



## Material

for the 41<sup>st</sup> General Meeting of NLB d.d.  
on 11 December 2023

### **PUBLICATION OF AGENDA AND PROPOSED RESOLUTIONS TO BE PASSED AT 41<sup>st</sup> GENERAL MEETING OF NLB d.d.**

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

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

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

**with the following agenda:**

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

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

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

#### **Item 2: Decision on the allocation of distributable profit for 2022**

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

The distributable profit of NLB d.d. on 31 December 2022 amounted to EUR 515,463,762.89, of which EUR 55,000,000.00 was paid out on 19 June 2023 according to the resolution of the General Meeting of NLB d.d. The remaining part of the distributable profit shall be allocated as follows:

1. in the amount of EUR 55,000,000.00, which is EUR 2.75 gross per share, shall be paid out on 19 December 2023 to the persons who are registered as the Shareholders of NLB d.d. with the KDD - Central Securities Clearing Corporation, LLC., on the day that is 5 working days after the day of the General Meeting that adopted this resolution (18 December 2023, Cut-Off Date);
2. in the amount of EUR 405,463,762.89 remains undistributed and represents retained earnings.

With regard to the dividend payment, the day of announcement of the corporate action to the Central Securities Clearing Corporation system members is the first working day after the close of session of the General Meeting at which this resolution was adopted (12 December 2023) and the day without entitlement is the last working day prior to Cut-Off Date (15 December 2023).

**Item 3: Vote on the Remuneration Policy for the Members of the Supervisory Board of NLB d.d. and the Members of the Management Board 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:

The General Meeting of NLB d.d. hereby approves the Remuneration Policy for the Members of the Supervisory Board of NLB d.d. and the Members of the Management Board of NLB d.d., whereby the vote on this resolution is of a consultative nature in accordance with ZGD-1.

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All Items have been proposed by the Management Board of NLB d.d. and Supervisory Board of NLB d.d.

Material

The proposed resolutions with explanations and other materials for the General Meeting are available to the Shareholders for review at the Company's registered office at Trg republike 2, 1000 Ljubljana, Secretariat, every working day from 9 a.m. to 12 noon, from the day the General Meeting Convocation was published up to and including the day when the General Meeting takes place, and are also available on the website <https://www.nlb.si/general-meetings>, which also provides detailed information on the Shareholders' rights in accordance with the second indent of the second paragraph of Article 296 of the Companies Act. This Publication is also published in the SEOnet electronic notification system of the Ljubljana Stock Exchange, on London Stock Exchange (Regulatory News Service) and the AJPES website. The Shareholders who would wish to see the resolutions together with the grounds and other materials for the General Meeting at the Company's headquarters are required to make an appointment on the phone number + 386 (0)1 470 70 33 (available every working day between 9 a.m. and 11 a.m.) or by e-mail at [Skupscina2023@nlb.si](mailto:Skupscina2023@nlb.si).

Conditions for participation

Those Shareholders who are registered in the central register of dematerialised securities kept by KDD - Central Securities Clearing Corporation, LLC. ("KDD"), as at the end of the seventh day prior to the General Meeting, i.e. 4 December 2023 ("the cut-off date"), or their legal representatives or proxies who shall present a written power of attorney, can attend the General Meeting and vote. If an intermediary who is not a final shareholder is entered in the central register as a shareholder, shareholders may exercise their voting right on the basis of the proof from the second paragraph of Article 235.č of the Companies Act, from which it follows who is the final shareholder on the cut-off date. The attendance must be communicated to the Company's Management Board on the written application form that must arrive to the Company's registered office (addressed to NLB d.d., Oddelek Sekretariat, Trg republike 2, 1000 Ljubljana) at least by the end of the fourth day prior to the General Meeting, i.e. 7 December 2023. The application that KDD received through intermediation chain can also be submitted in the form of a standardized message via the KDD system within the same deadlines.

The Shareholder, who sends the application in a correct and timely manner, accepts and agrees with the Electronic General Meeting Application, Participation and Voting Rules ("Rules"), available at <https://www.nlb.si/general-meetings>. The Shareholder who wishes to participate in the EGM must explicitly state (select) this option in the application for the General Meeting, also stating his e-mail address, to which information needed to access the web portal or digital environment for conducting the EGM will be sent, and phone number to which a text message (sms) can be sent to the Shareholder or his proxy and video-electronic identification can be performed in accordance with the Rules in the period between 7 and 8 December 2023 from 9 a.m. to 4 p.m. The legal representatives of Shareholders who will attend the General Meeting by physical presence at the venue, must, on the day of the General Meeting, present a public document wherefrom it is evident that they have the right to act as a Shareholder's representative; the document in question must not be older than three days; and the legal representatives of Shareholders who will attend the EGM, must present this public document upon video identification laid down in the Rules, unless their entitlement to representation is evident from the Slovenian Business Register (AJPES). The registration form for participating in the General Meeting ("Registration of Participation in the General Meeting") is

available at <https://www.nlb.si/general-meetings>. The Company shall process personal data in accordance with the applicable rules. Detailed information on this and the rights of an individual is available at <https://www.nlb.si/varstvo-osebni-podatkov>.

#### Supplements to the agenda

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

#### Shareholders' proposals

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

#### Right to be informed

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

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

The Shareholders may exercise their voting right also through a proxy after they have signed and submitted a written form ("Power of Attorney") which is available at the website <https://www.nlb.si/general-meetings> and sent it to the Company's registered office by the end of the fourth day prior to the General Meeting, i.e. 7 December 2023. The Power of Attorney may be submitted to the Company via e-mail by the same deadline as applicable to the written form, namely by sending an attached scan of the Power of Attorney to the following e-mail: [Skupscina2023@nlb.si](mailto:Skupscina2023@nlb.si); it must contain a handwritten signature of the natural person and in the case of legal persons a handwritten signature of the legal representative and stamp of the legal person, if used. The Company shall reserve the right to verify the identity of the Shareholder or the person who has authorised another person and sent a Power of Attorney via email, as well as authenticity of his signature.

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

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

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

#### Electronic General Meeting

The Shareholders may attend the General Meeting by being physically present at the venue where the General Meeting takes place or by electronic means without being physically present. The EGM will be carried out by way of real-time image and sound transmission for the entire General Meeting via a web portal or digital environment for conducting the EGM. The Shareholders will be able to exercise their participation, voting and other rights at the EGM in accordance with the Rules. The Company will strive to provide the Shareholders who attend the EGM with



interpretation of the General Meeting from Slovenian into English and vice versa, but the Company does not give any guarantee and does not assume responsibility for the functioning and accessibility of the translation. The Company will provide the translation to the Shareholders physically present at the venue where the General Meeting will take place.

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

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

#### Recording of General Meeting

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

#### Share capital and number of voting rights

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

#### Call to the main Shareholders

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

#### Other notices

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

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

Ljubljana, 27 October 2023

Management Board of NLB d.d.



**GROUNDS FOR THE PROPOSED RESOLUTIONS  
FOR THE 41<sup>st</sup> GENERAL MEETING OF NLB d.d.**

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

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

hereby propose to the

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

**proposed resolution under Item 1**

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

**Grounds**

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

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

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

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

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

Supervisory Board of NLB d.d.

Management Board of NLB d.d.

2. Item on the agenda: **Decision on the allocation of distributable profit for 2022**

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

hereby propose to the

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

**proposed resolution under Item 2.**

*The distributable profit of NLB d.d. on 31 December 2022 amounted to EUR 515,463,762.89, of which EUR 55,000,000.00 was paid out on 19 June 2023 according to the resolution of the General Meeting of NLB d.d. The remaining part of the distributable profit shall be allocated as follows:*

- 1. in the amount of EUR 55,000,000.00, which is EUR 2.75 gross per share, shall be paid out on 19 December 2023 to the persons who are registered as the Shareholders of NLB d.d. with the KDD - Central Securities Clearing Corporation, LLC., on the day that is 5 working days after the day of the General Meeting that adopted this resolution (18 December 2023, Cut-Off Date);*
- 2. in the amount of EUR 405,463,762.89 remains undistributed and represents retained earnings.*

*With regard to the dividend payment, the day of announcement of the corporate action to the Central Securities Clearing Corporation system members is the first working day after the close of session of the General Meeting at which this resolution was adopted (12 December 2023) and the day without entitlement is the last working day prior to Cut-Off Date (15 December 2023).*

**Grounds**

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

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

In the 2023 Outlook, the Bank expressed the intention to pay cumulative EUR 110 million of dividend in two tranches. In June 2023 the Bank already paid out the first instalment of the dividend in total amount of EUR 55 million and announced the second instalment towards the end of this year.

The proposed EUR 55 million for the second tranche of dividend payment from the profit generated in 2022 is not included in the capital base, therefore the payment will not affect the NLB Group capital ratios and will remain stable and high above the regulatory requirement also after the dividend distribution.

Supervisory Board of NLB d.d.

Management Board of NLB d.d.



3. Item on the agenda: **Vote on the Remuneration Policy for the Members of the Supervisory Board of NLB d.d. and the Members of the Management 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**

*The General Meeting of NLB d.d. hereby approves the Remuneration Policy for the Members of the Supervisory Board of NLB d.d. and the Members of the Management Board of NLB d.d., whereby the vote on this resolution is of a consultative nature in accordance with ZGD-1.*

**Grounds**

The Companies Act (ZGD-1) stipulates an obligation for the company whose securities are traded on a regulated market to produce a remuneration policy for its management and supervisory bodies and executive directors, which is then submitted to the General Meeting for approval. The company shall submit such remuneration policy to the General Meeting for a vote at each significant change, and in any case at least every four years. The vote on the remuneration policy at the General Meeting is consultative. The company determines the remuneration of the members of its management and supervisory bodies and its executive directors only in accordance with the remuneration policy, which was submitted to the vote for approval at the General Meeting.

The third version of the Remuneration Policy for the Members of the Supervisory Board of NLB d.d. and the Members of the Management Board of NLB d.d. (hereinafter: Remuneration Policy) is presented to the General Meeting of Shareholders of NLB d.d. for approval. The Supervisory Board of NLB d.d. adopted the Remuneration Policy on 26 October 2023. The Supervisory Board of NLB d.d. and the Management Board of NLB d.d. propose to the General Meeting of Shareholders of NLB d.d. to approve the Remuneration Policy, whereby the vote on the proposed resolution is of a consultative nature in accordance with ZGD-1.

We believe in the importance of transparency and accountability in our corporate governance, which includes our approach to remuneration. The Remuneration Policy is designed to ensure that Management Board Members compensation is aligned with our long-term strategic goals and the interests of our shareholders. We are providing a clear understanding of how the Remuneration Policy works and its impact on our performance.

1. Alignment with strategy: our Remuneration Policy is closely aligned with our strategy. We aim to attract and retain top talent by offering competitive compensation packages, while the remuneration is linked to the achievement of specific performance targets and the creation of sustainable shareholder value.
2. Performance Metrics: to reinforce our commitment to long-term value creation, utilize a balanced set of performance metrics, which are defined and structured and are based on clear grid and weights. These metrics include financial results, operational efficiency, strategic milestones, and environmental, social and governance (ESG) factor. We are introducing long-term incentive (LTI) which is tied to relative Total Shareholder Return (TSR) and long-term targets related to sustainability, organisational culture, and employee development to ensure that Management Board Members are incentivized to contribute not only to immediate financial success but also to the Group's overall sustainability and growth and value for shareholder over the long term.
3. Shareholder feedback: Besides relevant regulation and guidelines we considered best practices and shareholder advice while drafting the Remuneration Policy, to ensure that shareholders' opinion and feedback is incorporated.
4. Comparability and market data: we conduct regular benchmarking to ensure that our remuneration packages are competitive within our industry and market. While we aim to attract top talent, we also avoid excessive compensation that is not warranted by performance.
5. Transparency: we are dedicated to provide transparent reporting on remuneration. All main components of short-term incentive (STI) and long-term incentive (LTI) are disclosed in the Remuneration Policy, while



detailed disclosure on performance achievement against relevant performance metrics will be clearly disclosed in our annual remuneration reports and made readily accessible to all stakeholders.

In conclusion, our Remuneration Policy is designed to reward performance, align with shareholder interest, and foster a long-term perspective. It is grounded in transparency and accountability. We are committed to upholding the principles of good corporate governance and strive to ensure that our Management Board Members are compensated fairly and responsibly.

In accordance with ZGD-1, immediately after it is voted upon at the General Meeting of Shareholders of NLB d.d., the Remuneration Policy shall be published at the website of NLB d.d., together with the date and results of the voting, where it must remain publicly available free of charge for at least as long as it is used, and for at least ten years.

Supervisory Board of NLB d.d.

Management Board of NLB d.d.

**Attachment:**

- Remuneration Policy for the Members of the Supervisory Board of NLB d.d. and the Members of the Management Board of NLB d.d.