the amount of EUR 29,121,673.23, the transfer of valuation gains upon the derecognition of capital financial instruments measured at fair value through other comprehensive income in the amount of EUR 44,309.75 and profit brought forward from previous years in the amount of EUR 26,683.47.

Distributable profit in the amount of EUR 194,491,264.58 shall be used as follows:

- the part in total amount of EUR 142,600,000.00 shall be paid out to the shareholders as dividend, which amounts to EUR 7.13 gross per share,*
- the part in the amount of EUR 51,891,264.58 shall remain undistributed and become part of the profit brought forward.*

NLB d.d. will pay out dividends to persons that are as shareholders of NLB d.d. registered at Central Securities Clearing Corporation on the fifth day after the relevant General Meeting (17/6/2019, cut-off date). The obligation of NLB d.d. towards its shareholders falls due on the sixth working day after the relevant General Meeting (18/6/2019, execution date).

The day of announcement of a corporate act to the system members of Central Securities Clearing Corporation is the first day after the relevant General Meeting has taken place (11/6/2019, announcement date).

Day without eligibility is the fourth working day after the relevant General Meeting has taken place (14/6/2019, day without eligibility).

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

- Blaž Brodnjak, CEO,*
- Archibald Kremser, member,*
- Peter Andreas Burkhardt, member and*
- László Pelle, member*

is hereby granted discharge for the business year 2018.

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

- Primož Karpe, Chairman*
- Andreas Kligen, Vice Chairman,*
- László Zoltán Urbán, member,*
- David Eric Simon, member,*
- Alexander Bayr, member,*
- Peter Groznik, member,*

is hereby granted discharge for the business year 2018.



Grounds

Pursuant to the provisions of the Companies Act (ZGD-1), the General Meeting of Shareholders decides about the allocation of the distributable profit based on the audited 2018 Annual Report which the Supervisory Board adopted at its 54th regular meeting held on 12 April 2019.

In line with Article 294 of the Companies Act, the General Meeting of Shareholders also decides about the granting of discharge from liability to the Management Board and Supervisory Board for their work in the past business year.

The General Meeting decides on the granting of discharge to the management and supervisory bodies, namely in the composition as at the moment of deciding at the General Meeting. Therefore, the General Meeting of NLB d.d. is hereby proposed to grant discharge to the Management Board of NLB d.d. and the Supervisory Board of NLB d.d., namely to the current members of the Management Board of NLB d.d. and the Supervisory Board of NLB d.d.

Supervisory Board of NLB d.d.

Management Board of NLB d.d.

4. Item on the agenda: Discussion on the Internal Audit's Report for 2018 and the opinion of the Supervisory Board of NLB d.d.

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

hereby inform the

General Meeting of NLB d.d.
of the following

The General Meeting of Shareholders of NLB d.d. hereby acknowledges the adopted Annual Report of the Internal Audit for 2018 and the positive opinion of the Supervisory Board of NLB d.d. granted with the resolution passed on 8 March 2019.

Grounds

This is an informative item on the agenda which is, according to the Companies Act (ZGD-1) and the Banking Act (ZBan-2), not voted on by the General Meeting of Shareholders.

Article 144 of the Banking Act stipulates that the Internal Audit Department must formulate an annual report on internal auditing and submit it to the Management Board and the Supervisory Board. The Management Board must submit to the General Meeting the said report together with the opinion of the Supervisory Board, the Annual Report of the Bank and the Report of the Supervisory Board pursuant to Article 282 of the ZGD-1. Article 48 of the Banking Act further stipulates that the members of the Supervisory Board explain to the General Meeting of Shareholders their opinion on the Internal Audit's Annual Report.

At its 53rd regular meeting held on 8 March 2019 the Supervisory Board of NLB d.d. discussed and approved the Internal Audit's Report for 2018.

Supervisory Board of NLB d.d.

Management Board of NLB d.d.

Attachments:

1. Internal Audit Report for 2018
2. Resolution of the Supervisory Board of NLB d.d. of 8 March 2019

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

Supervisory Board of NLB d.d.

hereby proposes to the

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

proposed resolutions under Item 5

5.1 The General Meeting of NLB d.d. hereby appoints Mark William Lane Richards as member of the Supervisory Board of NLB d.d. from the date of adoption of this resolution, the term of office starts on the day of appointment and lasts until completion of the Annual General Meeting of the Bank, which decides on allocation of distributable profit for the fourth consecutive year from the election, whereby the year in which the member was appointed is considered to be the first year.

5.2 The General Meeting of NLB d.d. hereby appoints Shrenik Dhirajlal Davda as member of the Supervisory Board of NLB d.d. from the date of adoption of this resolution, the term of office starts on the day of appointment and lasts until completion of the Annual General Meeting of the Bank, which decides on allocation of distributable profit for the fourth consecutive year from the election, whereby the year in which the member was appointed is considered to be the first year.

5.3 The General Meeting of NLB d.d. hereby appoints Andreas Klingen as member of the Supervisory Board of NLB d.d. from the date of adoption of this resolution, the term of office starts on the day of appointment and lasts until completion of the Annual General Meeting of the Bank, which decides on allocation of distributable profit for the fourth consecutive year from the election, whereby the year in which the member was appointed is considered to be the first year.

5.4 The General Meeting of NLB d.d. hereby appoints Gregor Rok Kastelic as member of the Supervisory Board of NLB d.d. from the date of adoption of this resolution, the term of office starts on the day of appointment and lasts until completion of the Annual General Meeting of the Bank, which decides on allocation of distributable profit for the fourth consecutive year from the election, whereby the year in which the member was appointed is considered to be the first year.

Grounds

The General Meeting of Shareholders is inter alia competent to appoint Supervisory Board members of the company. Since the composition of the Supervisory Board of NLB d.d. is incomplete, the latter hereby proposes to the General Meeting of NLB d.d. to elect new member.

Pursuant to Article 297a of the ZGD-1, the explanation to the item on the agenda under which the General Meeting should decide about the appointment of the supervisory body members must contain at least the name and surname, education, appropriate experience and current employment of the proposed member. Pursuant to Article 274 of the ZGD-1, the proposed candidate for the Supervisory Board member must, before being elected at the General Meeting, present their past professional training and work currently performed as well as any circumstances that might lead to a conflict of interest or their partiality. The proposed candidate may provide their presentation in writing, while at the General Meeting they are presented by the person who nominated them for the position of a Supervisory Board member.



Mr. Mark (William Lane) Richards

With his 30 years of global experience in Banking and Financial Services, Mr. Richards serves as Non-Executive Director for a number of companies.

Mr. Richards was Chairman of Exotix Holdings Limited, a frontier markets brokerage and investment bank and Director of Singapore Life, a rapidly growing digital life insurance group operating across south-east Asia. He was Chief Executive of IPGL (Holdings) Limited, a major corporate holding Company based in the UK. He is also a non-executive director of international financial services search specialist Sheffield Howarth.

Currently, he is CIB Non-executive Board Member, chairs the Risk Committee and is a member of the Compensation, Governance & Nomination Committees.

Mr. Richards brings considerable experience in emerging market banking and investment. He was Partner and Global Head of Financial Services at Actis, one of the world's leading and most ethical emerging market private equity groups. During 11 years at Actis, he was responsible for building many successful companies in Africa, Asia and Latin America. He previously spent 18 years at Barclays in senior roles including CFO of the International Offshore Bank, Director of Group Strategy and Head of Group Corporate Development.

He has a first class degree from Oxford University in modern history and economics. He completed the Accelerated Development Program from London Business School, and Group Level Strategy from Ashridge Management College. He also attended the Leading Professional Services Firms Program at Harvard Business School.

Mr. Shrenik Dhirajlal Davda

Mr. Davda has over 35 years of commercial and investment banking experience in the CEEMEA region, helping to build market-leading franchises for prominent global institutions such as JPMorgan and Deutsche Bank.

Currently, he works as a Partner in NECP LLP, London, a Financial Advisory firm providing corporate finance and debt restructuring services to clients primarily active in emerging Europe.

He has also established and or run several financial advisory boutiques and notably co-founded New Europe Capital Partners Ltd, a regulated firm, which was acquired by Deutsche Bank. He started his career with Gulf International Bank in Bahrain and received his formal credit training at Citibank.

In addition to his current role at NECP LLP, he chairs the Supervisory Board of a leading Ukrainian government owned bank, Ukrgasbank, Kiev and serves as Trustee for an NGO focused on promoting girls secondary education in Kenya.

Mr. Davda has an MBA from INSEAD (Fointainebleau, France) and Law Degree from the London School of Economics and Political Science.

Mr. Andreas Klingen

Mr. Klingen joined the Supervisory Board of NLB d.d. in June 2015 and is a member of the Supervisory Board. In April 2017, he assumed the position of Deputy Chairman of the Supervisory Board. Mr Klingen also chairs the Risk Committee.

He has wide experience in the field of finance, corporate and investment banking and strategic management, as well as privatisations of banks and restructuring in the financial sector.

Currently, he works as an independent banking adviser. From 2010 to 2013, he performed various functions in PC Erste Bank, Kiev, including deputy CEO and CFO. Between 2005 and 2010 he was head of strategic development of the group in Erste Group Bank AG, Vienna, and was Senior Vice President in JPMorgan's investment banking division in London between 1998 and 2005.

Since 2005, Mr. Klingen has been a member of supervisory bodies in several banks in Central and South Eastern Europe, Russia and Central Asia. He is currently a member of the Supervisory Board of Credit Bank of Moscow, Kyrgyz Investment and Credit Bank and an Independent Non-Executive Director of Nepi Rockcastle plc.



Mr. Klingen holds an MBA from Rotterdam School of Management and a Master of Science in Physics from Technische Universität in Berlin.

Mr. Gregor Rok Kastelic

Mr. Kastelic has over 23 years of international experience in the area of investment and corporate banking, and specialises in financial institutions.

He dedicated most of his career to the emerging markets of Central and East Europe, Africa and Asia. He worked in several international banks, including Schroder Salomon Smith Barney, EBRD, Morgan Stanley and ING. He is currently employed as the Managing Director of Investment Banking at ING Bank N.V., London Branch. In his work, he focuses on covering clients and advising in mergers and acquisitions primarily in the CEE region.

Mr. Kastelic has rich experience in the area of corporate governance and has been a member of the supervisory boards of several leading institutions in Slovenia, Serbia, Macedonia and Montenegro. He closely follows the developments in financial institutions, especially in the banking sector in the CEE region.

Mr. Kastelic graduated from the School of Business and Economics of Ljubljana, and obtained the International MBA degree at the University of South Carolina, USA.

The Supervisory Board of NLB d.d. wishes to point out that the Bank, as a regulated credit institution, is subject to stricter requirements and rules for the proposal of candidates for the members of the Supervisory Board to the General Meeting in view of the fact that the ZBan-2 prescribes a preliminary fit&proper assessment of the candidates. In accordance with the applicable regulations and internal policies and procedures, the Nomination Committee of the Supervisory Board of NLB d.d. thus carried out fit&proper assessment for the candidates for the members of the Supervisory Board of NLB d.d. proposed for the appointment by the General Meeting, which it assessed as suitable. In the scope of this procedure, the Committee checked various circumstances related to the conflict of interest and independence of the candidates for the members of the Supervisory Board of NLB d.d.

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

Supervisory Board of NLB d.d.

6. Item on the agenda: Authorisation for redeeming treasury shares and exclusion of the preemptive right of the existing shareholders in the disposal of treasury shares

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

hereby propose to the

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

proposed resolution under Item 6

With the aim of ensuring NLB d.d. treasury shares for the payment of variable part of the remuneration to the employees of NLB d.d. in the form of NLB d.d. shares, the General Meeting of NLB d.d. hereby authorises the Management Board of NLB d.d. to be able to redeem NLB d.d. treasury shares within the period of 36 months from the adoption of this resolution by means of transactions made on the regulated market, with a maximum deviation of the purchase price of NLB d.d. share (up or down) of no more than 4% of the closing price of NLB d.d. share on the regulated market as at the last trading day prior to the purchase.

The authorisation is valid for acquiring up to 36,542 NLB d.d. treasury shares, while the total percentage of shares acquired on the basis of this authorisation, together with the treasury shares already in possession of NLB d.d., may not exceed 10% of NLB d.d. share capital (2,000,000 shares).

NLB d.d. may dispose of treasury shares obtained on the basis of this authorisation by using them to pay the variable part of remuneration to the employees of NLB d.d. in the form of NLB d.d. shares.

When disposing its treasury shares which NLB d.d. acquired on the basis of this authorisation, the preemptive right of the existing shareholders to acquire shares is excluded in full in case treasury shares are disposed of for the purpose of paying the variable part of remuneration to the employees of NLB d.d. in the form of NLB d.d. shares.

Grounds

Since NLB d.d. shares are listed on the regulated market, NLB d.d. must, in accordance with the regulations and in case that variable remuneration exceed a certain level, allocate and pay a certain part of variable remuneration to its employees who can have a significant influence on the risk profile of NLB d.d. within the framework of their powers or tasks and activities in treasury shares. In order to be able to do this, NLB d.d. needs treasury shares. The Management Board and the Supervisory Board of NLB d.d. therefore propose to the General Meeting of NLB d.d. to authorise NLB d.d. to acquire treasury shares to this end.

As NLB d.d. plans to acquire treasury shares on the regulated market, all shareholders will be treated equally in this process.

For NLB d.d. to be able to pay a part of variable remuneration to the above-mentioned employees in treasury shares in accordance with the applicable regulations only if the preemptive right of the existing shareholders to acquire shares is excluded in full for this case. This is the only way to achieve the said goal, which is objectively in the interest of NLB d.d., with the aim of meeting the requirements of the provisions regarding the form of payment of the variable part of remuneration. Due to the above reasons, the privation of the existing shareholders due to the exclusion of the preemptive right will be proportional to the objective because of which the preemptive right is excluded.

In view of the above, the Management Board of NLB d.d. and the Supervisory Board of NLB d.d. hereby propose the exclusion of the preemptive right of the existing shareholders in full.

The number of treasury shares that can be obtained by NLB d.d. in accordance with the above resolution is in line with the estimated maximum amount of treasury shares NLB d.d. will require in the period of validity of authorisation for the purpose specified by the proposed resolution. When allocating treasury shares to the employees, the closing



price of NLB d.d. share on the regulated market on the last trading day prior to the day of allocating shares to an employee shall be taken into account. This is appropriate both from the point of view of equal treatment of NLB d.d. shareholders and from the point of view of the Guidelines on sound remuneration policies under Articles 74(3) and 75(2) of Directive 2013/36/EU and disclosures under Article 450 of Regulation (EU) No 575/2013 (EBA/GL/2015/22), which are relevant in relation to the payment of the variable part of remuneration to the employees.

If the General Meeting of NLB d.d. grants the proposed authorisation and if NLB d.d. uses such authorisation, it will carry out all procedures and obtain all potential permits of the competent authorities, as foreseen by the relevant provisions, in relation to acquiring treasury shares within the set deadlines.

Supervisory Board of NLB d.d.

Management Board of NLB d.d.

Attachments:

1. Report of the Management Board of NLB d.d. for the General Meeting of Shareholders of NLB d.d. on the reasons for the exclusion of the existing shareholders' pre-emptive right to acquire NLB d.d. shares.

7. Item on the agenda: Adoption of the Policy on the provision of diversity of the management body and senior management

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

hereby propose to the

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

proposed resolution under Item 7

The General Meeting of NLB d.d. hereby adopts the Policy on the provision of diversity of the management body and senior management.

Grounds

On 4 August 2016 the 27th General Meeting of NLB d.d. adopted the Policy on the provision of diversity of the Supervisory Board.

Pursuant to the provisions of the Banking Act, the Regulation of the Bank of Slovenia on internal management arrangements, management body and the internal capital adequacy assessment process for banks and savings banks, the EBA Guidelines on Internal Governance, the Corporate Governance Code for Listed Companies (Slovenian Directors' Association and the Ljubljana Stock Exchange) and other regulations in this area, amendments are proposed to the existing Policy on the provision of diversity of the Supervisory Board, as presented below.

The Bank is focused on the objective of achieving diversity of knowledge, competencies, gender representation and other aspects of diversity to ensure different opinions and enable the members of the Bank's bodies and the senior management to adopt prudent and balanced decisions and to manage risks due to the said diversity.

A significant amendment to the existing Policy on the provision of diversity of the Supervisory Board comprises the expansion of the scope of the provision of diversity from the Supervisory Board of NLB d.d. also to the Management Board of NLB d.d. and the Bank's senior management, following the requirements of the above provisions. Therefore, the name of the document has also been changed. With the implementation of the Management Body and Senior Management Diversity Policy (hereinafter: the Policy), the Bank will set up the policy and the manner of providing diversity at the highest level of internal governance, i.e. the management body (the Management Board of NLB d.d. and the Supervisory Board of NLB d.d.) as well as at the level of senior management responsible for the Bank's daily operations. The bases for ensuring diversity are the defined professional experience, knowledge and skills, international experience, gender structure and age structure, depending on the size of the bank and the banking group and its regional presence and business strategy.

The second version of the Policy is also supplemented with clearly specified goals and the method of achieving them and implementation and reporting manners have been clearly defined.



The previous section IV of the Policy on the provision of diversity of the Supervisory Board which regulated the conditions for a member of the Supervisory Board of NLB d.d. has been excluded in the second version of the Policy since the substance has been covered by the Policy on the selection of suitable candidates for members of the Supervisory Board of NLB d.d.

Supervisory Board of NLB d.d.

Management Board of NLB d.d.

Attachments:

1. Policy on the provision of diversity of the management body and senior management

8. Item on the agenda: Adoption of the Policy on the selection of suitable candidates for members of the Supervisory Board of NLB d.d.

Supervisory Board of NLB d.d.

hereby proposes to the

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

proposed resolution under Item 8

The General Meeting of Shareholders of NLB d.d. hereby adopts the Policy on the selection of suitable candidates for the Supervisory Board of NLB d.d.

Grounds

Pursuant to the provisions of the Banking Act, the Regulation of the Bank of Slovenia on internal management arrangements, management body and the internal capital adequacy assessment process for banks and savings banks, the EBA Guidelines on Internal Governance, the Corporate Governance Code for Listed Companies (Slovenian Directors' Association and the Ljubljana Stock Exchange) and other regulations in this area, amendments are proposed to the Policy on the selection of suitable candidates for members of the Supervisory Board of NLB d.d. (hereinafter: the Policy), which are presented below:

The existing criteria (adequately wide range of knowledge, skills and experience) of the members, based on which the Supervisory Board of NLB d.d. must be composed, have been supplemented with the following criteria: reputation, management of any conflicts of interest, independence, available time and collective suitability of the Supervisory Board as a whole. The procedure managed and conducted by the Nomination Committee of the Supervisory Board of NLB d.d. is divided into six steps, namely: identification of the need to search for and nominate a candidate for Supervisory Board member; definition of the profile; search for candidates; selection of the candidates; assessment of appropriateness and suitability of candidates (fit&proper); proposal for the appointment of the candidate; appointment of the candidate for a member of the Supervisory Board of NLB d.d.

A new provision has been added to the section *The laying down of conditions for a Supervisory Board member*, requiring that the candidate for a member of the Supervisory Board of NLB d.d. proactively discloses a potential conflict of interest already in the selection process, as required by the provisions stipulating that the Bank must ensure the members of the Supervisory Board are fit&proper. When selecting members for the Supervisory Board of NLB d.d. it is necessary to ensure collective suitability and the criterion of representation of both genders has been added to the existing criteria. It is therefore essential in the process of searching and selecting a fit&proper candidate to ensure a wide range of potential candidates with the aim of ensuring collective suitability and efficiency of the Supervisory Board of NLB d.d. as a whole; the procedure of potential selection of external headhunting agencies is managed in accordance with the internal procurement rules.

Supervisory Board of NLB d.d.

Attachments:

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