

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 co-operation 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 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 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 LLB’s Board of Directors. Further information can be found at www.llb.li/participation-strategy.

The following corporate governance report complies with the requirements of the Corporate Governance Directive (DCG) of the SIX Exchange Regulation, status 18 June 2021, as well as the fully revised guidelines of the Six Exchange Regulation regarding the DCG of 10 April 2017. If information required by the DCG 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 2022. Important changes, which occurred between the balance sheet date and the editorial deadline for the annual report, are clearly disclosed in the section “[Important changes since the balance sheet date](#)” 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

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 a divisional management structure that is organised into five divisions. Besides the two market divisions “Retail and Corporate Banking” and “International Wealth Management”, the management structure encompasses the functions of Group Chief Executive Officer (Group CEO), Group Chief Financial Officer (Group CFO) and Group Chief Digital & Operating Officer (Group CDO) (see chapter “[Strategy and organisation](#)”). 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.

The organisational structure of the LLB Group as at 31 December 2022 can be found [here](#) and the detailed segment reports [here](#).

1.1.2 Listed companies included in the scope of consolidation

Liechtensteinische Landesbank AG, with its headquarters in Vaduz, is listed on the SIX Swiss Exchange. As at 31 December 2022, its market capitalisation stood at CHF 1'718.6 million (30'800'000 registered shares at a nominal value of CHF 5.00 at a year-end price of CHF 55.80).

Bank Linth LLB AG, with its headquarters in Uznach, was also listed on the SIX Swiss Exchange until 28 December 2022. On 27 January 2022, LLB published an advance notice announcing its public tender offer for publicly held Bank Linth shares. The offering prospectus was published on 25 February 2022. LLB's intention was to increase its 74.9 per cent shareholding in Bank Linth's share capital, which it had held since 2007, to 100 per cent. At the same time, LLB and Bank Linth communicated their joint intention to delist Bank Linth shares. The public tender offer met an extremely high level of acceptance. Almost all the shareholders tendered their shares to LLB, increasing its shareholding in Bank Linth to 99.9 per cent by 24 May 2022. Bank Linth applied to the SIX Swiss Exchange in early summer for the delisting of its shares. Following the conclusion of the legal proceedings, Bank Linth shares were definitively delisted from the SIX Swiss Exchange on 28 December 2022. The few remaining publicly held shares were cancelled earlier by court decision; the affected shareholders were compensated.

Company	Reg. office	Listed on	Market capitalisation (in CHF thousands)	Segment	Security number	ISIN number
Liechtensteinische Landesbank AG	Vaduz	SIX Swiss Exchange	1'718'640	International Reporting Standard	35514757	LI0355147575

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 Liechtensteinische Landesbank AG. The Law on 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 2022, the Principality's equity stake in the shares of Liechtensteinische Landesbank stood at 56.3 per cent. On 13 May 2022, Liechtensteinische Landesbank acquired 363'785 shares from the Principality of Liechtenstein, this in connection with its public tender offer to Bank Linth shareholders to purchase their Bank Linth shares. After this transaction, the Principality of Liechtenstein still holds 17'336'215 of the total 30'800'000 LLB shares. Detailed information about the development of this equity stake can be found at www.llb.li/capital+structure.

At 31 December 2022, 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.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/>). 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 3.0 per cent of the share capital.

As at 31 December 2022, Liechtensteinische Landesbank AG held, directly or indirectly, a total of 179'881 of its own registered shares (0.6 % 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 0.4 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.

2 Capital structure

2.1 Capital

The share capital of 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, 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 2'138 million as at 31 December 2020, CHF 2'240 million as at 31 December 2021 and CHF 2'024 million as at 31 December 2022 (see table "[Consolidated statement of changes in equity](#)" for the composition and changes to capital during the last two reporting years).

in CHF thousands	31.12.2022	31.12.2021	31.12.2020
Share capital	154'000	154'000	154'000
Share premium	- 14'923	- 13'952	- 13'177
Treasury shares	- 11'640	- 15'073	- 18'663
Retained earnings	2'056'623	1'959'517	1'902'316
Other reserves	- 161'534	12'932	- 20'911
Total	2'022'525	2'097'423	2'003'565
Non-controlling interests	1'203	142'704	134'028
Total equity	2'023'728	2'240'128	2'137'593

2.4 Shares and participation certificates

As at 31 December 2022, 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 Liechtensteinische Landesbank

and its subsidiaries (179'881 shares), all the shares are eligible for dividend. As at 31 December 2022, share capital eligible for dividend therefore amounted to CHF 153.1 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 Law on Persons and Companies), 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.

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 2022, Liechtensteinische Landesbank had no convertible bonds or options on its own shares outstanding.

On 7 May 2019, LLB issued a fixed interest bond for CHF 150 million. The term to maturity is seven years and the yield at maturity is 0.07 per cent. The bond has been listed on the SIX Swiss Exchange since 27 May 2019 (ISIN: CH0419041204) and is traded on the secondary market.

On 4 September 2019, LLB issued a fixed interest bond for CHF 100 million. The term to maturity is ten years and the yield to maturity is minus 0.16 per cent. The bond has been listed on the SIX Swiss Exchange since 27 September 2019 (ISIN: CH0419041527) and is traded on the secondary market.

On 27 August 2020, a further fixed interest bond was issued for CHF 150 million. The term to maturity is ten years and the yield to maturity is 0.29 per cent. The bond has been listed on the SIX Swiss Exchange since 23 September 2020 (ISIN: CH0536893255) and is traded on the secondary market.



3 Board of Directors

3.1 Members

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
Leila Frick-Marxer	1984	Lawyer	FL
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 women on the seven-member Board, the proportion of women was 29 per cent at the end of 2022.

b) Executive / non-executive members

All members of the Board of Directors of Liechtensteinische Landesbank AG are non-executive members. Pursuant to Art. 22 of the Liechtenstein Banking Law in connection with Art. 10 of the Law on Liechtensteinische Landesbank, various special bodies must be constituted for the overall direction, supervision and control of a bank, on the one hand, and for the Board of Management and 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 SIX Swiss Regulation "Directive Corporate Governance" concerning corporate governance information. In 2022, as well as in the three previous business years, no member of the Board of Directors was a member of the Group Executive Board or the Board of Management of Liechtensteinische Landesbank or a Group company. No member of the Board of Directors had significant business relationships with 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.



Georg Wohlwend
Chairman, Business economist 1963, FL

Education:

- ♦ Licentiate in economics, major in business IT, University of Zurich, 1991
- ♦ International Professional Development Programme 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 Group, Tulsa (USA), 1992 – 1993
- ♦ Employee in the Organisation Department, VP Bank AG, Vaduz, 1994 – 1996
- ♦ Deputy Head Logistics, VP Bank AG, Vaduz, 1996 – 1998
- ♦ Member of the Management Board and Head Logistics, VP Bank AG, Vaduz, 1998 – 2000
- ♦ Member of the Management Board and Head Trust Banking, VP Bank AG, Vaduz, 2000 – 2006
- ♦ Member of Group Executive Management and Head Intermediaries, VP Bank AG, Vaduz, 2006 – 2010
- ♦ Member of Group Executive Management and Head Banking Liechtenstein & Regional Market, VP Bank AG, Vaduz, 2010 – 2012
- ♦ Partner and Member of the Executive Board, 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 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



Leila Frick-Marxer
Lawyer
1984, FL

Education:

- ♦ Licentiate in law, University of Zurich, 2008
- ♦ Bar examination in the Principality of Liechtenstein, 2013

Professional career:

- ♦ Assistant, Bürgi Nägeli Lawyers, Zurich, May 2005 – August 2007
- ♦ Junior lawyer, Batliner Wanger Batliner Rechtsanwälte AG, December 2008 – February 2009
- ♦ Auditor and Court Clerk, District Court of Zurich, March 2009 – November 2010
- ♦ Junior lawyer, Batliner Wanger Batliner Rechtsanwälte AG, February 2011 – March 2012
- ♦ Court internship, the Princely District Court and Liechtenstein Office of the Public Prosecutor, April 2012 – September 2012
- ♦ Lawyer, Batliner Wanger Batliner Rechtsanwälte AG, since 2013



Urs Leinhäuser
Business economist
1959, CH

Education:

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

Professional career:

- ♦ Tax inspector, Tax Office of the Canton of Schaffhausen, 1983 – 1986
- ♦ Deputy Head, Tax Department, Refidar Moore Stephens AG, Zurich, 1986 – 1988
- ♦ Group Controller and Managing Director, Cerberus Denmark (1992), Cerberus AG, Männedorf, 1988 – 1994
- ♦ Head 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 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, 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:

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



Richard Senti
Business economist
 1964, FL

Education:

- ♦ Licentiate in economics at the University of St. Gallen (HSG), 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 Finances, Logistics and Human Resources, Hilti CR s.r.o., Prague, 1998 – 2000
- ♦ Head 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, Vaduz, since September 2020



Karl Sevelda

Bank manager (retired)

1950, AT

Education:

- ♦ Licentiate in social and economic sciences from 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 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 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 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 GVZ Building Insurance Institute of the Canton of Zurich.
- ♦ **Urs Leinhäuser** is a Member of the Board of Directors of Burckhardt Compression Holding AG, Winterthur, of Ammann Group Holding AG, Berne, of Pensador Partner AG, Zurich, Vice Chairman of the Board of Directors of VAT Group AG, Haag, as well as Chairman of the Board of Directors of AVESCO AG, Langenthal.
- ♦ **Thomas Russenberger** is Chairman of the Foundation Board of the "Presta Stiftung" pension fund, Eschen.
- ♦ **Richard Senti** is Chairman of the Board of Directors of the Hoval Group, Vaduz.
- ♦ **Karl Sevelda** is a Member of the Supervisory Board of SIGNA Development Selection AG and SIGNA Prime Selection AG, Vienna / Innsbruck, a Member of the Board of Directors of RHI Magnesita NV, Arnhem (NL) / Vienna, and a partner in Andlinger & Company GmbH, 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

3.4.1 Principles governing the election procedure

In accordance with the Law on Liechtensteinische Landesbank of 21 October 1992, the Board of Directors of Liechtensteinische Landesbank is composed of five to seven members, who are elected individually by the General Meeting of Shareholders for a three-year term of office; 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 “Group Nomination & Compensation Committee” (see point 3.5.2 “[Composition of all Board of Directors’ committees, their tasks and terms of reference](#)”) stipulates that the Board of Directors aims at continuity through the planned renewal and succession as well as a reasonable staggering of 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).

3.4.2 First-time election and remaining term of office

Name	First-time appointment	Elected until
Georg Wohlwend	2017	2024
Gabriela Nagel-Jungo	2014	2023
Leila Frick-Marxer	2022	2025
Urs Leinhäuser	2014	2023
Thomas Russenberger	2018	2024
Richard Senti	2018	2024
Karl Sevelda	2019	2025

3.5 Internal organisation

3.5.1 Separation of tasks of the Board of Directors

Name	Function	Committee memberships
Georg Wohlwend	Chairman	Group Nomination & Compensation Committee Strategy Committee ¹
Gabriela Nagel-Jungo	Vice Chairwoman	Group Audit Committee ¹ Strategy Committee
Leila Frick-Marxer	Member	Group Nomination & Compensation Committee Group Risk Committee
Urs Leinhäuser	Member	Group Audit Committee Group Risk Committee Strategy Committee
Thomas Russenberger	Member	Group Nomination & Compensation Committee ¹
Richard Senti	Member	Group Risk Committee ¹ Group Audit Committee
Karl Sevelda	Member	Group Risk Committee 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 appoint committees at its discretion. To support it in performing its tasks, the Board has implemented four committees: the Group Nomination & Compensation Committee, the Group Audit Committee, the Group Risk Committee and the Strategy Committee. 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 or advisory 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 is set up pursuant to Art. 22, Para. 2a of the Banking Law and supports the Board of Directors in fulfilling the duties and responsibilities vested in it by the Banking Law with respect to its duty of overall direction of the company, as well as supervision and control (Art. 23 of the Banking Law).

The regulation "Group Audit Committee" lays down the organisation 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
Urs Leinhäuser	Member
Richard Senti	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:

- ♦ Petitioning the Board of Directors that the LLB Group's consolidated financial statement and the financial statement of the LLB parent bank may be presented to the General Meeting of Shareholders and published and that the consolidated interim financial statement may be published;
- ♦ Monitoring and assessing the suitability and effectiveness of the internal control system in the area of financial reporting;
- ♦ Assessing the documentation regarding forthcoming amendments of the accounting principles;
- ♦ 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 is set up pursuant to Art. 22, Para. 2a of the Banking Law and Art. 21e of the Banking Ordinance and supports the Board of Directors in fulfilling the duties and responsibilities vested in it by the Banking Law with respect to its duty of overall direction of the company, as well as supervision and control (Art. 23 of the Banking Law).

The regulation "Group Risk Committee" lays down the organisation 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
Leila Frick-Marxer	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 risk management in the LLB Group, which is based on risk policy, in particular, in regard to market, credit, liquidity 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. In the area of operational risk management this encompasses, in particular, the annual review of the OpRisk Assessment of the LLB Group, which is based on the risk taxonomy.
- ♦ 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 Group-wide policy on risks (e.g. risk policy framework). 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 Board of Directors as the approving authority. All risk-relevant Group rulings and directives that have to be approved by the Board of Directors are to be treated accordingly.
- ♦ The assessment of the results of the ICLAAP (internal capital / liquidity adequacy assessment process).
- ♦ 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 Board of Directors as the approving authority.
- ♦ The discussion and assessment of the risk analysis and activity report of the LLB Group's Group Legal & Compliance and submission of a proposal to the 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 is set up pursuant to Art. 22, Para. 2a of the Banking Law and Art. 29b of the Banking Ordinance as well as Appendix 4.4.2 of the Banking Ordinance "Compensation Committee and Risk Committee". It supports the Board of Directors in fulfilling the duties and responsibilities vested in it by the Banking Law with respect to its duty of overall direction of the company, as well as supervision and control (Art. 23 of the Banking Law).

The regulation "Group Nomination & Compensation Committee" lays down the organisation 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 Nomination & Compensation Committee:

Name	Function
Thomas Russenberger	Chairman
Leila Frick-Marxer	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 and skills required for the bank, diversity 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);
- ♦ The smooth transfer of functions and official responsibilities thanks to a systematic introduction to the specific tasks and operations of the bank.

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

- ♦ The annual evaluation of the structure, size, composition and performance of the Board of Directors and the Group Executive Board, as well as recommending any changes, if necessary;
- ♦ 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 in their entirety. The submission of the evaluation to the Board of Directors and the Group Executive Board;
- ♦ 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;
- ♦ The ensuring that the decision-making process of the Group Executive Board and the 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;
- ♦ 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 members of the Board of Directors. It has the following tasks in particular:

- ♦ 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 their periodic review, both in the case of the end of a term of office and in the case of any member stepping down early;
- ♦ 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 appointment of members of the Group Executive Committee and for the appraisal of their performance. 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 Group Executive Board in corpore as well as of individual members;
- ♦ The development of succession plans and their periodic review, both in the case of members of the Group Executive Board stepping down for age-related or contingency reasons;
- ♦ 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 of the Head of Group Internal Audit and for the appraisal of their performance. 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 with the involvement of the Chairwoman of the Group Audit Committee;
- ♦ 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 – in co-operation with the Chairman of the Board of Directors and the Chairwoman of the Group Audit Committee;
- ♦ 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 Chairwoman of the Group Audit Committee.

The nomination of delegates in the Board of Directors' committees of the 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 Board of Management, 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 for the stipulation of principles and the establishment of regulations for the compensation policy concerning the members of the Board of Directors, the

members of the Group Executive Board and the other employees of the bank for submission to the Board of Directors;

- ♦ The formulation and annual review of proposals for the compensation of the members of the Board of Directors, the members of the Group Executive Board and 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 Group regulations “Compensation policy of the LLB Group”, “Compensation standards of LLB & BLL & ASM” as well as “Fit & Proper – Assessment of the members of the Board of Management, 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 members of the Group Executive Board, the Head of Group Internal Audit and senior executives in the areas of risk management and compliance pursuant to Group regulations “Compensation policy of the LLB Group” and “Compensation standards of LLB & BLL & ASM” for submission to the Board of Directors in accordance with existing principles and regulations;
- ♦ The undertaking of an informed, independent assessment of the compensation policy and practices and of the incentives created for managing risk, capital and liquidity.

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 policy;
- ♦ 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.

3.5.3 Working methods of the Board of Directors and its committees

Board of Directors

The Chairman of the Board of Directors convenes meetings as often as business requires or when requested in writing by a member, but at least four times a year. 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 days prior to the date of 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 simple majority of the members is present. Resolutions shall be passed by a simple majority of votes. In the case of a tie, the Chairman shall have the casting vote. 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 from receipt of the circular voting request. 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 work 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 informs the Board of Directors and decides how a recusal is dealt with. 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 2022 business year, the Board of Directors of Liechtensteinische Landesbank AG held a total of ten ordinary and two extraordinary meetings. The meetings lasted between 1.00 and 7.50 hours. A closed meeting lasting a day was conducted by the Board of Directors in collaboration with the Group Executive Board following the ordinary meeting in June 2022. The closed meeting focused on the strategy review. The subject of the extraordinary board meetings was the public tender offer to Bank Linth shareholders.

Date	Meeting	Attendance	Duration in hours
24 January 2022	extraordinary	all	2.00
26 January 2022	extraordinary	all	1.00
24 February 2022	ordinary	all	6.00
24 March 2022	ordinary	all	4.50
06 May 2022	ordinary	all	3.50
27 May 2022	ordinary	all	2.25
23 June 2022	ordinary	all	6.50
24 June 2022	closed meeting	all	7.00
22 August 2022	ordinary	all	6.00
23 September 2022	ordinary	all	4.75
28 October 2022	ordinary	all, excepting Urs Leinhäuser	5.50
25 November 2022	ordinary	all	7.50
16 December 2022	ordinary	all	7.00

Group Audit Committee

The members of the Group Audit Committee meet at least four times a year. These ordinary meetings are convened by the Chairwoman. 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 and the Head of Group Internal Audit can request the Chairwoman of the Group Audit Committee to convene extraordinary meetings. To deal with specific issues, the Group Audit Committee can also invite other persons, such as members of the Group Executive Board, other staff of the LLB Group companies, representatives of the external auditors, staff of Group Internal Audit 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 members of the Board of Directors who are not members of the Group Audit Committee are entitled to participate in the meetings.

During the 2022 business year, the members of the Group Audit Committee met for five meetings. No external experts were called in during the business year.

Date	Attendance	Duration in hours
19 January 2022	all	1.00
23 February 2022	all	2.00
27 May 2022	all	2.25
19 August 2022	all	3.25
15 December 2022	all	3.30

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. 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 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 & 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 Chairmen of the Risk Committees of the LLB Group, 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 members of the Board of Directors who are not members of the Group Risk Committee are entitled to participate in the meetings.

During the 2022 business year, the Group Risk Committee held five ordinary meetings. No external experts were called in during the business year.

Date	Attendance	Duration in hours
23 February 2022	all	2.30
27 May 2022	all	3.30
19 August 2022	all	2.30
21 November 2022	all	1.75
16 December 2022	all	1.75

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 date of the meeting.

To deal with specific issues, the Group Nomination & Compensation Committee can also invite other persons, such as staff of the Group Human Resources Business Area, 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 Group Internal Audit Business Area or the performance appraisal of the Group CEO and the determination 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 are entitled to participate in the meetings.

During the 2022 business year, the members of the Group Nomination & Compensation Committee met for six meetings.

Date	Attendance	Duration in hours
04 February 2022	all	2.50
16 May 2022	all	2.75
04 July 2022	all	0.75
29 August 2022	all	2.75
11 November 2022	all	2.00
21 November 2022	all	2.25

Strategy Committee

The new ACT-26 corporate strategy (see chapter “[Strategy and organisation](#)”) was developed in 2021 and adopted by the Board of Directors in October 2021. At the closed meeting on 24 June 2022, the Group Executive Board reported to the full Board of Directors on the start of implementation, which is why no additional meeting of the Strategy Committee was scheduled.

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.

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 2022, the Board of Directors carried out a self-evaluation on the basis of a questionnaire. 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 will deal more frequently with creative and formative elements, as well as place 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 the sustained increase in the value of the company for the shareholders and the employees as well as for the protection of its 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 Board, 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 applies 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 guiding principles and values;
- ♦ Specifying the strategy (including sustainability) 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 organisation 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 specification of 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 members of the committees of the Board of Directors from among its members and the appointment of the Chairman;
- ♦ The regularisation 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 responsibility for the organisation 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 Report;
- ♦ The ensuring of regular reporting on the course of business and extraordinary occurrences;
- ♦ The stipulation of the competence to authorise expenditure;
- ♦ The supervision of the Group's business development.

Concerning the ultimate responsibility for risk policy and management of the LLB Group, 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, risks of excessive debt 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 stipulation and the monitoring of compliance with the business continuity management strategy and the receipt of a report at least once a year or on an ad hoc basis;
- ♦ The protection of the LLB Group's reputation.

The Group Executive Board is composed of the members of the Board of Management of LLB AG. It, under the leadership of the Group CEO, is responsible for the management of the LLB Group. It is composed of five members: the two heads of the market divisions "Retail and Corporate Banking" and "International Wealth Management", as well as the Group CFO, the Group CDO 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 two market-oriented divisions "Retail and Corporate Banking" and "International Wealth Management" as well as the shared service functions of the Group CFO and Group CDO. 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 CDO 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 across 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 can be directly binding on one or more divisions or 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;
 - ♦ The annual expenditure and income budget;
 - ♦ The management of capital;
 - ♦ Financial reporting and the annual report.
- ♦ The setting of 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 adequate and 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.
- ♦ Is responsible for the Group-wide implementation and concretisation of the business continuity management strategy and informs the Group Board of Directors about the business continuity management activities at least once a year or on an ad hoc basis.

The Group CEO is the highest authority within the LLB Group management structure. In particular, he bears overall responsibility for the development and implementation of the 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 the 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 the 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.

In principle, the Board of Directors, the individual committees of the Board of Directors and, in particular, their chairpersons are kept informed about the activities of the Group Executive Board by the Group CEO. 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 standardised bank management systems that generate quantitative and qualitative data for the Group Executive Board and in a summarised 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 Chairmen 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 minimising 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 optimise 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.

The results of every examination are recorded in a written audit report. The audit reports of the parent bank and all LLB 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 as 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.

Risk 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 (see chapter "[Risk management](#)" in the financial section).

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 unrestricted right to all information and documents Group-wide. 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 "[Finance 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 detailed regulations in respect of the compliance rulings (in particular the compliance regulations of the 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 Legal & Compliance acts as general counsel and 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 "[Finance 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 market divisions "Retail and Corporate Banking" and "International Wealth Management" are represented at the Group Executive Board level. The Group Chief Financial Officer (Group CFO), the Group Chief Digital & Operating Officer (Group CDO) and the Group Chief Executive Officer (Group CEO) are also represented at the Group Executive Board level.



Gabriel Brenna
Group Chief Executive Officer
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 (Member of the Supervisory Board)
- ♦ Bank Linth LLB AG (Member)
- ♦ LLB Asset Management AG (Chairman)

Other functions:

- ♦ Member of the Board 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"



Christoph Reich
Group Chief Financial Officer, Vice Group Chief Executive Officer
1974, CH

Joined the 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 of St. Gallen, 2021

Professional career:

- ♦ Commercial apprenticeship, St. Galler Kantonalbank, Buchs (SG), 1990 – 1993
- ♦ Investment adviser for private clients, St. Galler Kantonalbank, Wil (SG), 1994 – 1996
- ♦ Senior consultant, KPMG Consulting (from October 2002, Bearing Point), Zurich, 1999 – 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 – October 2010

Liechtensteinische Landesbank:

- ♦ Head of Group Finance & Risk Department, November 2010 – 15 January 2012
- ♦ Member of the Group Executive Board and the Board of Management, since 16 January 2012
- ♦ Chief Financial Officer, January 2012 – June 2012
- ♦ Group Chief Financial Officer, since July 2012
- ♦ Vice Group Chief Executive Officer, since 2022

Board of Directors mandates in Liechtensteinische Landesbank Group companies:

- ♦ Liechtensteinische Landesbank (Österreich) AG (Vice Chairman of the Supervisory Board)
- ♦ Bank Linth LLB AG (Member)
- ♦ LLB Asset Management AG (Member)

Other functions:

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



Natalie Flatz
Head of "International Wealth Management" 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 Area, 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 "International Wealth Management" division, since January 2022

Board of Directors mandates in Liechtensteinische Landesbank Group companies:

- ♦ Liechtensteinische Landesbank (Österreich) AG (Chairwoman of the Supervisory Board)
- ♦ LLB Fund Services AG (Chairwoman)
- ♦ LLB Swiss Investment AG (Chairwoman)
- ♦ LLB Asset Management AG (Vice Chairwoman)
- ♦ LLB Services (Schweiz) AG (Vice Chairwoman)
- ♦ LLB Invest AGmvK (Member)

Other functions:

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



Patrick Fürer
Group Chief Digital & Operating Officer
1965, CH

Joined the Group Executive Board:
2019

Education:

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

Professional career:

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

Liechtensteinische Landesbank:

- ♦ Member of the Group Executive Board and the Board of Management, since January 2019
- ♦ Group Chief Operating Officer, January 2019 – 2021
- ♦ Group Chief Digital & Operating Officer, since January 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"



Urs Müller

**Head of "Retail & Corporate Banking" division
1962, FL / CH**

Joined the Group Executive Board:

2011

Education:

- ♦ Licentiate in law at the 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 Business Unit, 2007 – March 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 – June 2012
- ♦ Head of Institutional Clients division, July 2012 – June 2016
- ♦ Vice Group Chief Executive Officer, July 2012 – 2021
- ♦ Head of "Retail & Corporate Banking" division, since July 2016

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"

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

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 Liechtensteinische Landesbank's General Meeting of Shareholders, each share carries one vote. In accordance with Art. 306a ff. of the Law on Persons and Companies, LLB shares held by Liechtensteinische Landesbank itself and its subsidiaries (179'881 shares as at 31 December 2022) are not eligible to vote. Beyond that, there are no voting right limitations.

Each shareholder has various possibilities of participating in the General Meeting of Shareholders. At the General Meeting of Shareholders they can vote their 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 they represent. 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, Liechtensteinische Landesbank has decided not to designate an independent proxy in accordance with Art. 18, para. 1 of the statutes (www.llb.li/statutes). 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 their shares in this manner prior to the General Meeting, their 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 Liechtensteinische Landesbank or at the written request – stating the reason for convening the extraordinary General Meeting – of shareholders representing at least 10 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. 14 of 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 jointly represent not less than 5 per cent of the share capital 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.

Shareholders who jointly represent not less than 5 per cent of the share capital have the right, prior to the General Meeting, to submit proposals regarding items on the agenda or items that have been added to the agenda. Furthermore, any shareholder may submit proposals regarding items on the agenda during the General Meeting.

6.5 Registration in the company's share register

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, 5 May 2023 was fixed at 5 p.m. on Monday, 1 May 2023. From 2 May to 5 May 2023 no entries will be made in the share register.

7 Change of control and defensive measures

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 the 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 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 LLB (www.llb.li/thresholds).

Liechtensteinische Landesbank's statutes contain no regulations comparable with the Swiss provisions regarding opting out or opting up. Likewise, there are no change 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 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 of the auditor in charge

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.

KPMG Liechtenstein AG, Vaduz, has held the mandate as independent auditor, according to the Law on Persons and Companies and the Banking Law, since the General Meeting on 7 May 2021. KPMG was re-elected at the General Meeting on 6 May 2022 at the proposal of the Board of Directors 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 2022 business year, KPMG invoiced the companies of the LLB Group for CHF 1'172 (2021: CHF thousands 1'027) in respect of audit fees. These fees include the work carried out as required by the respective regulatory authorities. In addition, in the 2022 business year, KPMG received CHF thousands 123 (2021: CHF thousands 82) 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 348 (2021: thousands CHF 268) in the 2022 business year.

Audit fees and additional fees

in CHF thousands	31.12.2022	31.12.2021
Audit fees	1'172	1'027
Additional fees	348	268
Taxation advice	273	172
Regulatory advice	43	60
Legal and other advice	33	36

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 auditors and Group Internal Audit to the Board of Directors;
- ♦ The assessment of the qualification, quality, independence, objectivity and performance of the external auditors and Group Internal Audit;
- ♦ The discussion of the annual activity report and the annual audit plan including a risk analysis of Group Internal Audit, with an evaluation of whether this function has adequate resources and competences, as well as the submission of requests 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 the Banking

Law and the Law on Persons and Companies). 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 summarised report is submitted in writing to the Board of Directors once a year. The responsible auditor in charge of the external auditors makes its comments on the report at a 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 concerning all of 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 all five 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 also all the meetings of the Board of Directors. 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 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 independent auditors and Group auditor.

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. The Group Audit Committee is the primary contact partner for the external auditors. They hold regular discussions with the Chairman of the Board of Directors and the Chairman of the Group Audit Committee.

9 Information policy

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 institutionalising 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 Liechtensteinische Landesbank are its website (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, 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 directive 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.

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 2022 business result at www.llb.li ;
27 February 2023	10.30 a.m.	Financial reporting and analyst conference
28 February 2023		2022 business result advertisement in the "Liechtensteiner Vaterland"
01 March 2023		2022 business result advertisement in the "Liechtensteiner Volksblatt"
23 March 2023		Release of online Annual Report 2022 at ar2022.llb.li
07 April 2023		Printed edition of short report 2022
05 May 2023	6.00 p.m.	General Meeting of Shareholders
09 May 2023		Ex-dividend date
10 May 2023		Dividend record date
11 May 2023		Dividend payment date
	7.00 a.m.	Publishing of interim financial statement 2023; release of online interim financial statement 2023 at hr2023.llb.li
24 August 2023	10.30 a.m.	Webcast
25 August 2023		2023 interim financial result advertisement in the "Liechtensteiner Vaterland"

10 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 Group 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 financial instruments related to them.

11 Important changes since the balance sheet date

On account of the term of office limitation stipulated in the Landesbank law, the period of office of the Vice Chairwoman of the Board of Directors, Gabriela Nagel-Jungo, and of member of the Board of Directors, Urs Leinhäuser, come to an end at the 31st ordinary General Meeting of Shareholders on 5 May 2023. The Board of Directors proposes Nicole Brunhart and Christian Wiesendanger for election as new members of the Board of Directors for a three-year term of office.