

Item on the agenda:5
Proposer: **Supervisory Board**

Material for the Shareholders Assembly of NLB Banka AD Skopje

Decision for determination of the payment for performing the function of members of Supervisory Bodies of NLB Banka Skopje

The Supervisory Board proposes to the Shareholders Assembly to adopt the following:

Decision for determination of the payment for performing the function of members of Supervisory Bodies of NLB Banka Skopje

In addition:

- Proposal Decision for determination of the payment for performing the function of members of Supervisory Bodies of NLB Banka Skopje

Skopje, November 2024

Shareholders Assembly of NLB Banka AD Skopje

Proposal Decision for determination of the payment for performing the function of members of Supervisory Bodies of NLB Banka Skopje

Pursuant to Article 39 of the Statute of NLB Banka AD Skopje, the Assembly of NLB Banka AD Skopje adopted the following:

Decision for determination of the payment for performing the function of members of Supervisory Bodies of NLB Banka Skopje

1. The payment for performing the function of members of Supervisory Bodies of NLB Banka AD Skopje (which include members of the Supervisory Board, Audit Committee, Nomination Committee and Remuneration Committee) shall be determined. The payment shall be paid:
 - on an annual basis
 - only to the external members of the Supervisory Bodies of NLB Banka AD Skopje (members who are not employed in NLB d.d. or in the Members of the NLB Group)
2. The payment is determined as follows:
 - The member of the Supervisory Board shall receive a Base Pay for performing the function in the amount of EUR 15.000 net annually (Base Pay).
 - The President of the Supervisory Board is entitled to receive an additional payment for performing the president function in the amount of 25% of the Base Pay (Top-up Payment).
 - The member of another Committee (who is also a Supervisory Board member) has the right to receive top-up payment for performing the function, which is 10% of the Base Pay (Member of a Committee Payment), whereby the payment is paid for membership of up to two committees, regardless if an individual member of the Supervisory Board is a member of more than two committees.
 - In addition to a Member of a Committee Payment, the President of the Committee (who is also a Supervisory Board member) is entitled to receive an additional payment for performing the president function in the amount of 5% of the Base Pay (President of a Committee Payment), whereby this payment is paid for a function in up to one committee, regardless if an individual Supervisory Board member performs this function in more than one committee.
 - A member of the Committee (who is not a Supervisory Board member) shall receive base pay for the performing of the function in the amount of EUR 7.500 net annually (Committee Base Pay).
 - The President of the Committee (who is not a Supervisory Board member) is entitled to receive additional payment for the performance of the president function in the amount of 15% of the Committee Base Pay (Committee Top-up Payment).

3. The external members of the Supervisory Board and Committees shall receive the above payment in proportionate monthly payments to which they are entitled as long as they perform the function. The monthly payment is one twelfth of the above annual amounts. If they perform the function for less than one month, they are entitled to a proportional payment calculated based on the number of days they have performed each function.
4. With the adoption of this decision, decision no. 0201-214 dated 29.04.2021 ceases to be valid.
5. The decision enters into force on the day of its adoption and shall be applied after 01.01.2025.

In Skopje, 29.11.2024

The decision shall be submitted to:
Secretariat

Chairman
of the Shareholders Assembly
of NLB Banka AD Skopje

Explanation

Pursuant to the Decision from October 2024 of the Management Board of NLB d.d for adoption of the amendments to the Rules on payment for performing the function of members of Supervisory Bodies in NLB Group members it is proposed to determine new amounts of compensation for the external members of the Supervisory Bodies in NLB Banka AD Skopje.

The Rules on payment for performing the function of members of Supervisory Bodies in NLB Group members enter into force when adopted by the Management Board of NLB d.d. and published in the Register of Internal Documents of NLB d.d. and shall apply as of 01.01.2025 The payment for the external members of Supervisory Bodies in the NLB Banka AD Skopje enters into force on 01.01.2025, subject to prior adoption by the Shareholders Assembly of NLB Banka AD Skopje.

Generally, harmonization is carried out throughout the NLB Group with respect to the amounts of remuneration of members of the supervisory bodies in the NLB Group.

The established principle of payment of compensation, which would be paid on an annual basis, based on the performance of the function of a member of the board, expressed through the payment of a monthly lump sum, is retained.