



GRI Standards  
Disclosure for  
NLB Group 2018

## Economic

GRI Topic	GRI Disclosure	Value	Comment
GRI 201 – Economic Performance	<b>201-1: Direct economic value generated and distributed</b>		In NLB Group Annual report for 2018
	a. Direct economic value generated and distributed (EVG&D) on an accruals basis, including the basic components for the organization's global operations as listed below. If data are presented on a cash basis, report the justification for this decision in addition to reporting the following basic components:		In NLB Group Annual report for 2018
	i. Direct economic value generated: revenues;		In NLB Group Annual report for 2018.
	ii. Economic value distributed: operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments;		In NLB Group Annual report for 2018.
	iii. Economic value retained: 'direct economic value generated' less 'economic value distributed'.		In NLB Group Annual report for 2018.
	b. Where significant, report EVG&D separately at country, regional, or market levels, and the criteria used for defining significance.		In NLB Group Annual report for 2018.
GRI 202 – Market Presence	<b>202-2: Proportion of senior management hired from the local community</b>		
	a. Percentage of senior management at significant locations of operation that are hired from the local community.	98% Republic of Slovenia. 100% Republic of Serbia. 100% Republic of Kosovo. 100% Federation of Bosnia and Herzegovina. 93,3% Montenegro. 100% Republic of Srpska (Bosnia and Herzegovina) 100% Republic of Macedonia	The recruitment procedure: In the event that NLB evaluates that the pool of talents does not provide a suitable candidate for the vacant senior management position, NLB prepares the tender invitation. The invitation is published on NLB's website and on the premises of the National Employment Office. Among the registered candidates there are several selection interviews and selection tests carried out. Fit & Proper rating is also involved. The selected candidates are employed at NLB for an indefinite period with 6 months' probation period.  In Macedonia usually the selected candidates for senior positions sign the first contract for appointment on a definite period of 12 months, which is considered probation period. Prolongation of contract then follows the mandate duration.
	b. The definition used for 'senior management'		Senior management: General Managers directly subordinated to Management Board (B-1), the directors that are subordinated to B-2 level General Managers, other employees, who have an individual contract of employment (Advisor, Deputy Director, Head of Unit).
	c. The organization's geographical definition of 'local'.		RoS and locations of NLB Group Members.
	d. The definition used for 'significant locations of operation'.		RoS and locations of NLB Group Members.

GRI Topic	GRI Disclosure	Value	Comment
GRI 205 – Anti-corruption	<b>205-2: Communication and training about anti-corruption policies and procedures</b>		
	a. Total number and percentage of governance body members that the organization's anti-corruption policies and procedures have been communicated to, broken down by region.	NLB Management Board (MB): 4 members (100%), NLB Supervisory Board (SB): 8 members (100%). NLB Group: MB and SB: 119 members (91%).	Members of the SB were acquainted with this topic in the context of specialized education in the field of risk of compliance and integrity, within which the risks of corruption and internal regulation of the area were presented on 24 May 2018. NLB Group: NLB Group core members are committed to the same procedures as NLB (special anti-corruption trainings and policies), non-core members are informed and trained during the adoption process of the document NLB Group code of conduct. The members of MB and SB are informed: 100% for NLB members, rest of them are external members.
	b. Total number and percentage of employees that the organization's anti-corruption policies and procedures have been communicated to, broken down by employee category and region.	NLB: 2,748* (100%) of employees. NLB Group: 5,535* (100%) of employees * figure is different from the figure in other part of Business report due to reporting method.	NLB Group: NLB Group core members are committed to the same procedures as NLB (special anti-corruption trainings and policies), non-core members are informed and trained during the adoption process of the document NLB Group code of conduct. The members of MB and SB are informed: 100% for NLB members, rest of them are external members.
	d. Total number and percentage of governance body members that have received training on anti-corruption, broken down by region.	NLB Management Board (MB): 4 members (100%), NLB Supervisory Board (SB): 8 members (100%). NLB Group: MB and SB: 105 members (70%).	NLB: Members of the SB were acquainted with this topic in the context of specialized education in the field of risk of compliance and integrity, within which the risks of corruption and internal regulation of the area were presented on 5 September 2018. NLB Group: NLB Group core members are committed to the same procedures as NLB (special anti-corruption trainings and policies), non-core members are informed and trained during the adoption process of the document NLB Group code of conduct. The members of MB and SB are informed: 100% for NLB members, rest of them are external members.
	e. Total number and percentage of employees that have received training on anti-corruption, broken down by employee category and region.	NLB: In 2018 Successfully finished training: 2,323 employees, which is 85% of all employees (including long sick leave, maternity leave etc.). NLB Group: In 2018 Successfully finished training: 4,590 employees, which is 83% of all employees (including long sick leave, maternity leave etc.).	NLB Anticorruption training is obligatory for all employees. NLB Group: NLB Group core members are committed to the same procedures as NLB dd (special anti-corruption trainings and policies), non-core members are informed and trained during the adoption process of the document NLB Group code of conduct. The members of MB and SB are informed: 100% for NLBdd members, rest of them are external members.
GRI 205 – Anti-corruption	<b>205-3: Confirmed incidents of corruption and actions taken</b>		This means incidents of corruption (which is meant to include bribery, fraud or money laundering) and actions taken.
	a. Total number and nature of confirmed incidents of corruption.	NLB d.d: 3 confirmed incidents of corruption; bribery for granting a loan. NLB Group: 3 confirmed incidents of corruption; bribery for granting a loan.	
	b. Total number of confirmed incidents in which employees were dismissed or disciplined for corruption.	NLB: 3 NLB Group: 3	
	c. Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption.	NLB: 0 NLB Group: 0	
	d. Public legal cases regarding corruption brought against the organization or its employees during the reporting period and the outcomes of such cases.	NLB: 0 NLB Group: 0	

## Environmental

GRI Topic	GRI Disclosure	Value	Comment
GRI 301 – Materials	<b>301-1: Materials used by weight or volume</b>		
	a. Total weight or volume of materials that are used to produce and package the organization's primary products and services during the reporting period, by:		
	renewable materials used.	NLB: 30.07 A4 pages per employee per working day.  NLB Group: The reporting system to be implemented.	NLB: Data is related to used A4 paper per employee per working day. The number of pages has been constantly reduced since 2014 (42). Compared to 2016, the amount of paper used decreased again (from 39.6 pages to 30.07 pages in 2018).  NLB Group: The reporting system to be implemented.
GRI 302 – Energy	<b>302-1: Energy consumption within the organization</b>		
	electricity consumption in kWh	NLB: 12,475,496.  NLB Group: The reporting system to be implemented.	NLB: In 2018 we continued with the reduction of electricity consumption, which is 3.5% lower than in the year 2017.  NLB Group: The reporting system to be implemented.
GRI 306 – Effluents and Waste	<b>306-2: Waste by type and disposal method</b>		NLB: The waste is being treated by outsourced waste company.  NLB Group: The reporting system to be implemented.
GRI 307 – Environmental Compliance	<b>307-1: Non-compliance with environmental laws and regulations</b>		NLB: NLB received no fines or penalties regarding failure to comply with environmental laws.  NLB Group: The reporting system to be implemented.

## Social

GRI Topic	GRI Disclosure	Value	Comment
GRI 401 – Employment	<b>401-1: New employee hires and employee turnover</b>		
	a. Total number and rate of new employee hires during the reporting period, by age group, gender and region.	NLB In total 148 new employees in 2018.  All employees were from the Republic of Slovenia.  NLB Group: In total 441 new employees in 2018 (strategic group members)  99% of new hires were hired from local community.	NLB: In total 148 new employees in 2018. 68 were younger than 30 years, 45.9% 73 were between 30 and 50, 49.3% and 7 employees were older than 50, 4.7%  NLB Group: In total 441 new employees in 2018. 204 were younger than 30 years, 46.3% 224 were between 30 and 50, 50.8% and 13 employees were older than 50, 2.9%
	b. Total number and rate of employee turnover during the reporting period, by age group, gender and region.	NLB: In total 248 employees departed from NLB in 2018.  NLB Group: In total 501 employees departed from NLB Group in 2018.	NLB: In total 248 employees departed from NLB in 2018. 13 were younger than 30, 5.2% 107 were in the age between 30 and 50, 43.2% 198 employees were older than 50 years old, 51.6%.  NLB Group: In total 501 employees departed from NLB Group in 2018. 55 were younger than 30, 11% 248 were in the age between 30 and 50, 49.5% and 198 employees were older than 50 years old, 39.5% 34.1% were men and 65.9% were women.
	<b>401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees</b>		NLB Group: Promote and protect the rights, obligations and responsibilities arising from the employment relationship are regulated by laws, collective agreements and internal regulations. All employees have rights as they are determined by law, collective agreements and internal regulations.
	<b>401-3: Parental leave</b>		
	a. Total number of employees that were entitled to parental leave.	NLB Group: 245 employees	NLB Group: 244 female, 1 male
	b. Total number of employees that took parental leave.	NLB Group: 245 employees	NLB Group: 244 female, 1 male
	c. Total number of employees that returned to work in the reporting period after parental leave ended, by gender.	NLB Group: 245 employees	NLB Group: 244 female, 1 male
	d. Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work.	NLB Group: 245 employees	NLB Group: 244 female, 1 male
	e. Return to work and retention rates of employees that took parental leave.	NLB Group: 100%	
GRI 402 - Labor/ Management Relations	<b>402-1: Minimum notice periods regarding operational changes</b>		NLB Group: The way of cooperation with the Labor unions and the Worker's council is fixed by collective agreements, the Act of workers and management and the Agreement on cooperation between Worker's council and employer. Deadlines for informing the Unions and the Worker's council is in a minimum of 30 days.

GRI Topic	GRI Disclosure	Value	Comment
GRI 403 - Occupational Health and Safety	<b>403-1: Workers representation in formal joint management-worker health and safety committees</b>		
	a. Minimum number of weeks' notice typically provided to employees and their representatives prior to the implementation of significant operational changes that could substantially affect them.	NLB Group: 4 weeks in minimum prior to implementation of new operational changes with significant impact.	
	<b>403-4: Health and safety topics covered in formal agreements with trade unions</b>		
	a. Whether formal agreements (either local or global) with trade unions cover health and safety.	NLB Group: Global agreement with trade union.	
	b. If so, the extent, as a percentage, to which various health and safety topics are covered by these agreements.	NLB Group: 100%	
GRI 404 – Training and Education	<b>404-1: Average hours of training per year per employee</b>		
	a. Average hours of training that the organization's employees have undertaken during the reporting period.	NLB Group: 37.9 hours per employee in the 2018.	NLB Group: In 2018 12,692 employees participated in internal lectures and workshops and 3,143 employees participated on external training courses.
	<b>404-2: Programs for upgrading employee skills and transition assistance programs</b>		
	a. Type and scope of programs implemented and assistance provided to upgrade employee skills.	NLB Group: Internal education (lectures and workshops), e-trainings, external training courses, courses for new employees.	Every 3-month Human Resources department publish the list of all trainings and education programs for the next period. It includes 30 different education programs at average.
	b. Transition assistance programs provided to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.	NLB Group: Provided for all employees in the case of termination of employment in the case of structural downsizing.	
	<b>404-3: Percentage of employees receiving regular performance and career development reviews</b>		
a. Percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period.	NLB Group: 100%	NLB Group: The aim of the organization was all employees to receive a regular performance and career development review.	

GRI Topic	GRI Disclosure	Value	Comment
GRI 405 – Diversity and Equal Opportunity	<b>405-1: Diversity of governance bodies and employees</b>		
	a. Percentage of individuals within the organization's governance bodies in each of the following diversity categories:		As organization's governance bodies we consider NLB Management Board and NLB Supervisory Board.
	Gender;	Management Boards in NLB Group: 27.9 % female 72.1 % male  Senior management in NLB Group (B-1) 52% female 48% male	NLB Group: Management Boards in NLB Group members have 28 members, 25 male and 3 females. Supervisory Board has 58 members, 37 male and 21 females.  Senior management: General Managers directly subordinated to Management Board (B-1), have 127 members in NLB Group, 61 male and 66 female.
	Age group: under 30 years old, 31-50 years old, over 51 years old.	NLB Group: Under 30 years 0 31-50 years old 65.6 % Over 51 years old 34.4 %	
	b. Percentage of each of the following diversity categories.	NLB Group: Under 30 years 8.5 % 31-50 years old 62.3 % Over 51 years old 29.2 %	
	<b>405 – 2 Comparison of basic salary based on gender of employees</b>		
	<b>405-2A Ratio of the basic salary and remuneration of women to men for each employee category, by significant locations of operation</b>		The level of wages in the bank is governed by internal rules and collective agreements and depends on the complexity of the workplace and the performance of employees. The level of complexity of the individual workplace is determined on the basis of the conversion of the criteria set out in the systemization rules of jobs using factor analysis according to the job evaluation model. All employees in the bank have the same opportunities and opportunities regardless of gender, age and location.
	<b>405-2B The definition used for significant locations of operation</b>		Republic of Slovenia and locations of NLB Group Members.
GRI 406 – Non-discrimination	<b>406-1: Incidents of discrimination and corrective actions taken</b>		NLB has a policy of zero tolerance to any form of discrimination and violence.
	a. Total number of incidents of discrimination during the reporting period.	0	

