



Material

**for the 35th General Meeting of NLB d.d.
on 15 June 2020**

PUBLICATION OF THE AGENDA AND PROPOSED RESOLUTIONS TO BE PASSED AT THE 35th 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

35th General Meeting of NLB d.d., Trg republike 2, 1000 Ljubljana,

which will be held in Ljubljana, on 15 June 2020, starting at 11 a.m. (start of registration of shareholders at 10:30 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 2019 Annual Report (Annual Report 2019), the Report of the Supervisory Board of NLB d.d. on the results of the examination of the NLB Group Annual Report 2019 (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 2019 (Information on the income).

The General Meeting of NLB d.d. hereby acknowledges the adopted Annual Report 2019, Report of the Supervisory Board of NLB d.d. and Information on the income.

Item 3: Decision on the allocation of distributable profit for 2019 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. as at 31 December 2019 amounts to EUR 228,039,879.73 and consists of NLB net profit for 2019 in the amount of EUR 176,148,615.15 and retained earnings from previous years in the amount of EUR 51,891,264.58. The total distributable profit of EUR 228,039,879.73 shall remain undistributed representing the profit carried forward.

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

- Blaž Brodnjak, CEO,
- Archibald Kremser, member,
- Peter Andreas Burkhardt, member

is hereby granted discharge for the business year 2019.

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,
- Mark William Lane Richards, member,
- Shrenik Dhirajlal Davda, member,
- Gregor Rok Kastelic, member,

is hereby granted discharge for the business year 2019.

Item 4: Discussion on the Internal Audit's Report for 2019 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 2019 and the positive opinion of the Supervisory Board of NLB d.d. granted with the resolution passed on 20 February 2020.

Item 5: Amendment to the Articles of Association

The General Meeting of Shareholders of NLB d.d. hereby adopts the amendments to the Articles of Association of Nova Ljubljanska banka d.d., Ljubljana as stated in attachment to this convocation.

Item 6: 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:

- 6.1. The General Meeting of NLB d.d. appoints David Eric Simon as member of the Supervisory Board of NLB d.d.; his term of office shall run from the day of appointment and last until the conclusion of the Annual General Meeting of NLB d.d. that decides on the allocation of distributable profit for the fourth financial year after his election, counting as the first year the year in which he was appointed.
- 6.2. The General Meeting of NLB d.d. appoints Primož Karpe as member of the Supervisory Board of NLB d.d.; his term of office shall run from the day of appointment and last until the conclusion of the Annual General Meeting of NLB d.d. that decides on the allocation of distributable profit for the fourth financial year after his election, counting as the first year the year in which he was appointed.
- 6.3. The General Meeting of NLB d.d. appoints Verica Trstenjak as member of the Supervisory Board of NLB d.d.; his term of office shall run from the day of appointment and last until the conclusion of the Annual General Meeting of NLB d.d. that decides on the allocation of distributable profit for the fourth financial year after his election, counting as the first year the year in which he was appointed.

Item 7: Report of the Management Board of NLB for the General Meeting of Shareholders of NLB on the reasons for and the purpose of acquisition, the total number, the minimum issue price and the proportion of the acquired shares and the value of the acquired shares of NLB

The General Meeting of Shareholders of NLB d.d. hereby acknowledges the adopted Report of the Management Board of NLB for the General Meeting of Shareholders of NLB on the reasons for and the purpose of acquisition, the total number, the minimum issue price and the proportion of the acquired shares and the value of the acquired shares of NLB

Item 8: Disbursement to Members of the Supervisory Board of NLB, who are employees' representatives

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

Supervisory Board of NLB d.d. proposes that the payment of an individual member of the Supervisory Board representing the interests of employees ("employee representatives") for performing the function amounts to EUR 60,000 gross per year ("Base Pay"), reduced by the gross amount of salary payment, all allowances referring to work, and holiday allowance that an individual employee representative receives if employed in NLB d.d. or any other member of the NLB Group ("Gross Pay") in an individual year from the employment.

Employee representatives shall receive for their membership in the Committees of the Supervisory Board an additional payment for performing the function of a Committee member, which for an individual member amounts to 10% of the Base Pay ("Extra Pay"), whereby the Extra Pay is payable for membership in not more than two Committees, irrespective of whether or not the employee representative is a member of more than two Committees.

Monthly payment is calculated in the way that 1/12 of the Base Pay in the amount of EUR 5,000 gross (increased by potential 1/12 of Extra Pay) is reduced by the Gross Pay from employment in NLB d.d. or any other member of the NLB Group in an individual month. Should the Gross Pay in an individual month exceed EUR 5,000 (increased by potential Extra Pay), monthly payment in the next month shall be reduced by the rest of the Gross Pay exceeding this amount.

If Employee representatives perform the function for less than a month, they are entitled to a proportional payout based on the number of days they perform each function.

Employee representatives shall be entitled to the reimbursement of travel expenses, daily allowances and costs of overnight accommodation related to their work in the Supervisory Board, namely up to the amount specified in the regulations on reimbursement of work-related expenses and other income not included in the tax base. Accommodation expenses shall be reimbursed if the permanent or temporary residence of an employee representative who is a member of a Supervisory Board committee is at least 100 kilometres away from the place of work and he is unable to return as there is no public transport connection scheduled or due to objective reasons.

Employee representatives shall not be entitled to any benefits exceeding the provision of the conditions for unhindered work of the Supervisory Board (payment of insurance premiums (except for liability insurance), company car, company flat and fuel). Employee representatives shall be entitled to benefits providing for or improving the conditions or method of their work, considering the Bank's needs and the individual requirements of individual employee representative, on which the Supervisory Board shall decide (IT equipment, professional training, visits to institutions, organisations and bodies, and liability insurance).

The resolution Determination of the payment for performing the function of the members of the Supervisory Board and its committees, adopted at the 34th General Meeting of NLB d.d. on 21 October 2019, shall not apply to the employee representatives.

Item 9: Rules of Procedure 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:

The General Meeting of Shareholders of NLB d.d. hereby adopts the Rules of Procedure of the General Meeting of NLB d.d.

With the exception of Item 6, which is 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, 4 and 7 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. Shareholders who will wish to see the resolutions with grounds and other materials for the General Meeting at the company's headquarters, due to the epidemic of SARS-CoV-2 (COVID-19) need to previously make an appointment over telephone, number 01 470 70 33 (available every working day between 9 am and 11 am) or by e-mail at Skupscina2020@nlb.si.

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. 11 June 2020, (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, 1000 Ljubljana), addressed to the Secretariat Office, by the end of the fourth day prior to the General Meeting i.e. 11 June 2020. 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. 11 June 2020. 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: Skupscina2020@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 Skupscina2020@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>.

Other notices

The company hereby informs the shareholders that due to the measures adopted in connection with the epidemic of SARS-CoV-2 (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 recommendations of the Public Institute for Public Health.

Ljubljana, 4 May 2020

Management Board of NLB d.d.

**FOUNDATIONS FOR THE PROPOSED RESOLUTIONS
FOR THE 35th 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 2019 Annual Report (Annual Report 2019), the Report of the Supervisory Board of NLB d.d. on the results of the examination of the NLB Group Annual Report 2019 (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 2019 (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 2019, 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 2019, the Report of the Supervisory Board of NLB d.d. and the Information on the income.

In 2019, 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 61st regular meeting held on 2 April 2020 by which it approved the company's Annual Report 2019 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.

In addition the General Meeting of NLB d.d. hereby acknowledges the Information of Presentation of remuneration of members of management boards of NLB d.d., NLB Banka AD Skopje, NLB Banka a.d. Banja Luka and NLB Banka sh.a., Priština, and related provisions of remuneration policies of the stated companies for the General Meeting of Shareholders of NLB d.d.

Supervisory Board of NLB d.d.

Management Board of NLB d.d.

Attachments:

1. 2019 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.
4. Presentation of remuneration of members of management boards and related provisions of remuneration policies

3. Item on the agenda: **Decision on the allocation of distributable profit for 2019 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. as at 31 December 2019 amounts to EUR 228,039,879.73 and consists of NLB net profit for 2019 in the amount of EUR 176,148,615.15 and retained earnings from previous years in the amount of EUR 51,891,264.58. The total distributable profit of EUR 228,039,879.73 shall remain undistributed representing the profit carried forward.

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

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

is hereby granted discharge for the business year 2019.

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,*
- *Mark William Lane Richards, member,*
- *Shrenik Dhirajlal Davda, member,*
- *Gregor Rok Kastelic, member,*

is hereby granted discharge for the business year 2019.

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 2019 Annual Report which the Supervisory Board adopted at its 61st regular meeting held on 2 April 2020. The Bank of Slovenia's Decision on Macroprudential Restrictions of Banks' Profit Distribution (Official Gazette of the RoS, No. 49/2020) has introduced a macroprudential instrument restricting profit distribution of banks and savings banks due to the effects and implications of the COVID-19 epidemic. The underlying objective of this measure is to preserve capital and thus make it easier for the banking system to set off potential losses and continue to provide the corporate sector and its citizens with loans. The measure restricting profit distribution refers to the profit generated by banks and savings banks in years 2019 and 2020, as well as undistributed profits and any reserves carried over from the previous years. It is expected to remain in force for one year, whereby the Bank of Slovenia may, given the circumstances, either prolong or shorten the validity of this measure.

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 2019 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 2019 and the positive opinion of the Supervisory Board of NLB d.d. granted with the resolution passed on 20 February 2020.

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 60th regular meeting held on 20 February 2020 the Supervisory Board of NLB d.d. discussed and approved the Internal Audit's Report for 2019.

Supervisory Board of NLB d.d.

Management Board of NLB d.d.

Attachments:

1. Internal Audit Report for 2019
2. Resolution of the Supervisory Board of NLB d.d. of 20 February 2020



5. Item on the agenda: Amendment to the Articles of Association

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 5

The General Meeting of Shareholders of NLB d.d. hereby adopts the amendments to the Articles of Association of Nova Ljubljanska banka d.d., Ljubljana as stated in attachment to this convocation.

Grounds

Proposed amendments of the Articles of Association result from the decision passed by the Constitutional Court of the Republic of Slovenia nm. U-I-55/16, št. U-I-196/16 of 13/6/2019, in which it established an inconsistency of the fourth section of Article 33 of the Banking Act, which excluded participation of employees in the bank's management through the management authorities (Management and Supervisory Boards) with the Constitution, and thus repealed it. Amendments to the Articles of Association allow the Works Council to appoint 4 representatives to the Supervisory Board of NLB and grant the possibility to appoint a worker director. As a result, it is also proposed to amend the Articles of Association in Article governing the number of members of the Management Board.

In addition, an amendment of the Article of Association is proposed to allow the Management Board of NLB d.d. to convene the General Meeting by electronic means without the physical presence of shareholders.

Supervisory Board of NLB d.d.

Management Board of NLB d.d.

Attachments:

Amendments to the Articles of Association

6. 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 6

- 6.1. The General Meeting of NLB d.d. appoints David Eric Simon as member of the Supervisory Board of NLB d.d.; his term of office shall run from the day of appointment and last until the conclusion of the Annual General Meeting of NLB d.d. that decides on the allocation of distributable profit for the fourth financial year after his election, counting as the first year the year in which he was appointed.*
- 6.2. The General Meeting of NLB d.d. appoints Primož Karpe as member of the Supervisory Board of NLB d.d.; his term of office shall run from the day of appointment and last until the conclusion of the Annual General Meeting of NLB d.d. that decides on the allocation of distributable profit for the fourth financial year after his election, counting as the first year the year in which he was appointed.*
- 6.3. The General Meeting of NLB d.d. appoints Verica Trstenjak as member of the Supervisory Board of NLB d.d.; his term of office shall run from the day of appointment and last until the conclusion of the Annual General Meeting of NLB d.d. that decides on the allocation of distributable profit for the fourth financial year after his election, counting as the first year the year in which he was appointed.*

Grounds

The General Meeting of Shareholders is inter alia competent to appoint Supervisory Board members of the company. Because the term of office of several members of the Supervisory Board will expire, the Supervisory Board proposes to the General Meeting new candidates to be elected.

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. David Eric Simon

Mr. Simon has been a member of the Supervisory Board of NLB d.d. since 2016 and is Chairman of the Audit Committee and member of the Risk Committee.

He is a senior banker with twenty-three years' credit, lending and general management experience including bad debt management, loan documentation, trade finance, structured finance and the introduction of credit policies and procedures in international banks working in the City of London and a further twenty years in CEE responsible for corporate, strategic and financial restructuring and bad debt management. He has a proven track record in handling the most complex restructuring cases, stabilizing the business and leading sale to strategic players.

Mr. Simon obtained a Higher National Diploma in Business Studies at the City of London College and qualified at what is now the IFS School of Finance.

In his rich career, Mr. Simon worked as Chief Restructuring Officer and Advisor to the General Manager at Czech Export Bank a.s., before that he was Advisor at PricewaterhouseCoopers in Prague, Advisor, Head of Central



Europe Bad Debts Unit and Senior Restructuring Officer at Ceskoslovenska Obchodni Banka a.s., Independent Banking Consultant, cooperating with USAID and EBRD, International Banking Consultant cooperating with Morgan Grenfell & Co, Assistant General Manager at Tijari Finance Limited (wholly owned subsidiary of Commercial Bank of Kuwait), he was a Joint Branch Manager at Byblos Bank Sal in London, Assistant Vice President at the American Express Bank, Senior Credit Analyst at Manufacturers Hanover Trust in London, and started his career in branch banking at the National Westminster Bank in London.

Mr. Simon is also Chairman of the Supervisory Board of Jihlavan a.s., Czech Republic based company focused on the aircraft industry.

Mr. Primož Karpe

Mr. Karpe has been the Chairman of the Supervisory Board of NLB d.d. since 2016. He is also the Chairman of the Nomination Committee and a member of the Audit, Remuneration and Operations and IT committees.

Primož Karpe has been involved in fund raising and private equity industry for the last decade. He has been a co-founder and a partner at Blue Sea Capital, an independent, highly successful regionally focused private equity investor. After co-founding Blue Sea Capital in 2010, Primož Karpe has, as of Q3 2015, also pursued other professional activities, and is, among others, also the mentor of several prospective regional start-ups.

Primož Karpe still cooperates or has cooperated with EBRD (Team Coordinator for the IPO pre-listing programme, aimed at revitalizing regional capital markets as the EU's pilot project) and US AID (DAI - as the independent contractor on the INVEST project in Serbia, dealing with the deployment of various blended finance solutions). As of Q3 2019 he is also a partner at the specialised fund-raising company Cedars Ltd.

Primož Karpe started his professional career at SKB Bank, after receiving his Masters in BA (concentration finance) from San Diego State University in 1996.

Prof. dr. Verica Trstenjak

Prof. dr. Verica Trstenjak is a lawyer and former Advocate General of the European Court of Justice in Luxembourg and a professor of European Union law.

From 2004 to 2006 she was a judge at the General Court of the European Union in Luxembourg and as an Advocate General of the European Court of Justice in Luxembourg (the highest legal position in EU) she contributed significantly to the creation and development of European Union Law, especially in the segment of consumer protection, intellectual property, public procurement, state aid, company law and shares, asylum, fundamental rights and freedoms (free movement of goods, services, companies, persons and capital) in the EU and other areas.

From 2019 she is a member of the Permanent Court of Arbitration in The Hague and an arbiter on the VIAC list (Vienna International arbitration Centre). She is also a conciliator at the Court of Conciliation and Arbitration within the OSCE (Organisation for Security and Co-operation in Europe). From 2017 she is a member of the Management Board and from October 2017 also a member of the Executive Board of the EU Agency for Fundamental Rights in Vienna. She is also a member of the Advisory Board (comparable with arbitration) of the international organization Energy Community and an external scientific member of the Max Planck Institute Luxembourg for International, European and Regulatory Procedural Law. She has written expert opinions for law firms and arbitration in many cases concerning European law and legal protection in the EU.

She is Professor for European law in Austria and Slovenia (at University in Ljubljana and in Maribor) and at different LL.M programmes (University of Vienna, Sigmund Freud University in Vienna) and teaches European law at summer schools. She has published more than 300 articles and has been a lecturer at different universities (e.g. Zurich, Hamburg, Amsterdam, Luxemburg, Valetta, Sydney, Montreal, Singapore, Los Angeles, San Francisco, New York, Kyoto, Seoul, Nursultan) and at different international and European conferences. She is a member of editorial board of several important legal journals. In Slovenia she was also a State Secretary for Science and member of the negotiation group for the Slovenian Membership in the European Union.

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.

7. Item on the agenda: **Report of the Management Board of NLB for the General Meeting of Shareholders of NLB on the reasons for and the purpose of acquisition, the total number, the minimum issue price and the proportion of the acquired shares and the value of the acquired shares of NLB**

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

hereby inform the
General Meeting of Shareholders of NLB d.d.
of the following

The General Meeting of Shareholders of NLB d.d. hereby acknowledges the report of the Management Board of NLB d.d. for the General Meeting of Shareholders of NLB d.d. on the reasons for and the purpose of acquisition, the total number, the minimum issue price and the proportion of the acquired shares and the value of the acquired shares of NLB d.d..

Grounds

To be able to pay to its employees who, in the scope of their competences or work tasks and activities, could have a material impact on the NLB d.d.'s risk profile (hereinafter: Identified Staff), a part of variable remuneration in own shares in accordance with the requirements of regulations, NLB d.d. intended to buy own shares.

In accordance with the provision of the third paragraph of Article 247 of the Companies Act (ZGD-1) the Management Board of NLB d.d. has to report to the General Meeting of Shareholders of NLB d.d. on the reasons for and the purpose of acquisition, the total number, the minimum issue price and the proportion of the acquired shares and the value of the acquired shares of NLB d.d.

The Management Board of NLB d.d. prepared the Report of the Management Board of NLB d.d. for the General Meeting of Shareholders of NLB d.d. on the reasons for and the purpose of acquisition, the total number, the minimum issue price and the proportion of the acquired shares and the value of the acquired shares of NLB d.d., which forms an attachment to this material. As indicated in the said report, due to the outbreak of the coronavirus epidemic and the publication of the Decision of the Bank of Slovenia (hereinafter: the BoS) on macro-prudential restriction of distributions of profits of banks (Sklep o makrobonitetni omejitvi razdelitev dobičkov bank), which temporarily prohibits banks from (among other) repurchasing or purchasing own shares and from paying of the variable part of the remuneration or establishing of obligations to pay the variable part of the remuneration to Identified Staff (the said macroprudential measure is valid for one year from its publication in the Official Gazette of the Republic of Slovenia), from 10 June 2019 when the General Meeting of Shareholders of NLB d.d. granted to the Management Board of NLB d.d. the authorisation for the acquisition of own shares until the date of preparation of the said report NLB d.d. hasn't bought any own shares.

The General Meeting of Shareholders of NLB d.d. acknowledges the report of the Management Board of NLB d.d. for the General Meeting of Shareholders of NLB d.d. on the reasons for and the purpose of acquisition, the total number, the minimum issue price and the proportion of the acquired shares and the value of the acquired shares of NLB d.d.

Supervisory Board of NLB d.d.

Management Board of NLB d.d.

Attachment:

Report of the Management Board of NLB d.d. for the General Meeting of Shareholders of NLB d.d. on the reasons for and the purpose of acquisition, the total number, the minimum issue price and the proportion of the acquired shares and the value of the acquired shares of NLB d.d.

8. Item on the agenda: Disbursement to Members of the Supervisory Board of NLB, who are employees' representatives

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 8

Supervisory Board of NLB d.d. proposes that the payment of an individual member of the Supervisory Board representing the interests of employees ("employee representatives") for performing the function amounts to EUR 60,000 gross per year ("Base Pay"), reduced by the gross amount of salary payment, all allowances referring to work, and holiday allowance that an individual employee representative receives if employed in NLB d.d. or any other member of the NLB Group ("Gross Pay") in an individual year from the employment.

Employee representatives shall receive for their membership in the Committees of the Supervisory Board an additional payment for performing the function of a Committee member, which for an individual member amounts to 10% of the Base Pay ("Extra Pay"), whereby the Extra Pay is payable for membership in not more than two Committees, irrespective of whether or not the employee representative is a member of more than two Committees.

Monthly payment is calculated in the way that 1/12 of the Base Pay in the amount of EUR 5,000 gross (increased by potential 1/12 of Extra Pay) is reduced by the Gross Pay from employment in NLB d.d. or any other member of the NLB Group in an individual month. Should the Gross Pay in an individual month exceed EUR 5,000 (increased by potential Extra Pay), monthly payment in the next month shall be reduced by the rest of the Gross Pay exceeding this amount.

If Employee representatives perform the function for less than a month, they are entitled to a proportional payout based on the number of days they perform each function.

Employee representatives shall be entitled to the reimbursement of travel expenses, daily allowances and costs of overnight accommodation related to their work in the Supervisory Board, namely up to the amount specified in the regulations on reimbursement of work-related expenses and other income not included in the tax base. Accommodation expenses shall be reimbursed if the permanent or temporary residence of an employee representative who is a member of a Supervisory Board committee is at least 100 kilometres away from the place of work and he is unable to return as there is no public transport connection scheduled or due to objective reasons.

Employee representatives shall not be entitled to any benefits exceeding the provision of the conditions for unhindered work of the Supervisory Board (payment of insurance premiums (except for liability insurance), company car, company flat and fuel). Employee representatives shall be entitled to benefits providing for or improving the conditions or method of their work, considering the Bank's needs and the individual requirements of individual employee representative, on which the Supervisory Board shall decide (IT equipment, professional training, visits to institutions, organisations and bodies, and liability insurance).

The resolution Determination of the payment for performing the function of the members of the Supervisory Board and its committees, adopted at the 34th General Meeting of NLB d.d. on 21 October 2019, shall not apply to the employee representatives.

Grounds

On 13/6/2019, the Constitutional Court of the Republic of Slovenia found with Decision No. U-I-55/16, No. U-I-196/16 a divergence between the Constitution and the Banking Act, Article 33, Paragraph 4, referring to the exclusion of the workers' participation in managing banks via their governing bodies (Management Board and



Supervisory Board), which was repealed. The annulment of the said paragraph together with the previous amendment of the Articles of Association of Nova Ljubljanska banka d.d., enables the Works Council to appoint its representatives to the Supervisory Board of NLB d.d.

The remuneration proposal for the members of NLB Supervisory Board that are representatives of workers reflects the resolution passed by the General Meeting of Nova Ljubljanska banka d.d., which at the ordinary 34th General Meeting of NLB held on 21.10. 2019 passed a decision on remuneration for members of NLB Supervisory Board and members of NLB Supervisory Board committees, taking into account the remunerations received by each representative of workers in the case of employment in NLB d.d. or any of the companies in the NLB Group in relation to the said employment.

Supervisory Board of NLB d.d.

Management Board of NLB d.d.

9. Item on the agenda: Rules of Procedure of the General Meeting of NLB d.d.

Management Board of NLB d.d. and 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 9

The General Meeting of Shareholders of NLB d.d. hereby adopts the Rules of Procedure of the General Meeting of NLB d.d.

Grounds

The Rules of Procedure regulate the method and organisation of work of the General Meeting and all other matters relevant for the operations and decision-making at the Bank's General Meeting not governed by the law or the Statute.

Provisions of these Rules of Procedure apply to all shareholders or their legal representatives or proxies and for other persons attending the meetings and participating in the work of the General Meeting.

Supervisory Board of NLB d.d.

Management Board of NLB d.d.

Attachments:

Rules of Procedure of the General Meeting of NLB d.d.