

Corporate Governance

Corporate governance is an essential part of the LLB Group's corporate policy. It ensures efficient collaboration between the management bodies and a clear balance between responsibilities and controls.

Basis

Our responsibly minded management, which is focused on long-term added value, is characterised by efficient cooperation between the Group Executive Board and the Board of Directors, by transparent accounting and reporting as well as by good shareholder relations.

The principles and directives defining corporate governance are laid down in two laws: "the law concerning the control and supervision of public companies" (ÖUSG) of 19 November 2009 and the Law on the Liechtensteinische Landesbank (LLBG) of 21 October 1992. In addition, they are laid down in the statutes and rules of procedure of the LLB. These documents are based on the directives and recommendations of the "Swiss Code of Best Practice for Corporate Governance" issued by the Swiss Business Federation (economiesuisse).

On 22 November 2011, the Liechtenstein Government as the representative of the principal shareholder, the Principality of Liechtenstein, adopted – with reference to the ÖUSG Law – a so-called participation strategy for Liechtensteinische Landesbank AG. This strategy defines how the Principality intends to deal with its majority shareholding in the medium and long term and therefore also provides minority shareholders with certainty in planning.

The Government commits itself to the stock exchange listing of the LLB and a majority participation of at least 51 per cent. The Government represents the shareholder interest of the Principality at the General Meeting of Shareholders pursuant to the rights afforded to it by stock corporation law. It observes corporate autonomy as well as the rights and obligations resulting from the stock exchange listing. At the same time, as a shareholder it also respects the decision-making authority of the Board of Directors concerning corporate strategy and corporate policy. In accordance with Art. 16 of the ÖUSG Law, the participation strategy was adopted after consultation with the LLB's Board of Directors. Further information can be found at www.llb.li/participation-strategy.

The Board of Directors of the LLB Group has held the "Best Board Practice" label of the Swiss Association for Quality and Management Systems (SQS) and the Liechtenstein Association for Quality Assurance Certificates (LQS) since December 2010. Within the scope of the recertification process carried out on 28 January and 21 February 2020, both SQS and LQS confirmed that the business activities and organisation of the LLB Board of Directors exhibit a constantly high level of quality and consistently fulfil the Best Board Practice criteria. Accordingly, the label was extended for a further three years. The annual assessment performed in November 2022 reaffirmed the excellent evaluation.

The following corporate governance report complies with the requirements of the Corporate Governance Directive (RLCG) of the SIX Swiss Exchange Regulation, status 18 June 2021, as well as the fully revised guidelines of the Six Exchange Regulation regarding the RLCG of 10 April 2017. If information required by the RLCG is disclosed in the Notes to the financial statement, a corresponding reference is shown.

The corporate governance report represents the status as at 31 December 2021. Important changes, which may have occurred between the balance sheet date and the editorial deadline for the annual report, are clearly disclosed in the chapter "Important events since the balance sheet" or next to the respective point in the report.

1 Group structure and shareholders

1.1 Group structure

1.1.1 Description of the operative structure

The Liechtensteinische Landesbank is a public company ("Aktiengesellschaft") according to Liechtenstein law. It is the parent company of the LLB Group, which is based on a parent company structure.

The LLB Group has an organisational structure based on market divisions which is geared towards client and market needs. Besides the three market divisions "Retail & Corporate Banking", "Private Banking" and "Institutional Clients", the management structure encompasses the functions of Group Chief Executive Officer (Group CEO), Group Chief Financial Officer (Group CFO) and Group Chief Operating Officer (Group COO).

The rules of procedure adopted by the Board of Directors, in particular, the functions diagram in the appendix ensure the proper conduct of business, the appropriate organisation, as well as the uniform management of the LLB Group. In accordance with the functions diagram, the Board of Directors, the Chairman of the Board of Directors, the committees of the Board of Directors, the Group CEO and the Group Executive Board are decision-making authorities.

The functions of the Board of Directors and the Group Executive Board of the LLB Group are combined with those of the Board of Directors and the Board of Management of the LLB parent company. Within the scope of the duties and powers defined by the rules of procedure and the functions diagram, the above-mentioned authorities can make decisions and issue rulings that are binding for both the parent company and the LLB Group companies – but taking into consideration the provisions of current local law applicable to the individual Group companies.

The members of the Group Executive Board are represented on the Boards of Directors of the consolidated companies. A member of the Group Executive Board serves as the Chairman of the Board of Directors of a subsidiary company with the exception of Bank Linth LLB AG.

On 27 October 2021, the LLB Group announced its new ACT-26 strategy. Starting from 1 January 2022, the LLB Group began rigorously implementing the strategic goals of ACT-26 within the organisation. The strategy focuses on clients and technological transformation. In future, the LLB Group shall comprise five divisions instead of the previous six (see chapter "ACT-26" and "Events since the balance sheet date").

The organisational structure of the LLB Group as at 1 January 2021 can be found here . The detailed segment reports are shown here.

1.1.2 Listed companies included in the scope of consolidation

The Liechtensteinische Landesbank, with its headquarters in Vaduz, is listed on the SIX Swiss Exchange. As at 31 December 2021, its market capitalisation stood at CHF 1'620.1 million (30'800'000 registered shares at a nominal value of CHF 5.00 at a year-end price of CHF 52.60).

Bank Linth LLB AG, with its headquarters in Uznach, in which the Liechtensteinische Landesbank holds a majority equity stake of 74.9 per cent, is also listed on the SIX Swiss Exchange. As at 31 December 2021, its market capitalisation stood at CHF 389.8 million (805'403 registered shares with a nominal value of CHF 20.00 at a year-end price of CHF 484.00).

1.1.3 Unlisted companies included in the scope of consolidation

Details of the unlisted companies included in the scope of consolidation (company, registered office, activities, share capital and equity interest) can be found in the Notes to the consolidated financial statement of the LLB Group in the table "Scope of consolidation".

1.2 Major shareholders

The Principality of Liechtenstein is the major shareholder of the Liechtensteinische Landesbank. The Law on the Liechtensteinische Landesbank states that – in terms of capital and voting rights – the Principality of Liechtenstein must hold at least 51 per cent of the shares. These may not be sold.

At the end of 2021, the Principality's equity stake in the shares of the Liechtensteinische Landesbank remained unchanged at 57.5 per cent. Detailed information about the development of this equity stake can be found at www.llb.li/capital+structure.

At 31 December 2021, the Haselsteiner Familien-Privatstiftung, Ortenburger Strasse 27, 9800 Spittal / Drau, Austria, and grosso Holding Gesellschaft mbH, Walfischgasse 5, 1015 Vienna, Austria, held 1'805'000 shares, or a share of 5.9 per cent of the capital and voting rights of LLB (<https://www.six-exchange-regulation.com/de/home/publications/significant-shareholders.html#notificationId=TBIGP00024>). The Haselsteiner Familien-Privatstiftung and grosso Holding Gesellschaft mbH constitute a shareholder group. The voting rights will be exercised in mutual agreement between the parties.

The remaining registered shares were in free float, whereby none of the other shareholders held more than 3 per cent of the share capital. There are no binding shareholder agreements.

As per 31 December 2021, Liechtensteinische Landesbank held, directly or indirectly, a total of 232'935 of its own registered shares (0.8 % of the share capital). No shares were cancelled so that the capital structure remained the same. The repurchased shares are to be used for the purpose of future acquisitions or for Treasury management purposes.

Less than 0.3 per cent of the share capital was held by members of the Board of Directors and the Group Executive Board.

There are no binding shareholder agreements.

1.3 Cross participations

There are no cross participations between Liechtensteinische Landesbank AG and its subsidiaries or third parties.

| Company | Reg. office | Listed on | Market capitalisation (in CHF thousands) | Stake (in %) | Segment | Security number | ISIN number |
|----------------------------------|-------------|--------------------|--|--------------|----------------------------------|-----------------|--------------|
| Liechtensteinische Landesbank AG | Vaduz | SIX Swiss Exchange | 1'620'080 | | International Reporting Standard | 35514757 | LI0355147575 |
| Bank Linth LLB AG ¹ | Uznach | SIX Swiss Exchange | 389'815 | 74.9 | Swiss Reporting Standard | 130775 | CH0001307757 |

¹ On 27 January 2022, the LLB announced its intention to increase the shareholding in its subsidiary Bank Linth LLB AG to 100 percent. It offers the shareholders of Bank Linth an attractive premium and the free choice between a partial exchange offer in LLB shares with a cash component and a full cash settlement.

2 Capital structure

2.1 Capital

The share capital of the Liechtensteinische Landesbank comprised 30'800'000 registered, fully paid shares with a nominal value of CHF 5.00 each and therefore amounted to CHF 154.0 million.

2.2 Conditional and approved capital

On the balance sheet date, the Liechtensteinische Landesbank had no conditional capital and no approved capital.

2.3 Changes to capital

The share capital amounts to CHF 154 million and has not changed during the last three years. The LLB Group's equity totalled CHF 2'060 million on 31 December 2019, CHF 2'138 million on 31 December 2020 and CHF 2'138 million on 31 December 2021 (see table "[Consolidated statement of changes in equity](#)", for the composition and changes to capital during the last two report years).

| in CHF thousands | 31.12.2021 | 31.12.2020 | 31.12.2019 |
|---------------------------|------------|------------|------------|
| Share capital | 154'000 | 154'000 | 154'000 |
| Share premium | - 13'952 | - 13'177 | - 22'432 |
| Treasury shares | - 15'073 | - 18'663 | - 23'574 |
| Retained earnings | 1'959'517 | 1'902'316 | 1'866'121 |
| Other reserves | 12'932 | - 20'911 | - 44'803 |
| Total | 2'097'423 | 2'003'565 | 1'929'312 |
| Non-controlling interests | 142'704 | 134'028 | 130'785 |
| Total equity | 2'240'128 | 2'137'593 | 2'060'097 |

2.4 Shares and participation certificates

As at 31 December 2021, the share capital amounted to 30'800'000 fully paid registered shares with a nominal value of CHF 5.00. With the exception of the LLB shares held by the Liechtensteinische Landesbank and its subsidiaries (232'935 shares), all the shares are eligible for dividend. As at 31 December 2021, share capital eligible for dividend therefore amounted to CHF 152.8 million. In principle, all LLB shares are eligible for voting according to the principle of "one share, one vote". However, on account of the regulations concerning the purchase of own shares (Art. 306a ff. PGR / Liechtenstein Person and Company Law), the shares held by Liechtensteinische Landesbank and its subsidiaries are not eligible for voting. There are no priority rights or similar entitlements. Shareholders have a subscription right with the issue of new shares, which entitles them to subscribe to new shares in proportion to the number of shares they already hold.

Liechtensteinische Landesbank AG has not issued participation certificates.

2.5 Profit-sharing certificates

Liechtensteinische Landesbank AG has no outstanding profit-sharing certificates

2.6 Transfer limitations and nominee registrations

The registered shares of Liechtensteinische Landesbank are fully transferable, whereby the Principality of Liechtenstein holds at least 51 per cent of the capital and voting rights, and may not sell this equity stake.

The Liechtensteinische Landesbank maintains a share register containing the names of the owners of registered shares. Upon request, the purchasers of registered shares are entered in the share register as shareholders having a voting right provided that they expressly render a declaration that they have purchased these shares in their own name for their own account. If the purchaser is not prepared to render such a declaration, the Board of Directors can refuse to enter the shares with voting rights in the register. Pursuant to Art. 5a of the Statutes (www.llb.li/statutes), the Board of Directors has specified that nominee registrations without the above-mentioned declaration are generally to be made without a voting right. The legal refusal of registration in the share register on important grounds remains reserved.

2.7 Convertible bonds and options

As at 31 December 2021, the Liechtensteinische Landesbank had no convertible bonds or options on its own shares outstanding.

On 7 May 2019, LLB made a fixed interest bond issue totalling over CHF 150 million. The term to maturity amounts to seven years and the yield on maturity will be 0.07 per cent. The bond has been listed on the SIX exchange since 27 May 2019 (ISIN: CH0419041204) and is traded on the secondary market.

On 4 September 2019, LLB made a further fixed interest bond issue totalling CHF 100 million. The term to maturity amounts to ten years and the yield on maturity will be -0.16 per cent. The bond has been listed on the SIX exchange since 27 September 2019 (ISIN: CH0419041527) and is traded on the secondary market.

On 27 August 2020, a fixed interest bond issue amounting to CHF 150 million was made. The term to maturity amounts to ten years and the yield on maturity will be 0.29 per cent. The bond has been listed on the SIX exchange since 23 September 2020 (ISIN: CH0536893255) and is traded on the secondary market.



3 Board of Directors

a) Name, nationality, education and professional career

| Name | Year of birth | Profession | Nationality |
|----------------------|---------------|-----------------------------------|-------------|
| Georg Wohlwend | 1963 | Business economist | FL |
| Gabriela Nagel-Jungo | 1969 | Professor of financial management | CH |
| Patrizia Hostenstein | 1957 | Lawyer | CH |
| Urs Leinhäuser | 1959 | Business economist | CH |
| Thomas Russenberger | 1975 | Head of Group Human Resources | FL |
| Richard Senti | 1964 | Business economist | FL |
| Karl Sevelda | 1950 | Bank manager (ret.) | AT |

On the basis of their education, their professional background and their experience, the seven members contribute various, complementary skills and abilities. With two female members of the Board at the end of 2021, 30 per cent of the Board consisted of females.

b) Executive / non-executive members

All members of the Board of Directors of Liechtensteinische Landesbank AG are non-executive member. Pursuant to Art. 22 of the Liechtenstein banking law in connection with Art. 10 of the Law on the Liechtensteinische Landesbank, various special bodies must be constituted for the direction, supervision and control of a bank, on the one hand, and for the Board of Management or Group Executive Board, on the other hand. No member of the Board of Directors is allowed to be a member of the Board of Management or Group Executive Board.

c) Independence

All members of the Board of Directors are independent within the context of the Swiss Exchange "Directive Corporate Governance" concerning corporate governance information. In 2021, as well as in the three previous years, no member of the Board of Directors was a member of the Group Executive Board or the Board of Management of the Liechtensteinische Landesbank or a Group company. No member of the Board of Directors had significant business relationships with the Liechtensteinische Landesbank or a Group company. In accordance with Art. 12 of the Liechtenstein law concerning the control and supervision of public companies, all contracts with the members of the Board of Directors must be in writing and they must be approved by the Board of Directors. The same conditions apply to contracts concluded with third parties.

3.1 Member



Georg Wohlwend
Chairman, Business economist 1963, FL

Education:

- ♦ Licentiate in economics, University of Zurich, field of study information systems, 1991
- ♦ International Professional Development Program at the University of Tulsa (USA) 1992
- ♦ Swiss Banking School, 1999
- ♦ EFQM Assessor, 2007
- ♦ Management training at the University of St. Gallen, 2008
- ♦ Taxation training at the University of Liechtenstein, 2012
- ♦ Swiss Board School, St. Gallen, 2014

Professional career:

- ♦ Working scholarship of Martin Hilti Foundation at Hilti, Tulsa (USA), 1992 – 1993
- ♦ Employee in the Organisation Department of VP Bank AG, Vaduz, 1994 – 1996
- ♦ Deputy Head Logistics at VP Bank AG, Vaduz, 1998 – 2000
- ♦ Member of the Management Board and Head Logistics at VP Bank AG, Vaduz, 1998 – 2000
- ♦ Member of the Management Board and Head Trust Banking at VP Bank AG, Vaduz, 2000 – 2006
- ♦ Member Group Executive Management and Head Intermediaries at VP Bank AG, Vaduz, 2006 – 2010
- ♦ Member Group Executive Management and Head Banking Liechtenstein and Regional Market at VP Bank AG, Vaduz, 2010 – 2012
- ♦ Partner and Member of the Executive Board of Salmann Investment Management AG, Vaduz, 2013 – 2014



Gabriela Nagel-Jungo
Vice Chairwoman, Professor of financial management 1969, CH

Education:

- ♦ Licentiate in economics, University of Zurich, 2001
- ♦ Teaching diploma in business subjects, 2004
- ♦ Dr. oec. publ., University of Zurich, 2007
- ♦ Professor of Financial Management, awarded by ZFH, 2011
- ♦ Dipl. Digital Transformation Officer, 2019

Professional career:

- ♦ Semester assistant at the Chair for Business Administration, Swiss Federal Institute of Technology (ETH) Zurich, 1998 – 1999
- ♦ Head of Financial Accounting and Payroll, netto-netto AG, Wetzikon, 2002 – 2005
- ♦ Assistant at the Institute for Accounting and Controlling (Prof. Dr. C. Meyer), University of Zurich, 1999 – 2007
- ♦ Lecturer and project leader, Zurich University of Applied Sciences, since 2007
- ♦ Head of the Centre for Accounting & Controlling, Zurich University of Applied Sciences, since 2010 (2016 upgraded to "Institute for Financial Management")
- ♦ Deputy Head of the Department of Banking, Finance, Insurance, Zurich University of Applied Sciences, since 2011



Patrizia Holenstein
Lawyer
1957, CH

Education:

- ♦ Licentiate in law, University of Zurich, 1980
- ♦ Dr. iur. University of Zurich, 1981
- ♦ Admitted to the Zurich bar, 1985
- ♦ LLM, London School of Economics, 1989

Professional career:

- ♦ Lecturer at the University of Zurich, 1981 – 1984
- ♦ Clerk, District Court of Zurich and Supreme Court of the Canton of Zurich, 1981 – 1985
- ♦ Lawyer, Haymann & Beglinger, Zurich, 1985 – 1988
- ♦ Lawyer, Clifford Chance London (Banking Department), London 1989 – 1990
- ♦ Holenstein Brusa AG, Zurich, Founder and Managing Partner, since 1990



Urs Leinhäuser
Business economist
1959, CH

Education:

- ♦ Business economist HWV, 1983
- ♦ IMD Lausanne, SSE 1998

Professional career:

- ♦ Tax inspector, Tax Office of Canton Schaffhausen, 1983 – 1986
- ♦ Deputy Head of Tax Department, Refidar Moore Stephens AG, Zurich, 1986 – 1988
- ♦ Group Controller and Managing Director Cerberus Denmark (1992) at Cerberus AG, Männedorf, 1988 – 1994
- ♦ Head of Group Controlling and CFO of Piping Systems Division, Georg Fischer AG, Schaffhausen, 1995 – 1999
- ♦ CFO and Member of the Group Executive Board, Mövenpick Holding AG, Adliswil, 1999 – 2003
- ♦ CFO and Head of Corporate Center and Member of Corporate Management, Rieter Holding AG, Winterthur, 2003 – 2011
- ♦ CFO and Deputy CEO and Member of Corporate Management, Autoneum Holding AG, Winterthur, 2011 – 2014
- ♦ Businessman, since 2014
- ♦ Managing Partner of ADULCO GmbH, Schaffhausen, since 2016



Thomas Russenberger
Personnel manager
1975, FL

Education:

- ♦ Bachelor of Science, Business Information Systems, University of Liechtenstein, 2004
- ♦ Master of Business Administration (MBA) in Entrepreneurship, University of Liechtenstein, 2007

Professional career:

- ♦ thyssenkrupp Presta AG, Eschen, Project Head Organisational Development, 2000 – 2005
- ♦ thyssenkrupp Presta AG, Eschen, Head HR Services for the Technical and Commercial Divisions, 2005 – 2010
- ♦ thyssenkrupp Presta AG, Eschen, Head HR Services, 2010 – 2013
- ♦ thyssenkrupp Presta AG, Eschen, Global Head of Human Resources tk Steering Group, since 2013



Richard Senti
Business economist
1964, FL

Education:

- ♦ Licentiate in economics, University of St. Gallen, 1989
- ♦ Dr.oec. HSG, University of St. Gallen, 1994

Professional career:

- ♦ Assistant at the University of St. Gallen, 1988 – 1990
- ♦ Controller in the Drilling Systems Division, Hilti AG, Schaan 1991 – 1994
- ♦ Head of Controlling of the Direct Fastening Business Unit, Hilti AG, Schaan 1994 – 1998
- ♦ Head of Finances, Logistics and Human Resources of Hilti CR s.r.o., Prague 1998 to 2000
- ♦ Head of Finance and Accounting (CFO) of the Infratec Division, Von Roll Infratec Holding AG, Zurich 2000 – 2003
- ♦ CFO and member of the management of the Hoval Group, Vaduz 2003 - 2020
- ♦ Chairman of the Board of Directors of the Hoval Group, since September 2020



Karl Sevelda
Bank manager (retired)
1950, AT

Education:

- ♦ Licentiate in social and economic sciences at the Vienna University of Economics and Business, 1973
- ♦ Assistant at the Economic Policy Institute and freelance research at the Federal Ministry of Science and Research, Vienna, 1973 – 1976
- ♦ Doctorate in social and economic science from the Vienna University of Economics and Business, 1980

Professional career:

- ♦ Adviser for commercial credits and export financing at the Creditanstalt-Bankverein, 1977 – 1983
- ♦ Head of economics at the Office of the Federal Minister of Trade, Commerce and Industry, 1983 – 1985
- ♦ Creditanstalt-Bankverein London and New York, 1985
- ♦ Various management functions at the Creditanstalt-Bankverein (Senior Head of the Export Financing Department, Deputy Head of the Financing Division, Head of the international Corporations and Insurance Division, Head of the Corporate Clients Division), 1986 – 1997
- ♦ Member of the Executive Board responsible for corporate client business and worldwide corporate, trade and export finance at the Raiffeisen Zentralbank Österreich AG, 1998 – 2013
- ♦ Deputy CEO, Raiffeisen Bank International AG, 2010 – 2013
- ♦ CEO, Raiffeisen Bank International AG, 2013 – 2017
- ♦ Chairman of the Supervisory Board, Semper Constantia Privatbank AG, 2017 – 2018

3.2 Other activities and commitments

- ♦ **Georg Wohlwend** is Chairman of the Board of Directors of Neutrik AG, Schaan, and Chairman of the Board of Directors of Alegria Capital AG, Vaduz.
- ♦ **Gabriela Nagel-Jungo** is a Member of the Board of Directors of Ruetschi Technology AG, Muntelier, and of the GVZ Building Insurance Institute of Canton Zurich.
- ♦ **Patrizia Holenstein** is a Member of the Board of Directors of Argos Holding AG, Sarnen, as well as of Oase Holding AG, Baar und Bellerive Estates AG, Zurich.
- ♦ **Urs Leinhäuser** is a Member of the Board of Directors of Burckhardt Compression Holding AG, Winterthur, of Ammann Group Holding, Berne, of VAT Group, Haag, of Pensador Partner AG, Zurich, as well as Chairman of the Board of Directors of AVESCO AG, Langenthal.
- ♦ **Thomas Russenberger** is Chairman of the Foundation Board the "Presta Stiftung" pension fund, Eschen.
- ♦ **Richard Senti** is Chairman of the Board of Directors of the Hoval Group.
- ♦ **Karl Sevelda** is a member of the Supervisory Board of SIGNA Development Selection AG and SIGNA Prime Selection AG, Vienna / Innsbruck, of Siemens AG Austria, Vienna, as well as a member of the Board of Directors of RHI Magnesita NV, Arnhem (NL) / Vienna. Furthermore, he is a member of the

Foundation Board of CUSTOS Privatstiftung, Graz, and Chairman of EcoAustria Economic Research Institute, Vienna.

Otherwise the Members of the Board of Directors are not involved in the management or supervisory boards of important Liechtenstein, Swiss or foreign private or public law corporations, establishments or foundations, nor do they exercise any permanent management or consultancy functions for important Liechtenstein, Swiss or foreign interest groups, nor do they perform official functions or hold political office.

3.3 The number of permitted activities

Liechtensteinische Landesbank AG is not subject to the Swiss ordinance against excessive compensation in listed public companies (OaEC). Liechtensteinische Landesbank AG has not issued any regulations on the number of permitted activities.

3.4 Election and term of office

In accordance with the Law on the Liechtensteinische Landesbank of 21 October 1992, the Board of Directors of the Liechtensteinische Landesbank is composed of five to seven members, who are elected individually by the General Meeting of Shareholders for a term of office of three years; whereby a year corresponds to the period from one ordinary General Meeting of Shareholders to the next. Members can be re-elected for a further two terms. After three terms of office, the Chairman of the Board of Directors can – in justified cases – be re-elected for an extraordinary term of office of at most two years. The “Group regulation concerning the Group Nomination & Compensation Committee” (see point 3.5.2 “Composition of all Board of Directors’ committees, their duties and individual competences”) stipulates that the Board of Directors aims at continuity through the orderly renewal of the Board, succession planning, as well as through the appropriate staggering of the terms of office (no complete renewal) pursuant to current corporate governance provisions.

The Chairman of the Board of Directors is elected by the General Meeting of Shareholders. The Vice Chairman is elected from among the members of the Board of Directors by its members. New members or the Chairman of the Board of Directors elected as substitutes shall be elected for a full term of office of three years. The General Meeting of Shareholders can dismiss members of the Board of Directors on important grounds. Georg Wohlwend is Chairman of the Board of Directors. Gabriela Nagel-Jungo is Vice Chairwoman. Cyrill Sele is Secretary (recorder of the minutes).

3.4.1 First-time election and remaining term of office

| Name | First-time appointment | Elected until |
|----------------------|------------------------|---------------|
| Georg Wohlwend | 2017 | 2024 |
| Gabriela Nagel-Jungo | 2014 | 2023 |
| Patrizia Holenstein | 2013 | 2022 |
| Urs Leinhäuser | 2014 | 2023 |
| Thomas Russenberger | 2018 | 2024 |
| Richard Senti | 2018 | 2024 |
| Karl Sevelda | 2019 | 2022 |

3.5 Internal organisation

| Name | Function | Committee memberships |
|----------------------|-----------------|---|
| Georg Wohlwend | Chairman | Group Nomination & Compensation Committee Group Strategy Committee ¹ |
| Gabriela Nagel-Jungo | Vice Chairwoman | Group Audit Committee ¹ Group Strategy Committee |
| Patrizia Holenstein | Member | Group Audit Committee Group Risk Committee |
| Urs Leinhäuser | Member | Group Audit Committee Group Risk Committee Group Strategy Committee |
| Thomas Russenberger | Member | Group Nomination & Compensation Committee ¹ |
| Richard Senti | Member | Group Risk Committee ¹ Group Nomination & Compensation Committee |
| Karl Sevelda | Member | Group Risk Committee Group Strategy Committee |

¹ Chair

3.5.2 Composition of all Board of Directors' committees, their tasks and terms of reference

In accordance with the statutes, the Board of Directors may according to its discretion appoint committees. To support it in performing its tasks, the Board has so far implemented three standing committees: the Group Nomination & Compensation Committee, the Group Audit Committee and the Group Risk Committee. In addition, there is a Strategy Committee formed on an ad hoc basis. The Board of Directors elects the committee members from among its members and appoints the chairmen. The Chairman of the Board of Directors cannot be elected to the Group Audit Committee or the Group Risk Committee. Each committee is composed of at least three members. As preparatory bodies, these committees deal in detail with the tasks assigned to them, submit the results of their work to the Board of Directors and make proposals if decisions are required.

The committee members must possess the expertise for the tasks and duties they have taken on. All committee members must be independent.

Terms of office on committees correspond to the length of terms of office on the Board of Directors. Committee membership also ends when members step down from the Board of Directors.

The Board of Directors has issued separate regulations for the three committees, the Group Nomination & Compensation Committee, the Group Audit Committee and the Group Risk Committee, in which the tasks and areas of responsibility are defined.

The committees can invite outside persons as experts and entrust LLB staff, in particular, with administrative duties.

Group Audit Committee

The Group Audit Committee supports the Board of Directors in fulfilling the duties and responsibilities vested in it by banking law with respect to its duty of overall direction of the company, as well as supervision and control.

The Group Audit Committee regulation lays down the organization, as well as the competencies and responsibilities of the Committee, in so far as these are not prescribed by law, the statutes or the rules of procedure. The following persons are members of the Group Audit Committee:

| Name | Function |
|----------------------|------------|
| Gabriela Nagel-Jungo | Chairwoman |
| Patrizia Holenstein | Member |
| Urs Leinhäuser | Member |

According to Appendix 4.3 of the Banking Ordinance, the guidelines concerning internal controls according to Art. 7a and Art. 21c ff. of the Banking Law, the Group Audit Committee mainly concerns

itself with the methodology and quality of the external auditors, the quality of financial reporting, as well as the collaboration between the internal and external auditors and their independence.

The Group Audit Committee assesses the quality and integrity of the financial reporting including the structure of the financial accounting function, the financial controlling and financial planning.

This includes:

- ♦ Analysing the LLB Group's Consolidated Interim Report and the Annual Report as well as the financial statement of the parent bank. This encompasses the discussion of the following subject areas with the Group CFO, the Head Group Finance, the auditor in charge of the external auditors and the Head of Group Internal Audit;
- ♦ Examining whether the financial reporting has been prepared in compliance with applicable accounting standards as well as the legal and regulatory provisions;
- ♦ Evaluating the quality of applicable accounting principles and processes;
- ♦ Evaluating the budgeting process as well as the budget proposal of the Group Executive Board for the following year and submitting a proposal to the Board of Directors as the approval body;

Group Risk Committee

The Group Risk Committee supports the Board of Directors in fulfilling the duties and responsibilities vested in it by banking law.

The Group regulation concerning the Group Risk Committee lays down the organization and working methods as well as the competencies and responsibilities of the Committee, in so far as these are not prescribed by law, the statutes or the rules of procedure. The following persons are members of the Group Risk Committee:

| Name | Function |
|---------------------|----------|
| Richard Senti | Chairman |
| Patrizia Holenstein | Member |
| Urs Leinhäuser | Member |
| Karl Sevelda | Member |

The Group Risk Committee has the following risk-related tasks:

- ♦ The assessment and provision of advice on the current and future overall risk tolerance and strategy of the LLB Group;
- ♦ The assessment of the implementation of the risk strategy by the Group Executive Board;
- ♦ The monitoring of the integrity and suitability of the risk management in the LLB Group, which is based on risk policy, in particular, in regard to market, credit and liquidity risks, as well as operational risks;
- ♦ The assessment of the integrity and suitability of the internal control system in regard to the identification, measurement, limitation and monitoring of risks. In the areas of compliance and risk control this includes, in particular, the assessment of the precautions that are to ensure the observance of the legal (e.g. capital adequacy, liquidity and risk distribution regulations) and bank-internal (e.g. risk policy framework) provisions;
- ♦ The supporting of the Board of Directors to formulate and implement the risk-relevant Group rulings and directives issued by it as well as the relevant guidelines and processes that are set down in these rulings and directives;
- ♦ The assessment, at least on an annual basis, of the Groupwide policy on risks (e.g. risk policy framework) as well as other topics defined by Group Credit & Risk Management (e.g. ICAAP report). In doing so, the concerned authorities are to be consulted and the suggestions and proposals of the Group Executive Board are to be considered. A proposal is then to be made to the Group Board of Directors as the approving authority. All risk-relevant Group rulings and directives that have to be approved by the Group Board of Directors are to be treated accordingly;
- ♦ The assessment of the results of the internal capital adequacy assessment process (ICAAP) and the internal liquidity adequacy process (ILAAP);
- ♦ The examination of the risk propensity within the scope of the risk-bearing capacity statement. This is performed both from the perspective of the going concern and also of the gone concern. Based on

the risk appetite, the Group Risk Committee can propose adjustments to the limits system to the Board of Directors;

- ♦ The assessment of the overall risk situation and supervising adherence to the limits set by the Board of Directors;
- ♦ The discussion and assessment of the Risk Report of the LLB Group and submission of a proposal to the Group Board of Directors as the approving authority;
- ♦ The discussion and assessment of the annual report concerning the LLB Group's legal and compliance risks and submission of a proposal to the Group Board of Directors as the approving authority;
- ♦ The examination of whether the pricing of the investments and liabilities takes into reasonable consideration the business model and the risk strategy of the LLB Group and, if this is not the case, the submission of a plan of appropriate measures;
- ♦ The examination of whether the incentives offered in the compensation system take into consideration risk, capital, liquidity and the probability and timing of earnings.

Group Nomination & Compensation Committee

The Group Nomination & Compensation Committee supports the Board of Directors in fulfilling the following duties and responsibilities vested in it by banking law.

The Group regulations concerning the Group Nomination & Compensation Committee regulate the organisation, working methods, as well as the competences and responsibilities of the committee, in so far as these are not prescribed by law, the statutes or the rules of procedure. The following persons are members of the Group Nomination & Compensation Committee:

| Name | Function |
|---------------------|----------|
| Thomas Russenberger | Chairman |
| Richard Senti | Member |
| Georg Wohlwend | Member |

On behalf of the Board of Directors and the Group Executive Board, the Group Nomination & Compensation Committee strives to achieve the following goals while complying with the applicable principles of corporate governance:

- ♦ A balanced composition of the bodies taking into consideration the professional knowledge required for the bank and personal suitability of members;
- ♦ Continuity thanks to planned renewal and succession as well as a reasonable staggering of terms of office (no complete renewal);
- ♦ Smooth transfer of office and functions through systematic introduction to the specific tasks of the bank.

In addition, the Group Nomination & Compensation Committee is responsible for these tasks:

- ♦ The annual evaluation of the knowledge, abilities and experience of the individual members of the Board of Directors and the Group Executive Board, as well as its bodies. The submission of the evaluation to the Board of Directors and the Group Executive Board.
- ♦ The annual assessment of the structure, size, composition and performance of the Board of Directors as well as the Group Executive Board and - if necessary - recommendation of changes;
- ♦ The ensuring that the decision-making process of the Group Executive Board and the Group Board of Directors cannot be influenced by an individual person or a group of persons in a manner detrimental of the LLB Group's interests;
- ♦ Reviewing the course of the Board of Directors in the selection and appointment of the Group Executive Board and making recommendations to the Board of Directors;
- ♦ Review of the remuneration of the members of the Group Executive Board and senior executives in the areas of risk management and compliance;
- ♦ The review of the procedure adopted by the Board of Directors in selecting and appointing the Group Executive Board, as well as submission of recommendations to the Board of Directors.
- ♦ The formulating of compensation regulations for the parent bank and the LLB Group.
- ♦ The preparation of decisions regarding the compensation of the members of the Board of Directors and the Group Executive Board, as well as of other employees, in so far as their compensation is to be

determined by the Board of Directors in accordance with the compensation regulations and taking into consideration the long-term interests of stakeholders, investors and other parties.

- ♦ The establishment of the guidelines for the human resources policy.

The Group Nomination & Compensation Committee ensures an expedient and smooth procedure for the nomination, election and re-election of the member of the Board of Directors. It is responsible, in particular, for the following tasks:

- ♦ The development of criteria for the selection, election and re-election of candidates;
- ♦ The selection and evaluation of candidates as well as the submission of election proposals to the Board of Directors for submission to the General Meeting of Shareholders in accordance with the developed criteria;
- ♦ The development of succession plans and the periodic review of them, both in the case of the end of a term of office and in the case of an early stepping down of members;
- ♦ Ensuring the further training of the entire Board of Directors;
- ♦ Planning the introductory phase for new members.

The Group Nomination & Compensation Committee ensures an expedient and smooth procedure for the election and re-election of the members of the Group Executive Board. It is responsible, in particular, for the following tasks:

- ♦ The development of criteria for the selection and appointment of candidates for the attention of the Board of Directors;
- ♦ The selection and evaluation of candidates as well as the submission of proposals to the Board of Directors at the request of the Group CEO in accordance with the developed criteria;
- ♦ The development and application of criteria for the performance appraisal of the Group Executive Board in corpore as well as of individual members at the request of the Group CEO;
- ♦ The development of succession plans and the periodic review of them, both in the case of the age-related or contingency stepping down of members, in collaboration with the Group CEO;
- ♦ Ensuring the further training of the members of the Group Executive Board;

The Group Nomination & Compensation Committee ensures an expedient and smooth procedure for the appointment and appraisal of the Head of Group Internal Audit. It has the following tasks in particular:

- ♦ The development of criteria for the selection and appointment of candidates for the attention of the Board of Directors;
- ♦ The selection and evaluation of candidates as well as the submission of proposals to the Board of Directors in accordance with the developed criteria;
- ♦ The development and application of criteria for the performance appraisal of the Head of Group Internal Audit.
- ♦ The development of succession plans and the periodic review of them, both in the case of the age-related or contingency stepping down of the Head of Group Internal Audit, this in collaboration with the Chairman of the Board of Directors and the Chairman of the Group Audit Committee.

The nomination of delegates in the Board of Directors' committees of the LLB Group and associated companies should ensure the implementation of the Group strategy and a uniform external perception of the LLB Group.

The Group Nomination & Compensation Committee is responsible for fulfilling the tasks defined in the Group regulation "Fit & Proper – assessment of the members of the Group Executive Board, the Board of Directors and the holders of key functions".

The Group Nomination & Compensation Committee has the following tasks, in particular, in relation to compensation:

- ♦ The formulation of recommendations, both for the definition of basic principles and for the stipulating of regulations, regarding the compensation policy of the members of the Board of Directors, of the Group Executive Board and of other employees of the bank for submission to the Board of Directors;
- ♦ The formulation of proposals for the compensation of the members of the Board of Directors, of the Group Executive Board and of the Head of Group Internal Audit for submission to the Board of Directors in accordance with the existing principles and regulations;

- ♦ The annual review of the Group regulation "Compensation standards", the LLB AG regulation of the same name, as well as the Group regulation "Fit & Proper – assessment of the members of the Group Executive Board, the Board of Directors and the holders of key functions" for submission to the Board of Directors;
- ♦ The annual review of the compensation of the members of the Board of Directors, the Group Executive Board, the Head of Group Internal Audit and senior executives in risk management and compliance in accordance with the Group regulation "Compensation standards" and the parent bank regulation of the same name for submission to the Board of Directors in accordance with the existing principles and regulations.

The Group Nomination & Compensation Committee has the following responsibilities in relation to strategic human resources management:

- ♦ The stipulation and periodic review of the principles of human resources strategy;
- ♦ The review of the processes for the systematic development of employees and executives.

Strategy Committee

It is one of the tasks of the Board of Directors to formulate and periodically evaluate the LLB Group's strategy. In this task it is supported by the Strategy Committee. The members of the committee are:

| Name | Function |
|----------------------|----------|
| Georg Wohlwend | Chairman |
| Gabriela Nagel-Jungo | Member |
| Urs Leinhäuser | Member |
| Karl Sevelda | Member |

Representation in foundations

Thomas Russenberger and Richard Senti have seats on the Board of Trustees of the Personnel Pension Fund Foundation of Liechtensteinische Landesbank AG as employer representatives. Thomas Russenberger has been Chairman of the Board of Trustees since December 2018.

3.5.3 Working methods of the Board of Directors and its committees

Board of Directors

A meeting of the Board of Directors is convened by invitation of its Chairman as often as business requires, but at least four times a year. If a member of the Board of Directors, the Group CEO or at least two members of the Group Executive Board submit a written request to the Chairman, he will promptly convene a meeting of the Board of Directors. Together with the written invitation, the members of the Board of Directors also receive the agenda for the meeting, the minutes of the last meeting and other important documentation required for the meeting at least five business days prior to the date set for the meeting. Meetings of the Board of Directors can also be called with a shorter period of notice if there is a pressing matter. It is within the discretion of the Chairman to determine the urgency of that matter. Board meetings are chaired by the Chairman. A quorum of the Board of Directors is constituted when a majority of the members is present. In urgent cases, resolutions may be passed by circular, provided no member requests a verbal discussion at a meeting within three work days or within the period specified by the Chairman of the Board of Directors in an individual case. If no period is specified by the Chairman for the casting of a circular vote, the vote shall take place within a period of five days from receipt of the circular voting request. A resolution taken by circular vote is just as binding as a resolution taken at a meeting of the Board of Directors. The Chairman shall inform the other members immediately about the result of the circular vote. Resolutions taken by circular shall be entered in the minutes at the next ordinary meeting of the Group Board of Directors.

Meetings of the Board of Directors can be held in the form of physical, telephone or video conferences. The meetings held in the form of telephone or video conferences shall be entered in the minutes in the same manner as at physical meetings of the Board.

The members of the Board of Directors are to exercise their tasks, competences and responsibilities with the necessary care and to regulate their personal and business matters in such a manner that, as far as possible, actual or potential conflicts of interest are avoided. The members of the Board of Directors are obliged to inform the Chairman in cases of real or potential conflicts of interest. This is regardless of

whether the real or potential conflicts of interest are of a general nature or related to a matter to be discussed at a meeting. The Chairman of the Board of Directors shall decide whether there are grounds for a recusal of a member. In such a case, the following recusal options are possible:

- ♦ The member concerned may attend the discussion but may not be present at the passing of the resolution concerning the respective matter. He will receive the corresponding minutes;
- ♦ The member concerned may not be present either at the discussion or the passing of the resolution concerning the respective matter. He will receive the corresponding minutes;
- ♦ The member concerned may not be present either at the discussion or the passing of the resolution concerning the respective matter. He will not receive the corresponding minutes.

During the 2021 business year, the Board of Directors of Liechtensteinische Landesbank AG held a total of eleven ordinary and four extraordinary meetings. The meetings lasted between 0.50 and 9.00 hours. A closed meeting lasting an half day was conducted by the Board of Directors in collaboration with the Group Executive Board following the ordinary meeting in June 2021. The closed meeting focused on the new corporate strategy. The subjects of the extraordinary board meetings were the resignation of CEO Roland Matt and the appointment of his successor Gabriel Brenna, the agreement with Credit Suisse (Luxembourg) S.A. regarding the referral of private banking clients in Austria and a settlement reached in a legal case.

| Date | Meeting | Attendance | Duration in h |
|-------------------|----------------|------------------------------------|---------------|
| 24 January 2021 | extraordinary | all | 1.00 |
| 01 February 2021 | extraordinary | all | 2.00 |
| 08 February 2021 | extraordinary | all | 1.00 |
| 23 February 2021 | ordinary | all | 6.25 |
| 09 March 2021 | ordinary | all | 1.00 |
| 23 March 2021 | ordinary | all | 4.25 |
| 22 April 2021 | ordinary | all | 5.25 |
| 21 May 2021 | ordinary | all | 5.50 |
| 11 June 2021 | extraordinary | all | 0.50 |
| 28 June 2021 | ordinary | all | 4.00 |
| 28 June 2021 | closed meeting | all | 5.00 |
| 20 August 2021 | ordinary | all, excepting Patrizia Holenstein | 5.00 |
| 28 September 2021 | ordinary | all | 9.00 |
| 25 October 2021 | ordinary | all | 8.75 |
| 25 November | ordinary | all | 4.50 |
| 17 December 2021 | ordinary | all | 7.50 |

Group Audit Committee

The members of the Group Audit Committee meet at least four times a year. These ordinary meetings are convened by the Chairman.

An agenda is compiled prior to each meeting, which is sent together with the necessary information and the minutes of the last meeting to the meeting's participants at least five days prior to the date of the meeting. The members of the Group Audit Committee, the Group CEO, the Group CFO, the external auditors, the Head of Group Internal Audit can request the Chairman of the Group Audit Committee to convene extraordinary meetings. To deal with specific issues, the Group Audit Risk Committee can also invite other persons, such as members of the Group Executive Board, the Chairman of the Group Risk Committee, other staff of the LLB Group companies, representatives of the external auditors or external consultants. The Group CEO, the Group CFO and the Head of Group Internal Audit usually participate in the meetings in an advisory capacity. The other members of the Board of Directors, who are not members of the Group Audit Committee, are entitled to participate in the meetings.

During the 2021 business year, the members of the Group Audit Committee met for six meetings. No external experts were called in during the business year.

| Date | Attendance | Duration in h |
|------------------|------------|---------------|
| 21 January 2021 | all | 1.00 |
| 22 February 2021 | all | 3.00 |
| 20 May 2021 | all | 2.75 |
| 15 July 2021 | all | 0.50 |
| 20 August 2021 | all | 3.25 |
| 16 December 2021 | all | 4.00 |

Group Risk Committee

The members of the Group Risk Committee meet at least four times a year. These ordinary meetings are convened by the Chairman.

An agenda is compiled prior to each meeting, which is sent together with the necessary information and the minutes of the last meeting to the meeting's participants at least five days prior to the date of the meeting. The members of the Group Risk Committee, the Group CEO, the Group CFO, the external auditors, the Head of Group Internal Audit, the Head of Group Credit & Risk Management, as well as the Head of Group Legal and Compliance can request the Chairman of the Group Risk Committee to convene extraordinary meetings. To deal with specific issues, the Group Risk Committee can also invite other persons, such as members of the Group Executive Board, the Chairman of the Group Risk Committee, other staff of the LLB Group companies, representatives of the external auditors or external consultants. The Group CEO, the Group CFO, the Head of Group Internal Audit and the Head of Group Credit & Risk Management usually participate in the meetings in an advisory capacity. The other members of the Board of Directors, who are not members of the Group Risk Committee, are entitled to participate in the meetings.

During the 2021 business year, the Group Risk Committee held five ordinary meetings. No external experts were called in during the business year.

| Date | Attendance | Duration in h |
|------------------|------------|---------------|
| 22 February 2021 | all | 2.50 |
| 22 May 2021 | all | 4.50 |
| 19 August 2021 | all | 3.25 |
| 22 November 2021 | all | 0.75 |
| 16 November 2021 | all | 3.50 |

Group Nomination & Compensation Committee

The Group Nomination & Compensation Committee convenes as often as business requires, but at least twice a year. The meetings are convened by the Chairman. He compiles an agenda prior to each meeting, which is sent together with the necessary information and the minutes of the last meeting to the meeting's participants at least five days prior to the meeting.

To deal with specific issues, the Group Nomination & Compensation Committee can also invite other persons, such as the Head of Group Human Resources, representatives of the external auditors or external consultants. The Group CEO usually participates in the meetings in an advisory capacity; except when topics are discussed that particularly concern the Board of Directors itself, the business area of Group Internal Audit or the performance assessment of the Group CEO and the establishment of his compensation. Furthermore, the Head of Group Human Resources and the Head of Group Internal Audit usually participate in the meetings in an advisory capacity. The members of the Board of Directors, who are not members of the Group Nomination & Compensation Committee, have the right to attend the meetings. In 2021, four meetings were held.

| Date | Attendance | Duration in h |
|-----------------|------------|---------------|
| 22 January 2021 | all | 2.75 |
| 18 May 2021 | all | 2.00 |
| 26 August 2021 | all | 2.50 |
| 29.11.2021 | all | 2.25 |

The Strategy Committee

The Strategy Committee held seven meetings in 2021 at which relevant aspects of the development of the new ACT-26 corporate strategy were explored (see chapter “ACT-26”).

| Date | Attendance | Duration in h |
|-------------------|-------------------------------|---------------|
| 08 February 2021 | all | 1.50 |
| 13 April 2021 | all | 3.00 |
| 18 May 2021 | all, excepting Urs Leinhäuser | 3.25 |
| 16 June 2021 | all | 3.00 |
| 17 August 2021 | all | 2.00 |
| 20 September 2021 | all | 3.00 |
| 18 October 2021 | all, excepting Georg Wohlwend | 2.75 |

Resolutions at the committee meetings

The committees carry out solely preparatory or advisory tasks on behalf of the Board of Directors. Resolutions at the meetings are passed with an absolute majority of the members present. The attendance of more than half of the members is required for a quorum. Only the members of the committees are eligible to vote. In the case of a tie, the Chairman has the casting vote. The subjects dealt with and resolutions passed are recorded in the corresponding minutes. The minutes are circulated to the meeting’s participants and the members of the Board of Directors. The Chairmen of the committees inform the Board of Directors about the agenda dealt with at the last committee meeting and submit proposals for those points requiring resolutions. Furthermore, they submit an annual activity report to the Board of Directors, which contains a summary of their activities and of pending matters.

Self-evaluation

In general, the Board of Directors evaluates its own performance annually and also that of the committees. This evaluation serves to determine whether the Board of Directors and the committees are functioning appropriately. The results of the self-evaluation are recorded in writing.

In summer 2021, the Board of Directors carried out a self-evaluation on the basis of a questionnaire. The consolidated responses were discussed at the meeting in August. As in previous years, the overall evaluation was very positive. The collaboration between the Board members is very good. The culture of open and frank discussions is constructive and effective. The interdisciplinary composition of the Board and the range of ages of the members are regarded as very positive. In addition to the many items on the agenda to be reviewed and assessed, in future the Board of Directors would like to deal more frequently with creative and formative elements, as well as placing sharper focus on continual further training.

3.6 Definition of areas of responsibility

The Board of Directors is responsible for the direction, supervision and control of the LLB Group. It is ultimately responsible for the success of the LLB Group as well as for attaining sustained value for both shareholders and employees, as well as protecting the Group’s reputation. It makes decisions concerning the LLB Group’s corporate strategy and assumes final responsibility for monitoring the conduct of business. It stipulates the risk policy of the LLB Group and monitors compliance with it. Furthermore, the Board of Directors monitors compliance with applicable legal provisions and regulations. At the request of the Group Executive Management, the Board of Directors determines the financial and human resources required to implement the corporate strategy. The Board of Directors must keep itself informed in an appropriate manner about the financial and risk situation of the LLB Group. This also applied to the decisions made within the Group companies, which in practice have an effect on the business activity of the LLB Group.

Within the scope of the duties and responsibilities defined in the Statutes, the Board of Directors has the following tasks:

- ♦ Strategy and management;
- ♦ Organisation;
- ♦ Financial management;

- ♦ Risk policy and management.

In relation to strategy and management, the Board of Directors is responsible, in particular, for the following tasks:

- ♦ Specifying the corporate mission statement and values;
- ♦ Specifying the strategy and its periodic review;
- ♦ Specifying the management structure;
- ♦ Deciding on important structural changes;
- ♦ Deciding about expanding into important new business areas or the withdrawal from existing important business areas;
- ♦ Approving the acquisition or sale of participations in other companies as well as the establishment or liquidation of LLB Group companies and the nomination of their Boards of Directors;
- ♦ Approving the purchase or sale of real estate having a purchase price of more than CHF 20 million (or equivalent);
- ♦ Assignment of tasks and responsibilities to the Group Executive Management;
- ♦ Approving all business matters and business decisions that exceed the authority of the powers delegated by the Board of Directors.

Concerning the organization of business activities of the LLB Group and the required concomitant issuing of rulings and directives, the Board of Directors is, in particular, responsible for:

- ♦ The regular monitoring of corporate governance principles and management structures laid down in the rules of procedure;
- ♦ The issuing of rulings and directives that are binding Group-wide, subject to respective applicable local law and the declaration of their binding character for the respective Group company, as well as the regulations of LLB;
- ♦ The organisation and management of Group Internal Audit including the issuing of the "Group Internal Audit" Group regulation, approval of the annual auditing plan and the annual auditing objectives, discussion of the reports submitted by Group Internal Audit and the external auditors, and approval of the reports concerning measures implemented on the basis of audit reports and their monitoring;
- ♦ The selection, appointment and dismissal of the Group CEO, the Vice Group CEO, the other members of the Group Executive Board and the Head of Group Internal Audit, the review of their performance, including succession planning;
- ♦ The supervision of the Group CEO and the other members of the Group Executive Board regarding compliance with legal provisions, statutes and rulings;
- ♦ The appointment of the for the committees of the Board of Directors from among its members and the appointment of the Chairman;
- ♦ The regularization of the compensation principles within the LLB Group;
- ♦ The specification of a process for selecting and evaluating the suitability of candidates for key functions;
- ♦ The issuing of a code of conduct for employees and corporate bodies in relation to dealing with conflicts of interest, as well as rules to prevent the use of confidential information;
- ♦ The issuing of a code of conduct for all employees;
- ♦ The approval of the composition of the Boards of Directors in the Group companies with the exception of LLB AG;
- ♦ Deciding about, or approving, the vocational activities of members of the Group Executive Board and the Head of Internal Audit;
- ♦ The preparation of the General Meeting of Shareholders and the implementation of its resolutions.

Concerning the ultimate liability for the organization of accounting, financial control and financial planning of the LLB Group, the Board of Directors is, in particular, responsible for:

- ♦ The approval of the applicable accounting standards;
- ♦ The approval of medium-term planning and budgeting;
- ♦ The overall supervision of the complete equity and liquidity management system;
- ♦ The approval of the Consolidated Annual Report with the consolidated financial statement and the consolidated management report;
- ♦ The approval of the Consolidated Interim Reporting;
- ♦ The ensuring of regular reporting on the course of business and extraordinary occurrences;

- ♦ The stipulation of the competence to authorize expenditure;
- ♦ The supervision of the Group's business development.

Concerning the ultimate responsibility for risk policy and management, the Board of Directors is, in particular, responsible for:

- ♦ The definition of the risk policy framework as well as the regular review of the strategies and principles for the acceptance, management, monitoring and mitigation of the risks, to which the LLB Group is exposed;
- ♦ The issuing of Group regulations concerning the fundamentals of risk management, determination of risk appetite, risk control as well as accountability and the processes for the approval of risk-related transactions, whereby interest fluctuation, credit, counterparty, cluster, liquidity, market price and operational risks, as well as legal and reputational risks, in particular, are to be identified, controlled, reduced and monitored;
- ♦ The definition of the risk-bearing capacity and decision on the maximum ceiling of the risk cover amount;
- ♦ The definition of a maximum debt ratio;
- ♦ The definition and monitoring of the maximum market risk to be borne;
- ♦ The responsibility for an adequate market and liquidity risk management as an integral part of the risk policy;
- ♦ The approval of the recovery plan;
- ♦ The approval of the capital plan within the scope of medium-term planning;
- ♦ The stipulation of overall and individual limits at least once a year;
- ♦ The approval of quarterly reports, including comments on the risk situation;
- ♦ The issuing of a Group regulation concerning the fundamentals of a compliance organisation within the LLB Group for the purpose of creating and implementing a common understanding of compliance;
- ♦ The stipulation of credit competences and the regulation of transactions for the account of corporate bodies and employees as well as resolutions regarding large commitments including cluster risks;
- ♦ The evaluation of the effectiveness of the internal control system;
- ♦ The ensuring of the prompt provision of information in the event of imminent risks or losses having significant implications;
- ♦ The decision concerning capital market refinancing through the borrowing of outside capital;
- ♦ The approval of the initiation of legal actions involving claims of over CHF 10 million, as well as judicial and extrajudicial settlements involving amounts of over CHF 10 million;
- ♦ The protection of the LLB Group's reputation.

The Group Executive Board, under the leadership of the Group CEO, is responsible for the management of the LLB Group. It is composed of six members, the three heads of the market divisions:

Retail & Corporate Banking, Private Banking and Institutional Clients, as well as the Group CFO, the Group COO and the Group CEO. The Group Executive Board meets as often as business requires, but at least once a month.

The LLB Group conducts its business within a framework of the three market-oriented divisions: Retail & Corporate Banking, Private Banking and Institutional Clients as well as the shared service functions of the Group CFO and Group COO. The heads of the divisions are responsible for the operative management of the divisions.

The heads of the market-oriented divisions are responsible for the cross-divisional collaboration of their business areas and they represent the LLB Group vis-à-vis the general public and other stakeholders in their relevant markets, and vis-à-vis the relevant client groups. Together with the heads of the Group CFO and Group COO Divisions and the heads of the business areas, they implement and coordinate the strategy of their divisions.

The heads of the divisions create the organisational prerequisites in order to manage the business areas assigned to their divisions over all the LLB Group companies. They actively coordinate all business activities with each other.

Taking into consideration prevailing local law, the Group Executive Board issues the regulations necessary for the operation and management of the divisions, provided this does not lie within the competence of the Board of Directors. These regulations may be binding for individual or several divisions of LLB Group companies.

In addition to the powers and duties set forth in the statutes, the Group Executive Board is responsible, in particular, for:

- ♦ Operative management;
- ♦ Implementation of the strategy;
- ♦ Risk management.

The Group Executive Board:

- ♦ Implements the Group regulations and the resolutions of the Board of Directors;
- ♦ Informs the Board of Directors and its committees, but in particular, its Chairman regularly about the course of business and important events;
- ♦ Issues further regulations for the management of business;
- ♦ Coordinates the LLB Group's range of products as well as specifying the pricing policy and the terms and conditions for the products and services offered;
- ♦ Approves the setting up and closing of business offices, bank branches and representative offices, provided this is explicitly envisaged in the strategy;
- ♦ Is authorised to approve investments for personnel expenses and general and administrative expenses of more than CHF 0.25 million up to CHF 1 million in specific cases, and investments of from CHF 0.5 million up to CHF 3 million (with prior notification of the Chairman of the Board of Directors) which are not included in the budget adopted by the Board of Directors. In such a case, the Chairman decides about any matters to be presented to the Board of Directors;
- ♦ Continuously monitors the developments within the divisions and business areas, as well as initiating problem-solving measures;
- ♦ Continuously monitors the financial reporting and risk situation.

The Group Executive Board:

Submits suggestions concerning the organisation of business activities of the LLB Group in general and proposals for specific business matters of the LLB Group to the Board of Directors and the responsible committees, provided these matters exceed the scope of authority of the Group Executive Board, in particular, with respect to:

- ♦ The definition and periodic review of the LLB Group's corporate strategy as well as the allocation of resources to implement the strategy and attain corporate objectives;
- ♦ Participations, Group companies, business offices, branches and representative offices; medium-term planning;
- ♦ Medium-term planning;
- ♦ Annual expenditure and income budget;
- ♦ Financial reporting and the annual report;
- ♦ setting the objectives for business activities and the course of business as it executes the strategy approved by the Board of Directors; thereby ensuring that decision-making is timely and of a high quality as well as monitoring the implementation of the decisions made.

The Group Executive Board:

- ♦ Implements an efficient structure and organisation and an effective internal control system for the prevention and limitation of risks of all types;
- ♦ Within the risk policy framework of the LLB Group has the following tasks, in particular:
 - ♦ Implementing and reviewing compliance with the risk policy and risk regulations approved by the Board of Directors;
 - ♦ Managing all significant risks;
 - ♦ Ensuring a reasonable valuation of assets;
 - ♦ Using external and internal models to manage and monitor key risks;
 - ♦ Ensuring comprehensive reporting to the Board of Directors regarding the risk situation in accordance with the provisions of risk policy;
 - ♦ Deciding on the composition of the Risk Committee of the LLB Group.

The Group CEO is the highest authority within the LLB Group management structure. He is, in particular, entirely responsible for the development and implementation of the corporate strategy of the LLB Group and the divisions as approved by the Board of Directors. The Group CEO represents the Group Executive Board vis-à-vis the Board of Directors and externally.

The Group CEO

- ♦ Ensures the coherent management and development of the LLB Group as well as the implementation of the strategy that is stipulated and periodically monitored by the Board of Directors;
- ♦ Sets objectives for business activities and the course of business;
- ♦ Ensures high-quality and timely decision-making;
- ♦ Ensures that the objectives set by the members of the Group Executive Board comply with management objectives;
- ♦ Submits recommendations to the Board of Directors concerning compensation principles within the LLB Group;
- ♦ Monitors the implementation of any decisions that are made;
- ♦ Monitors the implementation of the resolutions made by the Board of Directors and its committees;
- ♦ Is responsible – in coordination with the Chairman of the Board of Directors – for concrete succession planning within the Group Executive Board and submits proposals to the Board of Directors regarding the nomination of members of the Group Executive Board with the exception of the Group CEO.

3.7 Information and control instruments vis-à-vis the Group Executive Board

The Chairman of the Board of Directors is informed about the agenda of Group Executive Board meetings and receives the minutes. He participates in its meetings in an advisory capacity as required. The purpose of this is for both parties to update each other and form their opinions on important topics.

Basically, the Board of Directors, the individual committees and especially the Chairman of the Board are kept informed about the activities of the Group Executive Board by the Chairman of the Group Executive Board. The members of the Group Executive Board report to the Group CEO for the attention of the Board of Directors. The Group CEO ensures that the Chairman of the Board of Directors and the Board of Directors as well as its committees are informed in a timely and appropriate manner. The Group CEO regularly reports to the Board of Directors about current business developments and important business issues, including all matters that fall within the remit of the Board of Directors.

The Group CEO generally attends the meetings of the Board of Directors in an advisory capacity, informs it about the development of business as well as about extraordinary occurrences and provides additional information on request. The Group CFO regularly informs the Board of Directors about finances and risk management as well as about the proper implementation of the Bank's risk policy. The other members of the Group Executive Board attend meetings when matters involving them are dealt with. The Group CEO and the Group CFO usually participate in the meetings of the Group Audit Committee and the Group Risk Committee in an advisory capacity. If required, the Group CEO can inform the Chairman of the Board of Directors outside of meetings of the Board of Directors about the course of business and special occurrences. The Chairman of the Board of Directors informs the other Board members about important events.

During meetings, each member of the Board of Directors can request information about all matters relating to the LLB Group. Outside of meetings, each member of the Board of Directors can also request information about the course of business from members of the Group Executive Board and, with the approval of the Chairman of the Board of Directors, also about individual business transactions.

Internal supervision and control

The LLB Group has standardized bank management systems that generate quantitative and qualitative data for the Group Executive Board and in a summarized form for the Board of Directors. This enables the Board of Directors to inform itself about significant business developments, such as the course of business, earnings situation, budget utilisation, balance sheet development, liquidity, risk situation and the fulfilment of equity requirements. The Board of Directors discusses and approves the annotated reports on finances and risk management on a quarterly basis.

In exercising its supervision and control functions, the Board of Directors is also assisted by Group Internal Audit, which is subordinate directly to the Chairman of the Board of Directors. Group Internal Audit has open, direct and unrestricted access to the Chairman of the Boards of Directors of the LLB Group companies, as well as to the Group Audit Committee and the Group Risk Committee. It is independent in its reporting and is not subject to any directive or other limitations, and within the LLB Group, it has an unrestricted right to peruse all information and documents. Group Internal Audit assumes the function of the internal auditor for all Group companies that are required to prepare a consolidated statement of accounts and submits the reasons for its decision to the Board of Directors or the respective Board of Directors of the Group company as to whether there exists an effective internal control system and whether risks are being adequately monitored. If a Group company has in place its own internal audit function, this is functionally subordinate to the Head of Group Internal Audit. Group Internal Audit provides independent, objective and systematic reporting services regarding:

- ♦ The effectiveness of processes for defining the strategy and principles of risk policy as well as the general compliance with the approved strategy;
- ♦ The effectiveness of governance processes;
- ♦ The effectiveness of the risk management, including the evaluation of whether risk identification and management are adequate;
- ♦ The effectiveness of internal controls, in particular, whether these are adequate in relation to the risks taken;
- ♦ If necessary, the effectiveness and sustainability of measures for reducing and minimizing risks;
- ♦ The reliability and completeness of financial and operational information (that is, whether activities are correctly and fully documented) as well as the quality of the underlying data and models;
- ♦ Compliance with legal and regulatory requirements as well as with internal rulings and directives and agreements.

The powers and duties of Group Internal Audit are stipulated in a special set of regulations. The planning of annual auditing is carried out on the basis of the evaluation of risks and controls and is guided by a long-term auditing plan.

To avoid duplication of work and to optimize controls, the auditing plans are coordinated with the statutory auditors. The auditing plan and the personnel requirement plan are reviewed by the Group Audit Committee and submitted to the Board of Directors for approval. In addition, Group Internal Audit regularly monitors the rectification of any deficiencies found and the implementation of its recommendations; it submits reports about this procedure to the Group Audit Committee.

The results of every examination are recorded in a written audit report. The audit reports of the parent bank and all Group companies are sent to the Chairman of the Board of Directors, the members of the Group Audit Committee and the Group Risk Committee, the Group Executive Board, the Head of Group Credit & Risk Management, as well as to the Head of Group Legal & Compliance and the external auditors. The Head of Group Internal Audit compiles a report on a quarterly basis for submission to the Group Audit Committee and the Group Executive Board as well to the responsible committees of the other banks of the LLB Group. He also compiles a written activity report annually for submission to the Board of Directors. Particular findings that need to be dealt with immediately are communicated to the Chairman of the Board of Directors without delay by the Head of Group Internal Audit. In addition, Group Internal Audit regularly monitors the rectification of any deficiencies found and the implementation of its recommendations; it submits reports about this procedure to the Group Audit Committee.

Risik management

The proactive approach towards risks is an integral part of the LLB Group's corporate strategy and ensures the Group's risk-bearing capacity. The LLB Group attaches great importance to proactive and comprehensive opportunity / risk management. As part of the risk policy, the Board of Directors issues guidelines and regulations concerning the principles of risk management. In this way, the Board of Directors sets qualitative and quantitative standards for risk responsibility, risk management, risk reduction and risk control.

The LLB Group manages risks according to strategic objectives. It evaluates and manages risks through the application of detailed, qualitative and quantitative standards for risk responsibility, risk

management and risk control. The LLB Group utilises the “Internal Capital Adequacy Assessment Process” (ICAAP) and “Internal Liquidity Adequacy Assessment Process” (ILAAP) to deal with equity capital and liquidity issues, both of which are extremely important factors for banks. These processes ensure that adequate capital and liquidity to cover all essential risks are always available.

The Group Credit & Risk Management Business Area is responsible for the risk management function. It monitors the risks to which the LLB Group is exposed, or could be exposed, including risks arising from the macro-economic environment. Group Credit & Risk Management is independent of the operative business areas and, within the regulatory framework, it has an unrestricted right to all information and documents. The Head of the Group Credit & Risk Management Business Area has direct access to the Group Risk Committee and reports directly to the Group CFO. Its principal duties and responsibilities are:

- ♦ Ensuring a complete overview of the entire risk spectrum, especially of the character of the existing types of risk and the risk situation;
- ♦ Formulation of the risk policy as well as the preparation and analysis of all important decisions regarding risk management;
- ♦ Identification and measurement of significant risks as well as reporting to the Board of Directors and the Group Executive Board;
- ♦ Continual checking of the effectiveness of risk management measures. The Group Risk Committee invites the persons responsible for risk management to a quarterly discussion of the risk status. Their reports are summarised every six months in an overall risk report of the LLB Group, which is submitted to the Board of Directors.

Further details of risk management can be found in the chapter “[Financial and risk management](#)”, as well as in the notes to the [consolidated financial statement of the LLB Group](#).

Compliance

The employees of the LLB Group are obliged to comply with all legal, regulatory and internal regulations as well as to observe common market standards and professional codes of conduct. The Board of Directors is responsible for organising and ensuring Group-wide compliance. For this purpose, it has issued a Group regulation entitled “Compliance management at the LLB Group” dealing with the essentials of compliance organisation for the purpose of creating and implementing a common understanding of the principles of compliance. The Group Executive Board is responsible for the implementation and observance of compliance. In doing so, it is supported by the compliance functions within the LLB Group. These functions are led by the Head of the Group Legal & Compliance Business Area, and are independent of the operative business areas. The Head of Group & Compliance has direct access to the Group Risk Committee. He compiles an annual written activity report for the Group Risk Committee and the Board of Directors, and submits a risk analysis to them twice a year with an estimate of the most significant compliance risks and the measures and recommendations to be considered as a result. Outside the ordinary reporting periods, he promptly informs the Group Risk Committee about serious infringements of compliance regulations, and about issues of great economic or other significance, and supports it in implementing the appropriate instructions or measures (see chapter “[Financial and risk management](#)”).



4 Group Executive Board

4.1 Members

The LLB Group's organisational structure is consistently geared towards client and market needs. For this purpose the Retail & Corporate Banking, Private Banking as well as Institutional Clients Market Divisions are represented at the Group Executive Management level. The Group Chief Financial Officer, the Group Chief Operating Officer, as well as the Group Chief Executive Officer comprise the Group Executive Management.



Gabriel Brenna
Group Chief Executive Officer,
Head of Private Banking Division 1973, CH / I

Joined the Group Executive Board:
2012

Education:

- ♦ M. Sc., Electrical Engineering, Ecole polytechnique fédérale de Lausanne, 1998
- ♦ Ph.D., Electrical Engineering, Semiconductors, Swiss Federal Institute of Technology (ETH) Zurich, 2004

Professional career:

- ♦ Project Leader, Philips Semiconductors, Zurich, 1998 – 1999
- ♦ Research and instruction, ETH Zurich, 2000 – 2004
- ♦ Senior Project Leader, Advanced Circuit Pursuit, Zollikon, 2002 – 2004
- ♦ McKinsey & Company, Zurich and London; most recently, Partner and Head of Swiss Private Banking and Risk Management Practice, 2005 until September 2012

Liechtensteinische Landesbank:

- ♦ Member of the Group Executive Board and the Board of Management, since October 2012
- ♦ Head of Private Banking Division, October 2012 - 2021
- ♦ Group Chief Executive Officer, since March 2021

Board of Directors mandates in Liechtensteinische Landesbank Group companies:

- ♦ Liechtensteinische Landesbank (Österreich) AG (Chairman)
- ♦ Bank Linth LLB AG (Member)
- ♦ LLB Asset Management AG (Vice Chairman)
- ♦ LLB Services (Schweiz) AG (Chairman)

Other functions:

- ♦ Member of the Liechtenstein Bankers Association
- ♦ Member of the Board of the Liechtenstein Chamber of Commerce and Industry
- ♦ Member of the Board of Trustees of the Personnel Pension Fund Foundation of Liechtensteinische Landesbank AG
- ♦ Chairman of the Board of Trustees of the "Future Foundation of Liechtensteinische Landesbank AG"



Urs Müller
Vice Group Chief Executive Officer, Head of Retail & Corporate Banking Division
1962, FL / CH

Joined the Group Executive Board:
2011

Education:

- ♦ Licentiate in law, University of St. Gallen (HSG), 1993

Professional career:

- ♦ Auditor, Unterrheintal District Court and Associate Court Clerk, Oberrheintal District Court, 1993 – 1995

Liechtensteinische Landesbank:

- ♦ Legal counsel, 1995 – 1998
- ♦ Head of Legal & Compliance, 1998 – 2006
- ♦ Head of Institutional Clients Division, 2007 until April 2011
- ♦ Member of the Group Executive Board and the Board of Management, since April 2011
- ♦ Head of Domestic Market and Institutional Market Divisions, April 2011 until June 2012
- ♦ Head of Institutional Clients Division, July 2012 until June 2016
- ♦ Head of Retail & Corporate Banking Division since July 2016
- ♦ Vice Group Chief Executive Officer, July 2012 - 2021

Board of Directors mandates in Liechtensteinische Landesbank Group companies:

- ♦ Bank Linth LLB AG (Chairman)
- ♦ LLB Asset Management AG (Member)

Other functions:

- ♦ Member of the Board of Trustees of the "Future Foundation of Liechtensteinische Landesbank AG"



Natalie Flatz
Head of Institutional Clients Division
1977, AT

Joined the Group Executive Board:
2016

Education:

- ♦ Mag. iur., University of Innsbruck, 2000
- ♦ Executive Master of European and International Business Law, University of St. Gallen, 2006
- ♦ Diploma of Advanced Studies (DAS) in Banking, 2017

Professional career:

- ♦ Legal assistant at the Liechtenstein Bankers Association, 2003 – 2005
- ♦ Private labelling client adviser at the Liechtenstein Fund Management Company IFOS, 2006 – 2007
- ♦ Member of senior management at the Liechtenstein Fund Management Company IFOS, 2008 – 2011

Liechtensteinische Landesbank:

- ♦ Head of Institutional Clients Business Unit, 2011 – June 2012
- ♦ Head of Fund Services Business Ares, July 2012 – June 2016
- ♦ Member of the Group Executive Board and the Board of Management, since July 2016
- ♦ Head of Institutional Clients Division, July 2016 – 2021
- ♦ Head of the International Wealth Management Division, from 2022

Board of Directors mandates in Liechtensteinische Landesbank Group companies:

- ♦ Liechtensteinische Landesbank (Österreich) AG (Member)
- ♦ LLB Fund Services AG (Chairwoman)
- ♦ LLB Swiss Investment AG (Chairwoman)
- ♦ LLB Asset Management AG (Chairwoman)
- ♦ LLB Invest KAG (Member)
- ♦ LLB Invest AGmvK (Member)

Other functions:

- ♦ Member of the Board of Trustees of the "Future Foundation of Liechtensteinische Landesbank AG"



Patrick Fürer
Group Chief Operating Officer
1965, CH

Entry into Group Executive Board:
2019

Education:

- ♦ Licentiate in economics at the University of St. Gallen, 1990
- ♦ Dr. oec. HSG, University of St. Gallen, 1993

Professional career:

- ♦ IT Project Controller and Head of Controlling of the IT Division at the Union Bank of Switzerland, Zurich, 1991 – 1994
- ♦ Chief of Staff, Trading & Sales at the Union Bank of Switzerland, Zurich, 1995 – 1998
- ♦ COO at WestLB Panmure, London, 1998 – 2002
- ♦ CEO at WestLB Panmure, London, 2002 – 2003
- ♦ Group Head of Operations at WestLB AG, Düsseldorf, London, 2003 – 2006
- ♦ Member of the Executive Board and Head of IT and Processing at Raiffeisen Bank, Switzerland, St. Gallen, 2007 – 2008
- ♦ Member of the Executive Board and COO at Morgan Stanley Bank AG, Zurich, 2009 – February 2016
- ♦ CEO of Morgan Stanley Bank AG, Zurich, March 2016 – June 2017
- ♦ CFO at Notenstein La Roche Privatbank AG, St. Gallen, July – September 2017
- ♦ CEO at Notenstein La Roche Privatbank AG, St. Gallen, October 2017 – December 2018

Liechtensteinische Landesbank:

- ♦ Member of Executive and Group Executive Boards since January 2019
- ♦ Group Chief Operating Officer, January 2019 - 2021
- ♦ Group Chief Digital & Operating Officer, from 2022

Board of Directors mandates in Liechtensteinische Landesbank Group companies:

- ♦ Liechtensteinische Landesbank (Österreich) AG (Member)

Other functions:

- ♦ Member of the Board of Trustees of the "Future Foundation of Liechtensteinische Landesbank AG"



Christoph Reich
Group Chief Financial Officer
1974, CH

Entry into Group Executive Board:
2012

Education:

- ♦ Federally qualified licentiate in economics, FHS St. Gallen, 1999
- ♦ Executive MBA, University of St. Gallen (HSG), 2009
- ♦ DAS Compliance Management, University St. Gallen, 2021

Professional career:

- ♦ Commercial apprenticeship, St. Galler Kantonalbank, Buchs (SG), 1990 – 1993
- ♦ Investment advisor for private clients, St. Galler Kantonalbank, Wil (SG), 1994 – 1996
- ♦ Senior consultant, KPMG Consulting (from October 2002, Bearing Point), Zurich, 1999 until mid-2003
- ♦ Team manager Budget and Management Services, Asian Development Bank, Manila / Philippines, 2003 – 2006
- ♦ Partner at Syndeo AG, Head of Accounting and controlling for Banks, Horgen / ZH, end of 2006 until October 2010

Liechtensteinische Landesbank:

- ♦ Head of Group Finance & Risk Department, November 2010 until January 2012
- ♦ Member of the Group Executive Board and the Board of Management, since January 2012
- ♦ Chief Financial Officer, January 2012 until June 2012
- ♦ Group Chief Financial Officer, since July 2012
- ♦ Deputy Group Chief Executive Officer, from 2022

Board of Directors mandates in Liechtensteinische Landesbank Group companies:

- ♦ Liechtensteinische Landesbank (Österreich) AG (Vice Chairman)
- ♦ Bank Linth LLB AG (Member)
- ♦ LLB Asset Management AG (Member)
- ♦ LLB Verwaltung (Schweiz) AG (Chairman)
- ♦ LLB Holding AG (Chairman)

Other functions:

- ♦ Member of the Board of Trustees of the "Future Foundation of Liechtensteinische Landesbank AG"
- ♦ Member of the Liechtenstein Deposit Protection and Investor Compensation Foundation (EAS)

4.2 Other activities and commitments

Apart from the mandates specified under 4.1, the members of the Group Executive Board are not involved in the management or supervisory boards of important Liechtenstein, Swiss or foreign private or public law corporations, establishments or foundations, nor do they exercise any permanent management or consultancy functions for important Liechtenstein, Swiss or foreign interest groups, nor do they perform official functions or hold political office.

4.3 Number of permitted activities

Liechtensteinische Landesbank AG is not subject to the Swiss ordinance against excessive compensation in listed public limited companies (OaEC). Liechtensteinische Landesbank AG has not issued any regulations on the number of permitted activities.

4.4 Management contracts

The Liechtensteinische Landesbank has not concluded any management contracts.

5 Compensation, participations and loans

Details concerning compensation, participations and loans can be found in the [compensation report](#).

6 Shareholders' participation rights

6.1 Voting right limitation and representation

At the Liechtensteinische Landesbank's General Meeting of Shareholders, each share carries one vote. In accordance with Art. 306a ff. of person and company law, the LLB shares held by the Liechtensteinische Landesbank itself and its subsidiaries (232'935 shares as at 31 December 2021) are not eligible to vote.

Each shareholder has various possibilities of participating in the General Meeting of Shareholders. At the General Meeting of Shareholder he can vote his own shares or authorise a third party in writing to vote them, or have them voted by another shareholder eligible to vote. The Chairman of the General Meeting shall decide whether the authorisation is valid. A person acting as a representative may act on behalf of more than one shareholder and vote differently for the various shares he represents. Shareholders may also vote their shares in writing by post or by means of electronic communication prior to the General Meeting. On account of the many different voting possibilities, the Liechtensteinische Landesbank has decided not to designate an independent proxy in accordance with Art. 18, para.1 of the Statutes (www.llb.li/statutes). The LLB is not subject to the pertaining provision of the ordinance against excessive compensation by listed companies

6.2 Statutory quorum

At the General Meeting of Shareholders, a quorum is present if half of the share capital is represented. The Board of Directors can decide to permit shareholders to vote their shares by post or by means of electronic communication prior to the General Meeting. If a shareholder votes his shares in this manner prior to the General Meeting, his share capital is regarded as being represented for the purpose of constituting a quorum. If a quorum is not constituted, a further General Meeting of Shareholders has to be convened within two weeks that makes decisions irrespective of the represented shares, unless otherwise prescribed by mandatory laws and statutes.

Provided that legal provisions do not stipulate to the contrary, the General Meeting passes its resolutions and decides its elections by an absolute majority of the votes cast.

6.3 Convening of the General Meeting of Shareholders

The Board of Directors convenes an ordinary General Meeting of Shareholders with a period of notice of 30 days. The meeting must be held within six months following the end of a business year. The invitation to the General Meeting is to be publicised on the company's website as well as, if necessary, in other media to be designated by the Board of Directors. The invitation must contain the information required by law, especially the agenda to be dealt with at the meeting, the proposals of the Board of Directors and, in the event of elections, the names of the proposed candidates.

An extraordinary General Meeting may be convened by the Board of Directors if this is in the urgent interest of the Liechtensteinische Landesbank or at the written request – stating the reason for

convening the extraordinary General Meeting – of shareholders representing ten per cent of the share capital.

6.4 Agenda

The Board of Directors specifies the agenda for the General Meeting of Shareholders in accordance with Art. 1 the Liechtensteinische Landesbank's statutes (www.llb.li/statutes). The General Meeting can only deal with items which are listed in the agenda, with the exception of a proposal for the convening of an extraordinary General Meeting.

Shareholders, who together hold at least 5 per cent of the share capital represented, can request that an item be placed on the agenda to be dealt with by the General Meeting. Requests for items to be placed on the agenda must be received, at the latest, 21 days prior to the date of the General Meeting. The Board of Directors shall publicise the amended agenda at least 13 days prior to the date of the General Meeting.

6.5 Registration in the company's share register

The Liechtensteinische Landesbank has exclusively issued registered shares. It maintains a share register containing the names of the owners of registered shares. Upon request, the purchasers of registered shares are entered in the share register as shareholders having a voting right provided that they expressly render a declaration that they have purchased these shares in their own name for their own account. If the purchaser is not prepared to render such a declaration, the Board of Directors can refuse to enter the shares with voting rights in the register. Pursuant to Art. 5a of the Statutes (www.llb.li/statutes), the Board of Directors has specified that nominee registrations without the above-mentioned declaration are generally to be made without a voting right. In order for the right to vote to be exercised at the General Meeting of Shareholders, entry in the share register must be made at the latest three working days prior to the date of the General Meeting. Accordingly, the deadline for entry in the share register for the General Meeting on Friday, 6 May 2022 was fixed at 5 p.m. on Monday, 2 May 2022. From 3 May to 6 May 2022 no entries will be made in the share register.

7 Change of control and defensive measures

The Liechtensteinische Landesbank is a banking institute licensed under Liechtenstein law with its registered office in the Principality of Liechtenstein. As a Liechtenstein bank listed on SIX Swiss Exchange, Liechtensteinische Landesbank AG must in addition to complying with Liechtenstein law also comply with various Swiss regulatory requirements. Since 1 January 2016, the provisions regarding the disclosure of significant shareholders are regulated in the Financial Market Infrastructure Law and in the Financial Market Infrastructure Ordinance and also apply to the LLB. Shareholders attaining, falling below or exceeding the threshold percentages of 3, 5, 10, 15, 20, 25, 33.33, 50 or 66.67 of voting rights must notify SIX and the LLB (www.llb.li/thresholds).

The Liechtensteinische Landesbank's statutes contain no regulations comparable with the Swiss provisions regarding opting out or opting up. Likewise, there are no changes of control clauses in favour of the members of the Board of Directors and / or the members of the Group Executive Board or other senior executives.

Pursuant to the Law on the Liechtensteinische Landesbank, the Principality of Liechtenstein holds at least 51 per cent of the capital and votes.

8 Independent auditors

8.1 Duration of mandate and term of office

8.1.1 Date of acceptance of existing auditing mandate

Every year, the General Meeting of Shareholders appoints one or more natural or legal entities as the independent auditors in accordance with the legal provisions. The independent auditors examine the company's adherence to the legal provisions, the statutes and the other regulations.

For corporate governance reasons and in view of the probable introduction of a mandatory rotation of auditors, the Board of Directors proposed to the General Meeting of Shareholders held on 7 May 2021 that the independent auditors be changed from PricewaterhouseCoopers AG, St. Gallen, to KPMG Liechtenstein AG, Vaduz. PricewaterhouseCoopers AG, St. Gallen, had exercised this function for more than twenty years.

The General Meeting approved the proposal of the Board of Directors and appointed KPMG Liechtenstein AG as the independent auditors, pursuant to person and company law and banking law, for a period of one year.

8.1.2 Term of office of the auditor in charge of the current auditing mandate

Philipp Rickert has been the responsible auditor in charge since 2021. The auditor in charge changes every seven years.

8.2 Audit fees

In the 2021 business year, KPMG invoiced the companies of the LLB Group for CHF thousands CHF 1'027 (2020: CHF thousands 1'301) in respect of audit fees. These fees include the work carried out as required by the respective regulatory authorities. In addition, in the 2021 business year, KPMG received CHF thousands 82 (2020: CHF thousands 233) for services in connection with our own investment funds.

The Group Audit Committee oversees the fees paid to KPMG for their services.

8.3 Additional fees

For other services, KPMG invoiced the LLB Group companies CHF thousands 268 (2020: CHF thousands 250) in 2021.

Audit fees and additional fees

| in CHF thousands | 31.12.2021 | 31.12.2020 ¹ |
|------------------------|------------|-------------------------|
| Audit fees | 1'027 | 1'301 |
| Additional fees | 268 | 250 |
| Corporate finance | 0 | 55 |
| Taxation advice | 172 | 185 |
| Regulatory advice | 60 | 0 |
| Legal and other advice | 36 | 10 |

¹ For the 2020 financial year, PricewaterhouseCoopers AG, St. Gallen, were the auditors in accordance with the Persons and Companies Act and the Banking Act.

8.4 Information instruments of the external auditors

The Group Audit Committee fulfils a supervisory, control and monitoring function, which also extends to the internal and external auditors. It is responsible, among other tasks, for:

- ♦ Discussing and taking note of the risk analysis made by the external auditors, the auditing strategy derived from it and the respective risk-oriented auditing plan;
- ♦ The discussion of major problems identified during the auditing process with the external auditors;
- ♦ the monitoring of the implementation of recommendations put forward by the external auditors and Group Internal Audit to eliminate problems;
- ♦ The evaluation of the audit reports submitted by the external audit and Group Internal Audit to the Board of Directors;
- ♦ The assessment of the qualification, quality, independence, objectivity and performance of the external and Group Internal Audit;

- ♦ The discussion of the annual activity report and annual planning including risk analysis of Group Internal Audit with assessment of whether this business unit has adequate resources and competences and submission of a proposal for approval to the Board of Directors;
- ♦ The examination of the compatibility of external auditors' auditing activities with possible consulting mandates as well as the evaluation and discussion of their professional fees;
- ♦ The evaluation of the collaboration between the external auditors and Group Internal Audit;
- ♦ The submission of a proposal to the Board of Directors for the attention of the General Meeting regarding the appointment or dismissal of the external auditors (appointed according to banking law and person and company law). The Group Audit Committee is responsible for defining the procedure to appoint new external auditors.

The external auditors perform their work in accordance with the legal provisions, and according to the principles of the profession in the respective country of domicile of the Group company, as well as according to the "International Standards on Auditing". The independent auditors regularly report to the Board of Directors, the Group Audit Committee and the Group Executive Board about their findings and submit suggestions for improvements to them. The most important report is the audit report on the LLB Group required by banking law. This summarized report is submitted in writing to the Board of Directors once a year. In addition, the responsible auditor in charge of the external auditors presents a report at one meeting of the Group Audit Committee. All reports from the internal and external auditors concerning all Group companies are dealt with by the Group Audit Committee.

Important findings in the reports of the internal and external auditors since the last meeting and all reports concerning the Group companies are addressed at the next meeting of the Group Audit Committee. The Head of Group Internal Audit is responsible for providing the relevant information and reports directly to the Group Audit Committee. He is appointed by the Board of Directors and is subordinate to the Board's Chairman.

Representatives of the external auditors participated in six meetings of the Group Audit Committee but did not attend any meetings of the Board of Directors during the report period. The Head of Group Internal Audit attended all the meetings of the Group Audit Committee and all the meetings of the Board of Directors except one. The external auditors submit periodic reports dealing with the audit planning based on risk analysis, the current audit reporting, the annual activity report as well as on a comparison of actual with budgeted fees.

The Group Audit Committee annually evaluates the performance of the external and internal auditors in their absence. The following criteria are applied in assessing the performance of the external auditors and their professional fees (auditing and additional fees): comparison of fees and budgeted fees as well as the previous year's fees, feedback from the departments audited, quality of the auditors' findings, structured assessment of the auditors' expertise. The independence of the external auditors is evaluated on the basis of the information concerning independence provided in the annual report of KPMG Liechtenstein AG and an assessment of their conduct. The cost planning and its observance are also reviewed and discussed annually. Furthermore, the Group Audit Committee periodically reviews alternatives and submits a proposal to the full Board of Directors for the attention of the General Meeting regarding the appointment of the external Group auditors.

Additional orders are placed on the basis of offers from competitors taking into consideration the level of expertise. The Group Audit Committee bases its assessment of the placing of orders for additional services on the periodic reports it receives from Group Internal Audit regarding reliability, scope and relation to audit fees.

The Group Audit Committee reports to the full Board of Directors once a year concerning the activities of the external auditors and the assessment of their performance.

The external auditors have direct access to the Board of Directors at all times. They hold regular discussions with the Chairman of the Board of Directors and the Chairman of the Group Audit Committee.

9 Information policy

The Liechtensteinische Landesbank simultaneously, comprehensively and regularly provides its shareholders, clients, employees and the general public with information. This ensures that all

stakeholder groups are treated equally. Equality of opportunity and transparency are ensured through institutionalizing and nurturing these ties as well as establishing and preserving relationships that are based on trust with the financial community, on the one hand, and with the media and all other interested recipients of information, on the other.

The most important information media of the Liechtensteinische Landesbank are its web site (www.llb.li) as well as its annual and interim reports, media communiqués, its media and financial analysts conference and the conference call for media and analysts, and its General Meeting of Shareholders.

As a listed company, the Liechtensteinische Landesbank is obliged to publish information about potential share price-relevant facts (ad hoc publicity, Art. 53 of the exchange listing regulations). To receive ad hoc announcements in accordance with the directives for ad hoc publicity automatically, an interested party can register at www.llb.li/registration. Ad hoc announcements are published under the link www.llb.li/mediacommuniques.

Black-out periods

In connection with the preparation and publication of its annual and interim reports, the LLB Group has imposed black-out periods, the purpose of which is to prevent insider trading, or the appearance of insider trading, by the LLB Group or its employees. These black-out periods apply to persons and business areas, and parties related to them, who/which have access, or could have access, to insider information. These include, in particular, members of the Board of Directors, members of the Executive Board, and their assistants, as well as staff of the Group Finance, Group Credit & Risk Management, Group Corporate Development, Group Legal & Compliance, Group Corporate Communications & Sustainability and Group Internal Audit Business Areas.

During the periods from 1 June and 1 December up to the publication date of the interim financial reporting and the annual financial reporting the persons concerned may not carry out transactions in shares of LLB AG or Bank Linth LLB AG, or financial instruments related to them.

If you have any questions, please contact the following person who is responsible for investor relations:

Dr. Cyrill Sele
Head Group Corporate Communications & Sustainability
Städtle 44 / P. O. Box 384
9490 Vaduz
Phone + 423 236 82 09
Mail cyrill.sele@llb.li

| Date | Time | Event |
|-----------------|------------|--|
| | 7.00 a.m. | Publishing of 2021 business result at www.llb.li ; |
| 25 Februar 2022 | 10.30 a.m. | Financial reporting and analyst conference |
| 25 Februar 2022 | | 2021 business result advertisement in the "Liechtensteiner Vaterland" and the "Liechtensteiner Volksblatt" |
| | | Release of online Annual Report 2021 at https://reports.llb.li/2020/ar/en/ |
| 08 April 2022 | | Printed edition of short report 2021 |
| 06 May 2022 | 6.00 p.m. | General Meeting of Shareholders |
| 10 May 2022 | | Ex-dividend date |
| 11 May 2022 | | Dividend record date |
| 12 May 2022 | | Dividend payment date |
| | 7.00 a.m. | Publishing of interim financial statement 2022; publication of printed interim financial statement 2022 and release of online interim financial statement 2022 at www.llb.li |
| 24 August 2022 | 10.30 a.m. | Webcast |
| 25 August 2022 | | 2022 interim financial result advertisement in the "Liechtensteiner Vaterland" and the "Liechtensteiner Volksblatt" |

10 Important changes since the balance sheet date

At the 30th ordinary General Meeting of Shareholders on 6 May 2022, Patrizia Holenstein will reach the legally stipulated term of office limit and step down from the Board of Directors. The Board of Directors proposes Leila Frick-Marxer for election as a new member of the Board of Directors for a three-year term of office, and Karl Sevelda for re-election as a member of the Board of Directors for a three-year term of office.

On 27 October 2021, the LLB Group announced its new ACT-26 strategy (see chapter "ACT-26"). Starting from 1 January 2022, the LLB Group began rigorously implementing the strategic goals of ACT-26 in the organisation. The strategy focuses on clients and technological transformation. The LLB Group will now comprise five divisions instead of six. Furthermore, in going forward, the LLB Group will have two clearly positioned market divisions, namely the Private and Corporate Clients, and the International Wealth Management Division. The Private and Corporate Clients Division takes care of locally orientated private banking clients (in Liechtenstein, Switzerland and Germany), as well as corporate and private clients in Liechtenstein and Switzerland. The International Wealth Management Division focuses on Austrian and international private banking clients, as well as institutional and investment fund clients. To advance LLB's strategic ambitions of becoming an efficient, digital and innovative banking group, the necessary change capacities and skills will now be pooled in what was previously the Group COO Division. It will now be renamed the Group CDO (Chief Digital & Operating Officer) Division, and a new Group Digital Transformation business area will be created.

From 1 January 2022, the new organisational structure and composition of Group Executive Management will be as follows:

- ♦ Group CEO: Dr. Gabriel Brenna
- ♦ Retail and Corporate Banking: Urs Müller
- ♦ International Wealth Management: Natalie Flatz
- ♦ Group CDO: Dr. Patrick Fürer
- ♦ Group CFO: Christoph Reich

Moreover, the Board of Directors has named Christoph Reich Deputy Group CEO as of 1 January 2022. Urs Müller, who has held this position since 1 July 2012, will be focussing on the strategic further development of the Retail and Corporate Banking Market Division.

In an advance announcement on 27 January 2022, LLB announced its intention of increasing its share stake in its subsidiary Bank Linth LLB AG to 100 per cent. It is offering the shareholders of Bank Linth an attractive premium and a free choice of either a partial exchange offer in LLB shares with a cash component, or a complete cash settlement. The Boards of Directors of LLB and Bank Linth have jointly reached the conclusion that Bank Linth should be delisted from the SIX Exchange.