Material topics

To the LLB Group, sustainability means that it creates long-term added value for its clients, shareholders, employees and other stakeholder groups. In order to provide the best possible transparency, our sustainability reporting is prepared in accordance with the GRI Standards, an internationally established framework for non-financial reporting. In accordance with the legislators, the thematic focus is based on a double materiality analysis.

Multi-step analysis process

The LLB Group last carried out a materiality analysis in 2022, in order to meet the increasing regulatory requirements from the EU and Switzerland. This also took into account the focal points of the corporate strategy ACT-26 (see chapter Strategy and organisation).

To define the material topics, we created a materiality matrix based on the double-materiality concept, in accordance with legal requirements. We identified those topics which are material for LLB’s business activities and have the greatest impact on the economy, environment and society on the one hand, and on the company’s own success on the other.

In a context analysis, we reviewed our value creation chain for any relevant influencing factors and identified our key stakeholder groups. These are our customers, the State of Liechtenstein as the main shareholder of the LLB Group, the public, our partners and non-governmental organisations (NGOs) as well as our employees.

Next, we compiled a detailed list of possible material topics based on a peer group analysis, taking into account the legal requirements and relevant sustainability reporting standards. Possible material topics are those that can have either positive or negative effects on the corporate environment or that at most harbour opportunities or risks for the LLB Group. This list comprised around 70 topics, which we were able to condense into 26 main topics, structured according to the aspects concerning non-financial reporting in accordance with the Liechtenstein Persons and Companies Act (PGR).

LLB Group materiality matrix [1]

1 The potential and actual impacts of the following issues were considered to be less material: Tax Compliance, Energy Efficiency and Renewable Energy, Mobility Management, Materials, Waste, Water and Sanitation, Biodiversity, Occupational Health and Well-being, Freedom of Association, Minimum Wages and Notification Requirements, Financial Literacy Support, Community Engagement, Human Rights in the Supply Chain, Indigenous Peoples' Rights, Financial Crime Prevention, Sustainable Procurement, Corporate Citizenship

These topics were assessed with regard to their relevance by external and internal stakeholders as well as our management with the help of an online survey. After consolidating the results from the survey, we created a draft materiality matrix, which was discussed, evaluated and adjusted, where necessary, in a validation workshop attended by representatives of various departments of the LLB Group.

Legal bases
In view of the content requirements for non-financial reporting set out in the PGR, those topics from the areas of environmental, social and employee matters, anti-corruption and bribery matters as well as respect for human rights, at a minimum, were identified in the analysis as report content that is material in the sense of having "double materiality". These are topics that have important impacts on the economy, society or the environment, which are relevant for an understanding of the LLB Group's course of business and performance. The Board of Directors has been informed of the material topics and has approved them. In accordance with the legislators and GRI standards, these topics form the core of our non-financial reporting.

At the end of 2023, we launched an internal process that will result in a reassessment of the material topics. The requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), which apply for the first time in the 2024 business year, will play an important role in updating the materiality analysis. We will publish the results in the new Sustainability Statement as part of the 2024 Annual Report.

In dialogue with stakeholder groups

For the LLB Group, sustainability as a corporate responsibility means meeting the expectations of the different internal and external stakeholder groups. We are in regular dialogue – personally, by electronic media, or at information meetings, working sessions or conferences – with the different stakeholders who affect the course of our business and over whom we have influence.

An important instrument is the LLB Group's annual report, which has contained a sustainability report since 2015. Through it, we highlight our proactive focus on sustainability and social responsibility. For sustainability reasons, we do not print our annual report.

The most significant stakeholder groups are:

- **Clients:** Their needs are uppermost at every point of contact. Using various channels, we determine the needs and level of satisfaction of our clients.
- **Principality of Liechtenstein:** Our majority shareholder is the Principality of Liechtenstein. We regularly exchange ideas with representatives of the government and the state parliament (see chapter Corporate governance).
- **The public:** All our branding and communication measures are high-profile, with close exchange with media representatives being an important element of trust-building.
- **Partners and non-governmental organisations (NGOs)**: Through our membership of associations and organisations, we maintain dialogue with partners and NGOs (see chapter International wealth management and Industry initiatives and corporate citizenship).
- **Employees:** We reach our employees via our intranet, which is continuously updated, and through our LLB Voice staff magazine. There are also various events where employees have the opportunity to personally meet and discuss with members of the Group Executive Board (see chapter Employees).

Investor relations

As a publicly listed company, we are obliged to publish share-price-relevant facts by means of media communiqués. We inform shareholders, clients, employees and the public simultaneously, comprehensively and regularly about our business performance, value drivers as well as the implementation of our strategy and provide them with an overview of our key financial and operating figures. We maintain an open dialogue with analysts and investors in order to be able to report on the course of business on an ongoing basis. The aim is to ensure that the price of the LLB share represents the fair value of the company (see chapter Economic value creation).

Media relations

Irrespective of the ad hoc information and the annual media and analyst conference, we are in constant contact with the media and business journalists in our market regions. We make every effort to answer their questions in a transparent and timely manner. The LLB Group was the subject of around 710 media articles in 2023 (2022: 860).

Public affairs

Only by constantly seeking dialogue with different decision makers are we able to voice our opinion and be heard. The LLB Group is therefore in regular contact with opinion leaders and selected representatives from the world of politics and economics. We are also a member of the key industry associations and organisations such as the Liechtenstein Bankers Association and Chamber of Commerce and Industry (see chapter International wealth management). We also exchange views with the Liechtenstein Financial Market Authority (FMA) on a regular basis.

We are obliged to report to our majority shareholder, the Principality of Liechtenstein, on the course of business. Against this backdrop, there is a meeting twice a year of the senior management of the LLB Group and the Liechtenstein Head of Government. Once a year, the Group Board of Directors and the Group Executive Board invite the entire Government to a roundtable discussion.

Public relations

We use various channels to engage with the general public. With regular market commentaries and reports in local print media, we prove our expertise in financial matters. We strengthen our relationship with the local community by organising or sponsoring various events (see chapter Industry initiatives and corporate citizenship).

Digital communication channels
We have been consistently investing in the expansion of our digital communication channels for a number of years now. We operate a total of eleven different web portals and microsites that are centrally managed through the same content management system and conform with our brand. We also reach our clients with selected information through mobile and online banking. We are also in direct contact with clients over social media.

Our understanding of sustainability

As a financial institution with a long-term orientation, the LLB Group is committed to leaving an environment that is as intact as possible and stable social conditions for the coming generations. With our ACT-26 corporate strategy and ambitious climate and sustainability targets, we continue to proceed resolutely down this path.

Performance mandate and sustainability

As Liechtenstein's longest-established bank, we are aware of our special responsibility for long-term action. Sustainable business management is part of our performance mandate and corporate identity. We have a legal obligation to our majority shareholder, the Principality of Liechtenstein, to promote Liechtenstein's economic development while at the same time taking ethical as well as environmental factors into account. We fulfil this special obligation by offering a diverse portfolio of products and services, applying sustainable standards to our offerings, our infrastructure and procurement, and engaging broadly in society.

Sustainability as a strategic goal

Sustainability is one of the three core elements of our corporate strategy ACT-26 (see chapter Strategy and organisation). We want to continue to play a central role in this area. Above all, we want to make a positive contribution to the climate – including by reducing our greenhouse gas emissions in banking operations and in our products. Our aim with ACT-26 is to be perceived as a bank that is stable, sustainable and innovative. We also want to differentiate ourselves from our competitors through it.

Overview of our climate strategy

Sustainability@LLB	Concrete measures	Overarching objective
We set **standards for banking with values.** The LLB Group actively contributes to **environmental protection,** promotes **social justice** and **responsible corporate management**	**Banking operations** ▪ **From 2021: Climate neutral** through offsetting (including how we commute) ▪ **By 2026: –20 %** CO_2 emissions **Bank products** ▪ **By 2026: –30 %** CO_2 emissions ▪ **Ongoing:** Expansion of the sustainable product range **Reporting** ▪ **From 2022:** Extended reporting ▪ **Ongoing:** Progress monitoring	**Entire LLB Group** Net zero emissions by 2040 at the latest

Goals of the sustainability strategy
We have undertaken to reduce CO_2 emissions for the LLB Group to net zero by 2040 – so ten years earlier than agreed under the Paris Climate Agreement. This requirement applies to both our banking operations and our products and services. There are intermediate steps involved in achieving this reduction: by 2026, we should be saving at least 30 per cent of CO_2 emissions from products and own investments, and at least 20 per cent in our banking operations.

We have set 2019 as the base year for all reduction measures. In other words, we will measure our progress by the values we achieved in 2019, as this was the last full year before the COVID-19 pandemic. Because of the regulations at the time, using the data for 2020 and 2021 would provide a strongly distorted picture.

Our Board of Directors has adopted a sustainability strategy. Implementation happens at Group Executive Board level (see chapter Sustainability governance of the LLB Group).

Climate-friendly banking operations
As a first step, our banking operations became climate-neutral in the 2021 business year by fully offsetting our greenhouse gas emissions. In co-operation with the Swiss climate foundation "myclimate", we support various CO_2-reducing projects in the region and around the world. Among these is a reforestation initiative in western Uganda and a project for fertile soil as a CO_2 sink in the Lake Constance region. This is done through CO_2 removal certificates. These projects remove greenhouse gases from the atmosphere. According to the Intergovernmental Panel on Climate Change, only removal certificates can be used to offset in order to achieve net zero emissions.

So far, we have seen a decline in operational emissions of around 23 per cent compared to the base year 2019. We want to further reduce the proportion of offsets in favour of savings, including striving to achieve the net-zero target in banking operations by 2040 (see chapter Corporate environmental and climate protection).

Banking products and services
In addition to adapting our day-to-day operations, we also want to support our clients on the way to climate neutrality: with expert advisory services and differentiated, sustainable products. Specifically, we have set itself here, too, the goal of reducing the CO_2 emissions of all our bank products to net zero by 2040. This would mean the LLB Group becoming completely climate neutral across our banking operations and products ten years earlier than defined in the Paris climate agreement.

Adapting our offerings is a key factor in achieving the targets that we have set for ourselves. As a result, we have greatly expanded our range of responsible and sustainable investment products. In addition to our established asset management and investment advisory services, we also offer a complete selection of funds that invest according to appropriate criteria. The two "dark green" LLB Impact Climate funds launched in 2022, which are characterised by a comprehensibly positive impact on the environment and nature, have already achieved an investment volume of almost CHF 800 million. At the same time, we promote sustainable construction in our core markets with special financing solutions (see chapter Environmental and social responsibility in banking).

Governance
Sustainability encompasses not only the environmental but also the social and governance aspects. We are committed to value-based leadership and transparent corporate governance. We live up to our responsibility through effective compliance, risk and reputation management. Compliance with laws and regulations is a matter of course for us. We have set out our ethical standards for ourselves and our suppliers in two codes of conduct (see chapter Values and corporate management).

Human rights and international standards
Respect for international human rights underpins our actions. We are committed to the key human rights conventions, in particular the United Nations Human Rights Charter and the declarations and basic principles of the International Labour Organization (ILO). We take human rights into account not only in our business operations, but also in our investments (see chapter Environmental and social responsibility in banking).

Diversity and inclusion
The topic of diversity and inclusion is of particular importance. As part of our diversity strategy, we have formulated clear targets with regard to the mix of gender and people we employ in the LLB Group. For example, we want to significantly increase the proportion of women in positions of responsibility by 2026. We want younger employees to be able to advance to management positions earlier, and keep older employees in the company for as long as possible (see chapter Employees).

In 2023, LLB offered its first Social Volunteering Day in Liechtenstein. To promote biodiversity in the country, a number of employees have helped to build cairns and branch piles and create sand islands in a vineyard just outside Bendern, under the motto "LLB Helping Hands".

Further development of staff competences
Our employees are an important factor for the success of our sustainability strategy. We offer staff appropriate training or professional education so as to stay up to date with changing regulatory requirements as well as with our growing number of sustainable products (see chapter Employees).

Support for charitable projects
With the LLB Future Foundation, founded in 2011, we are committed to social and ecological sustainability in the region. We are particularly interested in supporting social projects that improve people's living and working conditions and foster self-responsibility. In terms of the environment, our commitment to environmental sustainability is of particular importance. In addition to project-related contributions of CHF 71'000, the Future Foundation contributed to society in 2023 by donating a total of CHF 153'000 to 28 social organisations (see chapter Industry initiatives and corporate citizenship).

Transparency
We have used the Global Reporting Initiative (GRI) Standards as the framework for our sustainability reporting for many years. Since 2022, we have also been publishing annual reports on our further development in terms of climate protection. These reports feature an honest overview of the range of measures we have adopted to implement the climate objectives – in accordance with the internationally recognised standards of the Task Force on Climate-related Financial Disclosures (TCFD). They also show where we stand on the path to climate neutrality.

Sustainability governance of the LLB Group

In order to enable the efficient implementation of its sustainability strategy, the LLB Group set up a new governance structure in the 2022 business year. This ensures that sustainability concerns are addressed at every hierarchical level. In charge of coordinating our ambitious goals is the Sustainability Council. This is a key governing body in our governance structure and has five permanent members. The Group CEO acts as Chair. The four other members are the CEOs of the subsidiaries LLB Österreich and LLB Schweiz as well as the Head of International Wealth Management and the Head of Group Corporate Communications & Sustainability.

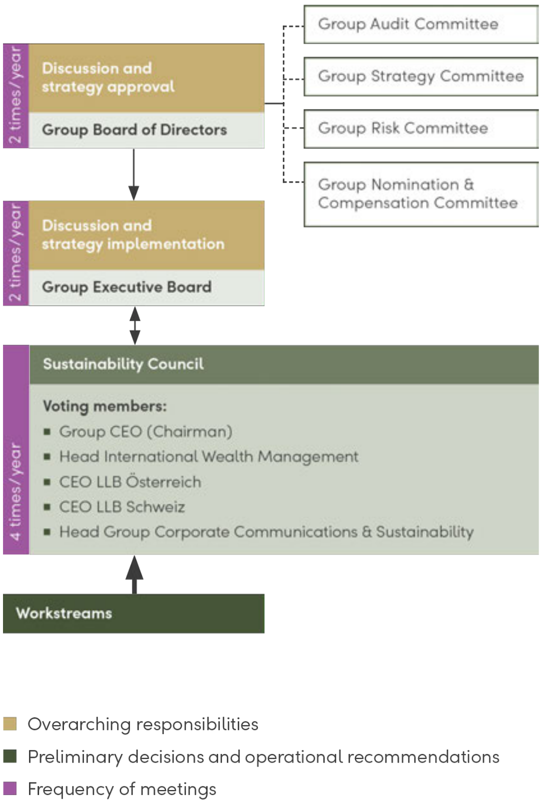
The Sustainability Council is tasked with overseeing the implementation of the sustainability strategy and making adjustments where necessary. The council generally convenes every three months. It informs the Group Executive Board about how climate risk management is progressing on a semi-annual basis. The Group Executive Board reports to the Board of Directors on the implementation and progress of the sustainability strategy twice a year.

In December 2023, the Group Executive Board decided to extend the Sustainability Council. From 2024, the Group CFO, the Group CDO and the Head of Private and Corporate Clients will also be voting members of the Board.

Streams and Green Teams
The operational implementation of the sustainability and climate strategy is the responsibility of eleven workstreams. Each workstream has either a product focus (e.g. credits) or a thematic focus (e.g. social impact) and reports to the Sustainability Council every three months.

In addition, our “Green Teams” have been in place since 2021. In these teams, employees can contribute their own ideas and take on project responsibility during regular working hours, thereby helping to actively shape the sustainable future of the LLB Group. We want in this way to tap into the creativity of each individual in order to find innovative solutions that would not be found otherwise through a top-down only approach.

Overview of sustainability and climate governance structure (as at 31 December 2023)



Board of Directors
As the highest governing body at the LLB Group, the Board of Directors regularly participates in related discussions and approves the sustainability and climate strategy as well as the sustainability report as part of the annual report. At a closed meeting held in June 2023, it was updated on the implementation status of the various strategic initiatives, with a particular focus on LLB's lending business. At its meetings, the Board of Directors is also kept informed about progress in the area of sustainability.

- The **Group Risk Committee** informs the Board of Directors specifically about the risks of climate change.
- The **Group Nomination & Compensation Committee** incorporates sustainability into the incentive systems.
- The **Strategy Committee** advises on adjustments to the existing sustainability strategy.
- The **Group Audit Committee** reviews and approves the sustainability report.

In the reporting year, no measures were taken to improve the sustainability-related knowledge of the members of the Board of Directors. A training course on sustainability regulations is planned for 2024.

In addition to the bodies that have already been mentioned, which maintain a broad strategic and operational focus on sustainability issues including climate-related opportunities and risks, climate risks are currently integrated into the existing risk management structure, where they are closely managed.

Values and corporate management

The LLB Group is committed to value-oriented leadership and transparent corporate governance. We live up to our corporate responsibility through effective compliance management, effective risk and reputation management, and effective data protection measures. Compliance with laws and regulations is a matter of course for us.

Responsible corporate management

The values of 'integrity', 'respect', 'excellence' and 'passion' (see chapter Strategy and organisation) underpin the LLB Group's management. We promote fairness, transparency and accountability as well as the ethically correct and legally compliant conduct of our employees. In this way, we protect the interests of our stakeholders and contribute to a more socially just society and economy.

As part of our corporate governance, we ensure responsible management, monitoring and transparency. As a listed company, the SIX Exchange Regulation directive on Corporate Governance (DCG) forms the fundamental basis for our corporate management. The Liechtenstein Law on the Control and Oversight of Public Enterprises (ÖUSG) and the Law on Liechtensteinische Landesbank (LLBG) provide a further framework.

We also keep an eye on potential negative impacts in everything we do in the areas of corporate governance and compliance. Such effects can become reality for our clients if employees do not comply with applicable law or the high ethical standards of the LLB Group, with fines and major reputational damage the possible consequences. Numerous internal rules as well as established processes and systems are aimed at avoiding adverse effects and damage for the LLB Group. These include our Compliance Policy and the Code of Conduct, which sets out binding rules for our employees, as well as the Internal Control System (ICS), which deals with audits and controls.

The LLB Group's Code of Conduct

One key corporate governance instrument is the LLB Group's Code of Conduct. This provides a reliable framework for value-based and responsible action that meets legal requirements as well as ethical and social standards. The Code is therefore a binding and collaborative requirement for all employees of the LLB Group.

In the reporting year, we began to fundamentally revise the Code of Conduct. In view of the comprehensive topics and their significance for the LLB Group, we are taking plenty of time for this process, which is why the publication of the updated version is not planned until the end of 2024.

In addition to the Code of Conduct for employees, we also issued a Supplier Code of Conduct in 2023. The purpose of this is to give our business partners an impetus to act even more sustainably. LLB's suppliers undertake to comply with the principles set out above. These include the fight against corruption and money laundering, the protection of human rights, environmental and climate protection, and data protection.

Compliance
Responsible corporate governance includes an effective system for managing compliance and legal risks. By these risks, we mean violations of legal and regulatory provisions as well as standards, which can lead to sanctions and, as a result, financial losses, reputational damage or even the withdrawal of licences. Negative effects can become reality for clients if employees of the LLB Group do not comply with applicable law or the high ethical standards of the LLB Group.

Ensuring good compliance is a challenging management task. The LLB Group's Board of Directors defines the guidelines and receives a written report once a year from Group Legal & Compliance on compliance risks and measures taken to remedy them. The Group Legal & Compliance Business Area informs, supports and advises the Group Executive Board on the assessing and monitoring of compliance risks. Key compliance issues such as following regulatory changes, implementing new requirements, training employees and monitoring are dealt with by the appropriate departments. These include Group Regulatory Compliance, Group Financial Crime Prevention and Group Client Tax Compliance & Reporting. There are internal rules and regulations for all key topics, such as various Group directives relating to compliance, conflicts of interest, market abuse, money laundering prevention, data protection, and so on.

Measures against corruption and bribery are also provided for in the regulations, in the training system and in the process and system landscape. The risk of potentially unlawful conduct affects every LLB Group location to the same extent. For this reason, our employees are also taught about the risks related to corruption and bribery as part of their regular compliance training.

Protection of whistleblowers
Anyone with information about improper conduct by any employee of the LLB Group which is not consistent with our compliance principles and could be detrimental to us can contact the bank's internal whistleblowing office either in writing, verbally or electronically. A separate tool is also available for this purpose, which enables anonymous reporting and communication with the bank.

The whistleblowing office investigates reports made, determines whether there has been a possible violation of laws, rules and regulations, morality or the like, and classifies the information accordingly. The whistleblower is protected and must not suffer any disadvantage through making the report. If a compliance violation has occurred, it is then assessed in a regulated internal process and, if necessary, punished.

Effectiveness of the measures
We expect all employees to observe the Code of Conduct, to act with integrity and to comply with professional standards as well as with the existing laws, regulations and directives. Despite all the measures put in place, internal criminal activities were detected and reported in 2022. The legal process has not yet been completed; findings from the incident have been incorporated into the further improvement of the internal organisation. In connection with this, a fine was also imposed on LLB. There were no further incidents of this kind in the 2023 reporting year.

Our corruption prevention efforts have once again had an impact over the past twelve months. There were no confirmed incidents of corruption in the 2023 reporting year. As at 31 December 2023, there are also no legal proceedings pending due to anti-competitive behaviour or the formation of cartels and monopolies.

Continuous adaptation of security infrastructures together with monitoring and analysis systems as well as employee training form the basis for the prevention of abusive conduct. Internal directives and measures are regularly adapted to changed framework conditions such as regulatory developments.

Risk and reputation management

A prudent approach to risks is an integral part of our corporate strategy. It ensures the LLB Group's risk-bearing capacity and creates a strong culture of risk awareness at all levels. Our risk management is based on the risk policy and encompasses the systematic identification and assessment, reporting, management and monitoring of market risks, liquidity risks, refinancing risks, credit risks, operational and strategic risks and also asset liability management.

Responsible corporate governance also requires sustainable conduct within the framework of risk management. For this reason, we are continuing to push ahead with the collection of sustainability indicators and the improvement of data quality. In doing so, we ensure that climate risks are appropriately identified, assessed, managed and monitored in the future. More detailed information on the management of sustainability risks can be found in LLB's TCFD report and under the Risk management chapter in the financial section.

Data protection and cyber security

Due to increasing digitalisation, the protection of client and employee data as well as information security play a fundamental role in banking practice. Sophisticated information processing systems, which guarantee confidentiality, availability and integrity, protect against dangers and threats and help to prevent damage as well as minimise risks. Cyber attacks, in particular, pose a threat to users of our online banking and other digital products. Our advanced security architecture provides the best possible protection from such attacks, for both us and our clients. By taking appropriate technical precautions on information and cyber security as well as data protection, we can ensure the seamless operation of digital systems, engender trust among our clients and employees and promote economic activity in Liechtenstein. We also contribute to the protection of the country's critical infrastructure.

The Group Business Risk Management department bears primary responsibility for client data protection and information security. The laws and supervisory guidelines in Liechtenstein, Switzerland, Austria and Dubai (in particular, the Banking Act, the Data Protection Act, the GDPR as well as FINMA and FMA requirements) regulate, in a clear and binding manner, the responsibilities and measures for client data protection as well as information and cyber security. We process personal data in accordance with the General Data Protection Regulation.

Our principles and policies are set out in rules and regulations that are binding throughout the LLB Group. Central to this is the Group directive on data protection, which is binding for all LLB employees. Annual mandatory training courses on information security and data protection, in conjunction with internal monitoring systems, ensure the implementation of this directive and promote the responsible handling of client data and information.

Standards for information and cyber security are high at the LLB Group. Specialists from the responsible data centre continuously analyse new cyber threats and, depending on the risk, take appropriate countermeasures. In combination with penetration tests, these measures continuously guarantee a high level of security. In the reporting year, the LLB Group registered no complaints regarding privacy breaches or losses of client data.

Regulatory framework and developments

LLB considers it a top priority in a highly regulated business environment to closely monitor ongoing legislative developments and, where possible and expedient, to play an active part in shaping developments as well as to prepare for innovations in good time. The employees implement the regulatory requirements and thus make an essential contribution to the success of the business and to the good reputation of the LLB Group.

The most important regulatory requirements and developments in the reporting year are summarised below. The focus was primarily on regulations that were of particular importance due to their topicality. Other regulatory requirements that are of relevance to the LLB Group can be found in previous annual reports.

Implementation of regulatory frameworks 2022–2023

- Regulation on the establishment of a framework to facilitate sustainable investment (Taxonomy Regulation)
- Act governing sustainability-related disclosures in the financial services sector (Disclosure Regulation) and Regulation on the establishment of a framework to facilitate sustainable investment (Taxonomy Regulation), as well as updates to the implementing regulations
- Adaptation to the Liechtenstein Banking Act and to the Banking Ordinance to implement the Capital Requirements Directive V (CRD V)
- Swiss Federal Act on Data Protection (revFADP)

Financial centre strategy

In 2019, the Government published a comprehensive financial centre strategy designed to further enhance the competitiveness of the Liechtenstein financial centre. The Group Client Tax Compliance & Reporting department is responsible for ensuring implementation of the tax compliance strategy as well as compliance with the Automatic Exchange of Information (AEOI) and the FATCA agreement. The same applies to compliance with international rules and standards. The focus of the strategy is on unrestricted and equal access to markets and improving the framework conditions for innovative enterprises.

In addition, the Government has set four strategic goals in order to meet international expectations in the area of combating money laundering and terrorist financing. Dialogue with key partner countries is to be intensified. Membership of international bodies such as the International Monetary Fund (IMF) will thus continue to be explored. The Government also attaches great importance to digitalisation and blockchain technology. With the Liechtenstein Blockchain Act (Token and TT Service Providers Act, TVTG), Liechtenstein is the first country in the world to develop a legal basis for the token economy.

International tax topics

Disclosure of cross-border tax planning arrangements

According to the OECD, the lack of comprehensive and relevant disclosure about potentially aggressive or abusive tax planning strategies is one of the major challenges facing tax authorities. In this context, the EU, with the amendment to the EU Mutual Assistance Directive (Directive 2011 / 16 / EU – "DAC 6") which came into effect in 2018, has introduced a disclosure requirement for cross-border tax arrangements directed at EU intermediaries (especially fiduciaries, lawyers, tax advisers and banks).

International co-operation on tax topics
The Principality of Liechtenstein is intent on creating an attractive tax system that takes account of European law and international developments. Hence, the Principality has implemented the international automatic exchange of information with 114 partner or reporting countries since the beginning of 2016. The FATCA agreement with the USA was concluded in 2014. The Global Forum of the OECD confirmed in November 2021 that Liechtenstein is fully compliant with the OECD requirements and described the Liechtenstein legal framework as “In place”, which corresponds to the highest rating.

Plans for international group taxation
While the OECD’s plans for an internationally unified approach to digital taxation presented in autumn 2019 are still in progress, the Group of Twenty (G20) countries endorsed in autumn 2021 a global minimum tax for corporations, which has applied since 2023.

Access to the EU market
Thanks to its membership of the EEA, Liechtenstein has unrestricted access to the internal European market. The internationally oriented fund location benefits in particular from this. It has a legal basis that is focused on clients and investor protection. The investment fund law comprises three pillars: the Act on Certain Undertakings for Collective Investment in Transferable Securities (UCITS Act, 2011), the Law on Alternative Investment Fund Managers (AIFM Act, 2013) and the Investment Undertakings Act (IUA), which was revised in 2016.

Data protection requirements
EU General Data Protection Regulation (EU GDPR)
LLB has implemented the requirements of the European EU General Data Protection Regulation (EU GDPR) Group-wide. The regulation regulates and standardises the collection and processing of personal data by companies and public authorities. LLB has established corresponding rules which are applicable throughout the Group and made the necessary adjustments to implement the requirements appropriately.

Data protection laws in Switzerland and Dubai (DIFC)
The Swiss Data Protection Act, which was completely revised in 2020, was partially adapted to the EU GDPR, but retained its own basic concept. The Act came into force on 1 September 2023. It improves the processing of personal data and grants new rights to data subjects. This significant change in the law also comes with a list of obligations for companies.

In the Dubai International Financial Centre (DIFC), the Data Protection Law came into force on 1 July 2020. It sets an important standard for data protection in the Middle East and largely aligns the legal situation with the EU General Data Protection Regulation, which is becoming an international benchmark.

Protection against money laundering and terrorist financing
Liechtenstein has a zero-tolerance policy towards money laundering and terrorist financing. As a member of the EEA, Liechtenstein has meanwhile also implemented the 5th EU Anti-Money Laundering Directive and in doing so has improved transparency with regard to beneficial owners as well as risks relating to virtual currencies. The directive also tightens and harmonises the criteria for assessing high-risk third countries. These international requirements have been implemented domestically through the Due Diligence Act and the Due Diligence Ordinance.

Compliance with international standards
The Financial Intelligence Unit (FIU) serves as the country’s central authority for obtaining and analysing information that is necessary to recognise money laundering, predicate offences for money laundering, organised crime and terrorist financing. It represents Liechtenstein in the Committee of Experts on anti- money laundering and terrorist financing in the EU. The current version of the FIU Law of 2019 and the adaptations made to the Due Diligence Act in 2021 ensure Liechtenstein is fully legally compliant with the international standard.

In 2002, 2007 and 2013/2014, the International Monetary Fund (IMF) and Moneyval (the Council of Europe's Committee of Experts) assessed to what extent the Liechtenstein provisions on anti-money laundering and combating the financing of terrorism meet the standards laid down by the Financial Action Task Force (FATF 40 + 9 Recommendations). The IMF and Moneyval attested positively to Liechtenstein's standards in combating money laundering and financing of terrorism in their last report. After carrying out the National Risk Assessments (NRA I) in 2016/2017 and updating them (NRA II) in 2020, Liechtenstein completed the Moneyval country examination in autumn 2021 in order to assess the effectiveness of the measures in preventing money laundering and terrorist financing. In its last report published on 29 June 2022, Moneyval attested to Liechtenstein's high level of effectiveness in identifying and combating money laundering and terrorist financing risks and commended the country for having a comprehensive and convergent understanding of its key risks in this area. Liechtenstein was awarded the rating "substantial" in five of eleven effectiveness ratings. In terms of technical compliance with the 40 FATF recommendations, Liechtenstein was also given very good marks.

The LLB Group has integrated the relevant requirements in connection with the fight against money laundering and terrorist financing into its processes and complies with these important obligations. In addition, the LLB Group was part of the international assessments and cooperates transparently with the national authorities.

Consumer protection
MiFID II / Liechtenstein
The Liechtenstein banking centre and thus also LLB implemented the Markets in Financial Instruments Directive II (MiFID II). It simplifies cross-border financial services and freedom of establishment and allows investment firms, banks and stock markets to offer their services in other EU / EEA member states. Furthermore, they are required to conduct precise client and product analyses as well as disclose information on compensations and commissions. The accompanying Regulation (MiFIR), which has been in force since January 2018, brought significant changes compared to the previously applicable laws. These include the strengthening of investor protection and improving the integrity and transparency of the financial markets. High-frequency trading is subject to regulation and supervisory oversight; position limits in commodities trading are strict. Throughout the EU, consultations at bank branches and consultations by telephone must record and document in a comprehensive manner why a financial product was recommended and how it matches the client's risk profile.

FinSA / Switzerland
In November 2019, Switzerland decided to follow a balanced and modern overall approach to investor protection with the adoption of the Financial Services Act (FinSA) and the Financial Institutions Act (FinIA). The two acts, which have been in force since January 2020, aim to create a level playing field for financial intermediaries and to improve client protection. The FinSA contains rules of conduct towards clients that financial service providers must comply with. It also provides for prospectus requirements and requires a basic information sheet for financial instruments that is easy to understand. The FinIA essentially standardises the authorisation rules for financial service providers.

Rules of the game in the EU payment systems market
For LLB, the harmonisation and the digitalisation of the European payment systems market are important topics. As an EEA country, Liechtenstein adopted the second EU Payment Services Directive (PSD2) in 2019. The revised Payment Services Act came into force on 1 October 2019. The PSD2 introduced new information and liability rules for payment service providers that are aimed at improving customer protection. It also requires strong customer authentication and limits the scope of previous exemptions. In this connection, two new types of financial intermediary, namely the payment initiation service provider and the account information service provider, have been created. At LLB, the adjustments required to implement the PSD2 have been made.

EU Mortgage Credit Directive
The Directive 2014 / 17 / EU on credit agreements for consumers relating to residential immovable property has been in force in the EU member states since 2014. It has created a single legal framework for the granting of mortgage credit agreements to consumers in the internal European market. As a member of the EEA, Liechtenstein was obliged to transpose this directive into national law. This happened with the Mortgage and Real Estate Credit Act, which has been in effect since 1 April 2021. The directive serves to protect consumers taking out loans to buy residential property. Under the directive, the banks are subject to various obligations when granting a loan. These primarily include (pre-)contractual information requirements, creditworthiness assessment requirements and qualification requirements for bank employees involved in granting loans.

LLB has implemented the rules and incorporated them into the relevant processes, with the consultation process having been particularly affected.

Capital adequacy requirements
The new EU banking package, which was published by European legislators on 20 May 2019, has implemented further key elements of the Basel III framework, which was essentially completed at the end of 2017, at European level through amendments to the Capital Requirements Regulation II (CRR II) and Capital Requirements Directive V (CRD V). The CRR II has been applicable in the EU since June 2021, while the CRD V had to be implemented by the EU member states by 28 December 2020. In Liechtenstein, the CRR II and the CRD V came into force on 1 May 2022.

Deposit guarantee schemes and investor compensation
The Deposit Guarantee Schemes Directive (DGSD), implemented in Liechtenstein with the Deposit Guarantee and Investor Compensation Act (DGICA) which came into force in 2019, obliges EEA member states to recognise at least one national guarantee scheme to govern the implementation of deposit guarantee schemes at banks. Every bank must be a member of a deposit guarantee scheme that is to be supervised by a national authority – in Liechtenstein this is the Liechtenstein Financial Market Authority (FMA). LLB AG has joined the Deposit Guarantee and Investor Compensation Foundation (EAS).

In the event of a compensation case, the EAS would ensure that the financial consequences for depositors and investors are at least mitigated by covering depositor claims from eligible deposits up to CHF 100’000 and investor claims up to a maximum of CHF 30’000. Eligible deposits are all kinds of account balances as well as call money and time deposits.

Recovery and resolution planning
With the Bank Recovery and Resolution Directive (BRRD), European legislators have introduced minimum requirements for the recovery and resolution of credit institutions. The BRRD was transposed in Liechtenstein through the Recovery and Resolution Act (RRA). It provides a statutory mechanism to counteract the “too big to fail” risk of large, systemically important banks in a crisis.

Systemically important banks in Liechtenstein, of which LLB AG is one, are required to draw up a recovery plan. The recovery plan contains an outline of the measures and escalation processes available to the institution in the event of a financial crisis. Model analyses show that these measures are suitable for restoring the financial soundness of the institution in crisis scenarios.

On 1 January 2017, the FMA created an operationally independent organisational unit acting as a resolution authority. Its primary objectives are to avoid significant adverse effects on the stability of the Liechtenstein financial market and to protect client funds and client assets in the event of the failure of an institution. The regulator imposes Minimum Requirements for Own Funds and Eligible Liabilities (MREL) in order to strengthen the capital available for write-down or conversion (bail-in capital) in the event of resolution. This should increase the resolution capacity and reduce the risk of having to resort to public funds for resolving banks. Within the framework of the BRRD II, which is part of the current EU banking package, the regulations on resolution and MREL are being updated and expanded. The BRRD II was implemented and the MREL set out in Liechtenstein in May 2023 (RRA II).

Regulatory development in the context of sustainability
The EU promotes sustainable development of the economic system and is committed to the goals of the Paris climate agreement and the UN's Agenda 2030. With its Action Plan for Financing Sustainable Growth, the EU aims to redirect capital flows towards a more sustainable economy. Integrating sustainability aspects into risk management and fostering transparency are key areas of the action plan. Achieving the EU's goal of climate neutrality by 2050 will require a significant reduction in CO_2 emissions, supported by "green" financing and investments.

Various legislative initiatives following this action plan have been started in the EU. Particularly worthy of mention are:

- Regulation (EU) 2019 / 2088 on sustainability-related disclosures in the financial services sector (SFDR);
- Regulation (EU) 2020 / 852 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019 / 2088 (Taxonomy Regulation);
- Directive (EU) 2022 / 2464 amending Regulation (EU) 537 / 2014 and Directives 2004 / 109 / EC, 2006 / 43 / EC and 2013 / 34 / EU governing corporate sustainability reporting (CSRD);
- Delegated Regulation (EU) 2021 / 1253 amending Delegated Regulation (EU) 2017 / 565 (MiFID II);
- Delegated Regulation (EU) 2021 / 1269 amending Delegated Regulation (EU) 2017 / 593 (product monitoring);
- Delegated Regulation (EU) 2021 / 1255 amending Delegated Regulation (EU) 231 / 2013 (AIFM);
- Delegated Regulation (EU) 2021 / 1270 amending Delegated Regulation (EU) 2010 / 43 / EU (UCITS).

The subsidiaries of LLB in Austria (bank and investment companies) are directly affected by the EU regulations. They are also relevant to LLB in Liechtenstein through the European Economic Area (EEA), although the date of application may vary depending on the law.

Regulatory monitoring was consistently pursued in the reporting year. In addition, we pushed ahead with the implementation of the various legal provisions, so that the regulatory requirements could be gradually implemented. In order to meet the requirements of regulatory tracking and implementation, the Group Corporate Compliance department has been expanded to include a Senior Compliance Officer who will focus on the ESG compliance function.

The LLB Group strives to increasingly integrate the topic of sustainability into its products, into its risk management and especially into its client advisory services. We therefore support the efforts of legislators to create relevant standards and transparency requirements for sustainable finance.

Economic value creation

The LLB Group has a special role to play in its three home markets. Our continually positive business results contribute to the economic growth and to the stability of the Liechtenstein financial centre. We are also a key employer in the region. We share our financial success with those around us.

Economic role and regional employer

The LLB Group plays an important role in Liechtenstein's economy, contributing to the economic development of the country through dividends and direct taxes. This contribution of dividends and direct taxes amounted to CHF 45.2 million in 2023 (2022: CHF 52.8 million). In addition to the state, other stakeholders also benefit indirectly from the profit distribution and tax payments, including our employees and business partners as well as local communities.

In its investment strategy, the Liechtenstein Government sets out the expectation that the corporate value of LLB AG will increase over the long run. With this in mind, we must set out medium-term targets for growth as well as cost and capital efficiency. The government trusts that we are aware of the risks associated with the activities of a universal bank and that we manage them accordingly. Against this background, our governing bodies must also consider in particular the bank's economic significance to the country and its reputation. Corporate governance must take adequate account of ethical and ecological aspects. Operating profit is monitored on a monthly basis using budget versus actual comparisons. Regular discussions are held with the Liechtenstein Government to provide an update on the level of dividends and tax. We receive no financial support for our banks or Group companies in Liechtenstein, Switzerland and Austria from any government.

Stability

Liechtenstein is one of only eleven countries worldwide with an AAA rating. In November 2023, the rating agency Standard & Poor's (S&P) reaffirmed the country's top credit rating. In its report, it emphasises in particular the financial situation of public finances, which is a balancing factor in difficult times. It also commends the broadly diversified economy and access to two economic areas. Liechtenstein is nevertheless assumed to have the necessary flexibility to be able to respond appropriately. The robust financial and banking centre with strong international connections contributes substantially to this very positive situation. Almost a quarter of Liechtenstein's gross domestic product is generated by the financial sector.

As a bank of systemic importance, we are subject to particularly strict financial market regulation and high capital adequacy requirements. With the implementation of the EU's Capital Requirements Directive (CRD V) and the establishment of the Deposit Guarantee and Investor Compensation Foundation (EAS), Liechtenstein has a modern guarantee system, which guarantees an adequate equity base and protection of client deposits (see chapter Values and corporate management).

For the LLB Group, having a very solid capital base is part of its identity. We significantly exceed the core capital ratio of 13.7 per cent required by the Basel regulations in the Principality of Liechtenstein (see chapter Finance and risk management).

Major employer in the region
It is important to us that our managers understand the mindset and concerns of our clients. And for this reason, almost all of the managers and the majority of employees in the main business locations have their roots in their respective region. As a result, they are highly dedicated to the company and have a high level of integrity. They also take a longer-term view, which is appreciated by our clients.

As at 31 December 2023, the LLB Group had 1,423 employees (31.12.2022: 1'318), who together filled 1'213 full-time positions (31.12.2022: 1'116). This makes LLB one of the largest employers in Liechtenstein (see chapter Employees).

To meet the demand for skilled employees, we rely on people commuting to Liechtenstein every day from eastern Switzerland and the Austrian state of Vorarlberg. This makes the LLB Group a major regional employer in the Rhine Valley. LLB Schweiz recruits almost all of its professionals from the Swiss regions of Lake Zurich, Sarganserland and Winterthur.

Donations and sponsorships
We strive to pass on some of our economic success to others. Our not-for-profit Future Foundation supports projects and institutions that make a positive contribution to social and ecological development in our market areas. Since its establishment in 2011, the Foundation has paid out dividends of more than CHF 1.8 million, of which around CHF 153'000 was attributable to the reporting year (see chapter Industry initiatives and corporate citizenship).

As part of our sponsorship activities, we primarily support institutions in the fields of sports, culture and competence. This includes our long-standing partnership with FC Vaduz's youth team. We are also the main sponsor of the LLB Night of Sports and a partner of the Liechtenstein Olympic Committee (see chapter Industry initiatives and corporate citizenship).

Digitalisation and innovation

The topics of digitalisation and innovation are of crucial importance to our future economic success. The banking business has been undergoing digital transformation for decades. Apart from cash, there is no other financial service that is used exclusively in today's physical world. With the growing penetration of technology into everyday life, interpersonal interaction such as in advisory meetings is being increasingly supported digitally.

To ensure our continued success, we are intent on using the opportunities that digitalisation brings to our processes and to the development of new products and services. Our innovative strength allows us to capitalise on competitive advantages that we reap from digitalisation. Our products reflect changing needs and, with that, we create customer experiences. Lower development costs and better scalability of products and services have a positive effect on the LLB Group's profitability, which ultimately also benefits our stakeholders.

At the same time, we are keen to actively counter any negative effects of digitalisation for our clients, employees and society. Such negative effects would play out if, for example, we were affected by a cyber attack. Customers who use our online banking or other digital products could become victims of data theft. Our advanced security architecture to defend against cyber risks provides the best possible protection against such threats (see section Data protection and cyber security).

Digitalisation can lead to a change in internal job specifications at LLB. Other possible consequences are a reduction of service levels and anonymous services or even manipulative techniques in online distribution. We are aware of the negative effects and want to counteract them with our solutions. For example, we continue to maintain a physical channel with our omni-channel advisory service, set high standards for data protection and promote honest and transparent communication.

LLB.ONE
With our LLB.ONE programme, we aim to optimise and digitalise our core processes end-to-end – from the initial contact to the termination of the client relationship – by 2026 It has earmarked a budget of CHF 100 million for this programme. With LLB.ONE we are committed to a zero-based design approach, whereby existing structures are revisited and, if necessary, redesigned. Core components that have already been redesigned include measuring the success of projects and initiatives, involving clients and external stakeholders in ongoing development, and continuously reviewing its own internal work.

In 2023, we made decisive progress with our digital business model wiLLBe, which was launched in 2022. In addition to our investment mandate with a focus on sustainability, we have created an attractive money market account with simplified digital onboarding. As a result, we have succeeded in acquiring significantly more customers for wiLLBe, building a promising basis for further growth.

We have also digitised a large number of documents as part of our core processes in order to save paper in the long term – such as with e-tax statements (Switzerland) or the digital renewal of mortgages.

The greatest challenge for the LLB Group over the next few years, and indeed for the industry as a whole, is to overcome complexities in the regulatory banking environment and integrate efficient and scalable digital solutions, while at the same time providing maximum benefits to clients.

The LLB share

The LLB share is a worthwhile investment. Investors have continued to profit from a sustainably attractive dividend yield for years.

Market capitalisation
The LLB share has been listed on the Swiss stock market, SIX Swiss Exchange, since 1993 under the symbol LLBN (security number: 35514757) and assigned to the "International Reporting Standard" segment. In 2023, around 1.5 million LLB shares (2022: 2.1 million) were traded, corresponding to 4.9 per cent (2022: 6.8 %) of total shares issued. With 30.8 million registered shares issued, the market capitalisation of Liechtensteinische Landesbank AG stood at CHF 2.0 billion as at 31 December 2023 (31.12.2022: CHF 1.7 billion). The LLB share had been listed in the MSCI World Small Cap Index since 2018, but was delisted with effect from 31 May 2022.

Shareholder structure
The Principality of Liechtenstein held 17'336'215 LLB shares, or 56.3 per cent of the share capital, as at the end of the reporting year. As a result of LLB AG's purchase of outstanding shares in the former Bank Linth (LLB Schweiz since 14.09.2023) in May 2022, 363'785 LLB shares were accrued to Bank Linth shareholders. This corresponded to 1.2 per cent of all LLB's outstanding shares, which it had previously acquired from the State of Liechtenstein. As a result, the country's participation fell from 57.5 per cent to 56.3 per cent. As at the reporting date, the country's equity stake remained unchanged at 56.3 per cent.

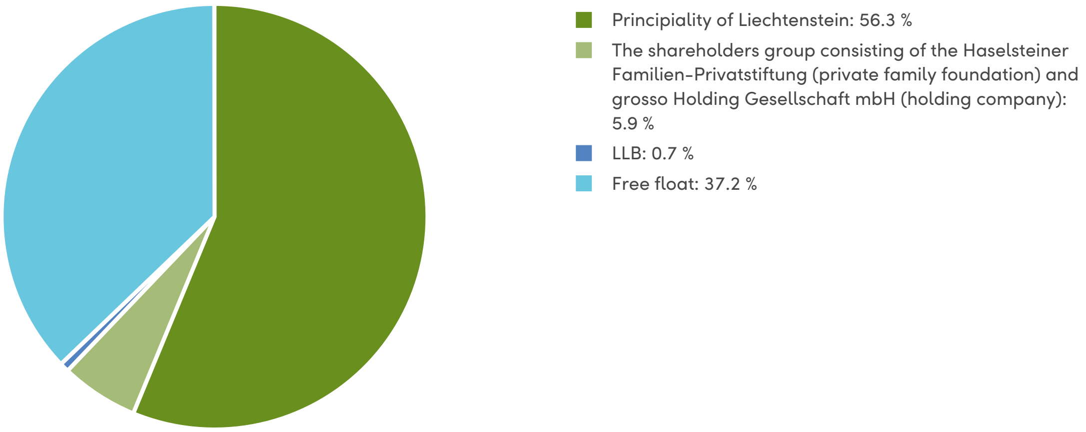
Under the Participation Strategy it adopted in 2011, the Liechtenstein Government explicitly supports the stock exchange listing of LLB and retains a majority stake of at least 51 per cent. The new Participation Strategy came into force on 30 January 2024. This sees the State of Liechtenstein renewing its commitment to a minimum stake in LLB of 51 per cent. At the same time, it accepts entrepreneurial autonomy as well as the rights and obligations arising from the stock exchange listing.

As at 31 December 2023, 5.9 per cent of the shares were owned by Haselsteiner Familien-Privatstiftung and grosso Holding Gesellschaft mbH, both of which are domiciled in Austria, (see chapter Corporate governance).

LLB held 0.7 per cent of its own shares at the end of the reporting year (31.12.2022: 0.6 %). The remaining registered shares were in free float, whereby none of the other shareholders held more than 3 per cent of the share capital.

Overall 89.8 per cent of the 30.8 million total registered shares were entered in LLB AG's share register at the end of 2023. 10.2 per cent, or 3'133'122 shares, were not registered.

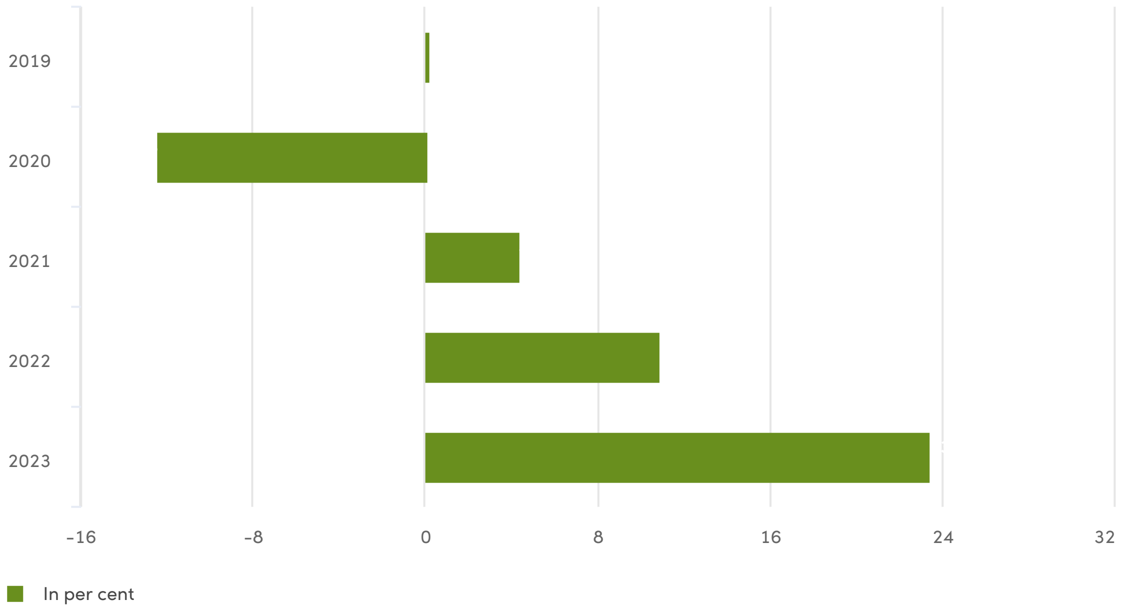
Shareholder structure in per cent



Share price performance

After financial markets were busy forecasting the rise in key interest rates in the first half of 2023, the following months were dominated by the question of how long they would remain high. Following clarity on the peak of interest rates, speculation about imminent rate cuts has buoyed the markets. As measured by the Swiss Performance Index (SPI), shares listed on the Swiss Stock Exchange rose by 6.1 per cent. The values in the Swiss Banking Index (SWX) grew in the same range. After an increase of 10.4 per cent in 2022, this registered a rise of 5.8 per cent for 2023. The LLB share significantly exceeded these figures and achieved a pleasing total return of 23.4 per cent in the reporting year. The highest price for the year was CHF 66.10 and the lowest price for the year was CHF 55.70.

Total return on the LLB share

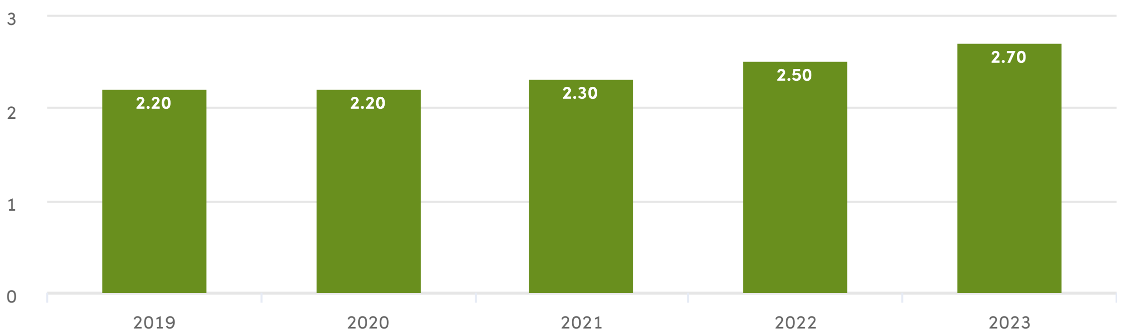


Dividend policy

The LLB Group pursues an attractive, long-term-oriented dividend policy for the benefit of its shareholders. We are also committed to safeguarding our financial security and stability. Under the ACT-26 strategy, we intend to keep risk-bearing capital at a Tier 1 ratio of over 16 per cent in accordance with Basel III. We will continue our sustainable and attractive dividend policy. The payout ratio should be more than 50 per cent. We are also striving for a continuous increase in the dividend (see Strategy and organisation).

At the 32nd Ordinary General Meeting of Shareholders to be held on 19 April 2024, the Board of Directors will propose an increase in the dividend to CHF 2.70 (2022: CHF 2.50) per share. Based on the share price as at the end of 2023, this corresponds to a dividend yield of 4.1 per cent. Total dividends to be paid out amount to CHF 82.6 million (2022: CHF 76.6 million). This represents a payout ratio of 50.1 per cent for 2023 (2022: 51.2 %).

Dividend per share (2019–2023[1] in CHF)



[1] The Board of Directors will propose a dividend increase to CHF 2.70 for the year 2023 at the Annual General Meeting on 19 April 2024.

Analysts’ recommendations
In August 2023, Michael Klien, the Zürcher Kantonalbank analyst responsible for monitoring the LLB share, wrote: “The results for H1 23 were slightly better than we had expected and, according to LLB, the best half-year result in more than ten years.” The implementation of the ACT-26 strategy is going to plan for all three strategic core elements (growth, efficiency and sustainability). The LLB share continues to be rated “overweight”.

Research Partners AG has been covering the LLB share since mid-2016. In his latest report, analyst Rainer Skierka confirmed his buy recommendation. “For the 2023 business year, we expect results to be characterised by continued yield and ongoing cost discipline. We do not currently see any negative influences, which suggests a solid income growth. In addition, there is a solid equity base of more than CHF 2 billion, which is conducive to further business development and corresponds to a total capital ratio of over 20 per cent. The current share price does not adequately reflect this positive momentum as yet.” The 12-month price target of CHF 80.00 was confirmed.

Communication with the capital market
The LLB Group publishes its annual and interim financial results (see chapter Our understanding of sustainability). We usually hold a media and analyst conference on the annual results in Zurich. Most importantly, the annual and interim reports are prepared in accordance with legal requirements. For several years now, the LLB Group has ranked among the companies with the best results in the overall rating category of the Swiss Annual Report Rating, underscoring the high quality of our information policy.

Also at the General Meetings of Shareholders, the Board of Directors and the Board of Management inform transparently about the course of business. We also hold regular discussions with investors, provide information at roadshows and are represented at specialist conferences for financial analysts and investors. During the reporting year, we took part in three virtual roadshows and in the Investora event in Zurich.

All publicly accessible information about the LLB Group can be obtained from our website at www.llb.li. Anyone interested is welcome to register at www.llb.li/registration to receive price-relevant information about the LLB Group electronically. We also publish results via our social media channels such as Facebook and LinkedIn. We publish the annual and interim financial reports in a comprehensive online version. The Annual Report 2023 can be accessed online in German at gb2023.llb.li and in English at ar2023.llb.li.

The LLB share: facts and figures

in CHF thousands	31.12.2023	31.12.2022
Total of registered shares issued (fully paid up)	30'800'000	30'800'000
Number of shares eligible for dividend	30'591'945	30'620'119
Free float (number of shares)	11'450'730	11'478'904
Free float (in per cent)	37.2	37.3
Year's high (29 December 2023 / 15 February 2022)	66.10	58.90
Year's low (3 January 2023 / 23 May 2022)	55.70	49.55
Year-end price	66.10	55.80
Total return LLB share (in per cent)	23.4	10.8
Performance SPI (in per cent)	6.1	– 16.5
Performance SWX Banking Index (in per cent)	5.8	10.4
Average trading volume (number of shares)	5'880	8'028
Market capitalization (in CHF billions)	2.04	1.72
Basic earnings per share attributable to the shareholders of LLB (in CHF)	5.37	4.82
Dividend per LLB share (in CHF)	2.70 [1]	2.50
Payout ratio (in per cent)	50.1	51.2
Dividend yield at year-end price (in per cent) [2]	4.1	4.5
Return on equity (in per cent) [2]	7.9	7.2
Eligible capital per LLB share (in CHF)	57.2	54.3

1 Proposal of the Board of Directors to the General Meeting of Shareholders on 19 April 2024
2 Definition available under www.llb.li/investors-apm

Environmental and social responsibility in banking

From the year of our foundation in 1861, we have resolutely followed a path where the aim has been to prioritise the interests of our clients and make a long-term, sustainable contribution to society at our business locations. We also fulfil our corporate responsibilities by offering our clients products and services that are environmentally sound and socially responsible.

Products and services

We are very aware that we can have a huge impact on the environment and society through our banking products and services – for example, as a result of decisions on which companies and projects we invest in, or the companies and projects we finance. We will take a closer look at some of our products and services in the following section.

We can make a positive contribution to the environment and society by steering capital into companies that offer innovative technologies, products and services to combat ecological and social challenges and advance sustainable development. We seek to avoid risks by keeping as much distance as possible from companies and projects that are linked to negative impacts on the environment or that are not compatible with both our values and international values (for our international obligations, see chapter Industry initiatives and corporate citizenship). For this reason, we incorporate the diverse ESG (Environmental, Social and Governance) criteria into our investment and financing decisions.

We attach particular importance to the subject of climate change. As part of our ACT-26 corporate strategy, we have set ourselves the ambitious goal of achieving complete climate neutrality by 2040. This is ten years earlier than foreseen by the Paris Climate Agreement and is in line with the UN's highly ambitious target of 1.5°C (see chapter Our understanding of sustainability). Our range of products and services as well as our own investments can all make an important contribution to achieving this goal. Our objective of reducing greenhouse gases (GHGs) is therefore tied to specific interim targets that explicitly relate to the banking business (as opposed to banking operations; see chapter Corporate environmental and climate protection).

- In our banking products and our own investments, we are aiming for a 30 per cent reduction in GHG emissions by 2026 when compared to the 2019 base year.
- By 2030, there will be a reduction of at least 55 per cent when compared to 2019.

We have set up a range of management tools to ensure we achieve our sustainability goals and avoid risks. Based on the type of product and business area, we use a variety of instruments, which we will describe below.

Investment products

LLB Asset Management AG is responsible for investment processes in the sustainable and traditional areas. We are seeking to develop a range of products and services that simultaneously respond to client demands and regulatory requirements. Implementation of sustainable investment regulations and traditional investment requirements is monitored by the Investment Compliance Department as well as by internal and external auditors. Due to the dynamic nature of this topic, we review all aspects of sustainability and the regulations at regular intervals and develop our methodology and processes where necessary.

The details on our approach to responsible investment are included in the Group directive on investment advice and asset management. They are also included in every investment proposal and asset management agreement. This agreement describes the specific ESG management tools involved in the respective mandate.

ESG integration in asset management

For us, sustainability in asset management means adopting a highly responsible approach that meets ethical, social and environmental standards when investing. Furthermore, paying attention to sustainability aspects brings an additional perspective to assessing companies, institutions and market participants in relation to risk and return and as such, supports long-term value creation for our clients. As a member of the United Nations' Principles for Responsible Investment (UN PRI) finance initiative, we are committed to responsible investment management (see chapter Industry initiatives and corporate citizenship). In this way we can contribute to meeting the UN's sustainability goals. We expect broadly diversified, sustainable investments to yield returns comparable to those from traditional investments.

We have opted to apply a methodologically comprehensive approach to the investment process and the following management tools have been used when selecting individual securities.

Management tools [1] used in asset management

ESG management tool	Description
	Violations of international and national standards (for example, the UN Global Compact)
	The manufacture of controversial products (more than 10 per cent turnover from tobacco, military weapons, gambling, adult entertainment, coal for thermal use or shale oil and gas)
Negative screening	Serious controversies
Divestment	See negative screening
	An ESG rating above or equal to BBB (MSCI)
Positive selection	Green investments
ESG integration	Selected principal adverse impact (PAI) indicators of the EU Disclosure Regulation are immediately incorporated in investment decisions
	Proactive exercise of shareholder and participation rights
	Proxy voting
Engagement	Direct dialogue

1 The typology associated with ESG management tools is based on the 'FMA Guide for Managing Sustainability Risks' from the Austrian Financial Market Authority (FMA; document no. 01/2020, p. 42 et seq.) and Fact Sheet 2021/1 on Dealing with ESG Risks from the Liechtenstein FMA (p. 15 et seq.). Negative selection refers to a management tool whereby financial instruments are excluded on account of their assignment to a problematic sector or a problematic business activity. Divestment is also based on blanket exclusions of sectors or business activities, but is concerned with financial instruments in which investments have already been made (whereas negative selection applies to new business). Conversely, positive selection means making targeted investments in sectors or business activities that are classed as positive in terms of sustainability. ESG integration means taking direct account of ESG factors when making decisions. In terms of engagement, a good example would be investors attempting to influence a company by exercising their voting rights. The aim is to steer the company in a direction that is seen as sustainable.

We also continuously monitor the GHG emissions caused by our investments. We pay particular attention to EU Sustainable Finance Disclosure Regulation (SFDR) classifications when selecting funds for our investment products. Therefore, both the LLB fund range and our third-party fund recommendations include a (well) above-average proportion of investment funds that exceed the Article 6 SFDR classification. Funds that comply with Article 8 SFDR take social and environmental criteria into account but do not invest in an entirely sustainable manner. These are then often referred to as light green financial products. Funds that comply with Article 9 SFDR largely invest in sustainable companies and projects and ensure as far as possible that there are no negative impacts on the environment and society. For this reason, they are referred to as dark green financial products.

We base our analyses on the ESG expertise of renowned agencies such as MSCI ESG Research and Inrate. The precise combination of the ESG management tools described will vary from product to product. Further information about our approach to investment is available in our annual PAI report and the respective product descriptions.

Impact funds

In addition to our ESG and ESG+ responsible asset management mandates (see section Asset management and investment advice), we have launched two dark green LLB Impact Climate funds that comply with Article 9 SFDR. LLB Impact Climate Equities Global Passive offers clients the opportunity to massively reduce the carbon footprint of their capital. The reduction in greenhouse gas emissions amounts to more than 80 per cent when compared to the MSCI Global Equities Index.

With the LLB Impact Climate Obligations Global Fund, which largely invests in green bonds, investors can target their capital at activities that support climate action. About a third of the funds currently flow into renewable energy projects. Around a quarter of the fund volume comprises investments in environmentally-friendly mobility, followed by investments in green buildings and infrastructure as well as energy-efficient technology.

With regard to the LLB Impact Climate Equities Global Passive Fund, investments of more than CHF 620 million (as at 31 December 2023; 31.12.2022: CHF 580 million) now align with the Paris climate targets. The LLB Impact Climate Obligations Global Fund has an investment volume of over CHF 160 million (2022: CHF 135 million).

wiLLBe investment app

The launch of the sustainable investment app wiLLBe offers an asset management solution that has been specially developed for small investors. The app is available in Germany, Liechtenstein and Switzerland and is specifically geared towards the UN's sustainable development goals (SDGs). Investors can choose from seven topics such as "Education and equal opportunity", "Climate and environmental protection" and "Clean energy", where they can lend emphasis to their own investment preferences in relation to sustainability issues.

The wiLLBe portfolios are based on the strict sustainability criteria applied by LLB Asset Management, but they are also optimised with regard to their particular impact in terms of SDG alignment. In other words, attention is paid to ensuring they are closely aligned to the SDGs.

In each case, investment experts at LLB identify companies that are especially suitable for responsible and sustainable investment and that have the greatest impact in the chosen area. For example, if clients decide to choose a reference portfolio that focuses on climate, energy and health, the companies in the wiLLBe portfolio will indicate a CO_2 intensity that is around 56 per cent below the MSCI World benchmark. The companies' energy consumption is 93 per cent lower than in MSCI World.

Engagement
Engagement is becoming increasingly important to us as an ESG management tool. With regard to our fund products and our own investments, we also want to use our vote as a way of communicating important sustainability issues to companies and institutions. With the support of the International Shareholder Services (ISS), we have clearly positioned ourselves in equity funds. For our voting decisions and analysis, we use the socially responsible investment (SRI) assessment methodology from the ISS. This methodology and the sustainability-oriented approach to voting decisions have helped us in more than 1'900 votes.

Asset management and investment advisory services
In line with our approach to responsible investment, we only offer our clients mandates for asset management and investment advice that comply with ESG and ESG+. Under the ESG investment strategy, a substantial part of the portfolio is invested in products that fall under the light green category according to Article 8 SFDR and at least 5 per cent is invested in products in the dark green category according to Article 9 or in special impact topics such as climate and environmental protection and microfinance. Under the ESG+ approach, dark green products make up at least 45 per cent of the portfolio.

The entire investment range of LLB Invest has been converted to ESG or ESG+. Clients who characterise themselves as neutral in terms of sustainability will also receive an ESG offer although the minimum share stipulated for sustainable financial products will not be binding in this case. Consequently, the fact that our clients are only offered responsible investment solutions where the LLB sustainability approach has been consistently applied during implementation is a standard feature.

Financing
In the area of financing, we focus on real estate and mortgages. In Liechtenstein, LLB has a leadership position in the mortgage lending business with a market share of around 50 per cent. Mortgages also play a decisive role in Switzerland. For the LLB Group, the quality of the mortgage portfolio is key. Growth must be sustainable and risk-conscious and in line with the type of property and the development of the market in the region. At the and of 2023, mortgages accounted for 90.3 per cent (31.12.2022: 89.2 %) of loans granted by the LLB Group, corresponding to CHF 13.8 billion (31.12.2022: CHF 12.9 billion) (see chapter Finance and risk management).

We use dedicated financing products to target our support at sustainable building and energy-efficient renovations. In the environmentally-friendly mortgages, which were specially created for this purpose, clients are given a discounted interest rate if they comply with Minergie standards or exceed the applicable energy efficiency standards in Liechtenstein and Switzerland. As of 1 January 2024, the requirements entailed in the environmentally-friendly mortgages will be readjusted so that corporate clients will now be able to benefit from this offer, too.

The Group Credit Risk Management regulation also stipulates that we must exclude business relationships that contravene laws, are in breach of moral or ethical principles, may harm the reputation of the LLB Group, or can be used to circumvent the law. Likewise, we refuse to enter into business relationships with clients whose creditworthiness or financial standing are in doubt.

Own investments
We believe that our own investments are also an important tool for making a positive contribution to the environment and to society. For this reason, we have also set up a range of ESG management tools for this area:

Management tools and our own investments

ESG management tool	Description
	Violations of international and national standards (for example, the UN Global Compact)
	The manufacture of controversial products (more than 10 per cent turnover from tobacco, military weapons, gambling, adult entertainment, coal for thermal use or shale oil and gas)
Negative screening	Serious controversies
Divestment	The fossil fuel sector is being phased out
Positive selection	An ESG rating above or equal to BBB (MSCI)
ESG integration	See positive selection and negative screening
Engagement	Proactive exercise of shareholder and participation rights

In addition, we have set ourselves the goal of fully withdrawing from companies in the fossil fuel sector by 2025. This sector is responsible for a significant portion of the entire carbon footprint of the treasury portfolio.

Engagement is also used as a management tool in our own investments. Analogous to the approach adopted for our investment products, we make use of the SRI assessment methodology of the International Shareholder Services (ISS) so that we can exercise our voting rights with regard to shares (see section Investment products). We therefore follow the guidelines on the UN Principles for Responsible Investment (UN PRI).

The sustainability criteria that apply to our own investments were decided on by the Group Asset & Liability Committee (GALCO) and comply with the Group Market Risk regulation.

Key figures for the banking business

As we work towards our sustainability goals, we will ensure maximum transparency. In November 2023, we therefore published our second TCFD report based on the internationally recognised standards of the Task Force on Climate-related Financial Disclosures (TCFD). This report includes an estimate of the GHG emissions we have financed. This is the key performance figure (KPI) for the progress we have made with regard to sustainability in the banking business.

It was not possible to collect separate data on financed emissions for this report. This is why we decided to extrapolate from the figures included in the 2022 TCFD report. With the same parameters in terms of data coverage and the same CO_2 emissions created by our counterparties and the projects we have financed, the total emissions of the mortgage and investment portfolio amounted to 2.29 million metric tons of CO_2 as at 31 December 2023. However, this is only an estimate. This figure is based on data coverage of 69 per cent of the assets that we had defined as in scope (especially investment products, our own investments, and mortgages).

Other data on the impact that our own and other managed assets have on sustainability are available in the EU Taxonomy chapter. Furthermore, we published our first PAI report according to SFDR in June 2023. This includes information on the principal adverse impacts (PAI) that our investment decisions have had on sustainability factors. Only the investment products of the LLB Group were included for this.

Customer orientation

The success of the LLB Group is closely related to client satisfaction. The challenge is being able to continually evolve our offering to satisfy new client needs in what is a fast-changing environment. If we identify these needs at an early stage, we can enhance the client experience to strengthen confidence in the services we offer and improve customer loyalty. In this way, we can make use of the opportunities gained through the change in client behaviour, thereby ensuring the long-term success of the LLB Group.

For instance, the data we have collected shows that over-the-counter transactions are steadily on the decrease, while the use of digital channels is sharply on the rise. Our aim is to achieve an ideal balance between physical and digital channels, whereby our clients are always central. Our omni-channel strategy therefore entails investing in digital channels on the one hand, and refurbishing our bank branches to accommodate the changed needs of our clients on the other. The classical transaction business is becoming less important and making way for personal services.

Besides its bank branches, LLB Group also maintains a wide network of ATMs. This makes us the only bank in Liechtenstein to offer this vital service, which is still actively used in spite of digitalisation. LLB Switzerland also has ATMs at numerous locations.

Client proximity through systematic surveys

Knowing the needs of clients is the basis for the further development of our channels and offerings. In 2023, we carried out a survey on satisfaction with the new concept for the bank branches. Overall satisfaction was very good, with the friendliness of our staff and the atmosphere scoring particularly highly. Additionally, our clients confirm that we offer competent advice and solutions that are tailored to their wishes and requirements. In Liechtenstein, we have also conducted brand tracking, which has provided us with information about the perception of our brand and services.

Excellent client advisory services

Through the ongoing training and professional education of our client advisers, we ensure that they offer suitable products and services during the consultations (see section Training as a main pillar of a company’s success). All employees with client contact in Liechtenstein and Switzerland are certified in accordance with the standards of the Swiss Association for Quality (SAQ); in Austria, certification is based on the European Investment Practitioner (EIP) label, which is recognised throughout the EU. In a personal consultation, a four-step process ensures that the relationships with the clients and their situation, needs and goals are analysed in detail and that they are presented with a solution that is tailored to their profile. For our asset management and investment advisory services, clients can decide for themselves how comprehensively they want to be advised by their client adviser. Equally, when it comes to the investment strategy, various options ensure that clients’ individual interests are central. In this way, we not only comply with the applicable EU Directive MiFID II, but also the Swiss Financial Services Act (FinSA) regulations (see section Regulatory requirements and developments).

Fair competition

As the bank for the country and the people, being able to offer attractive and innovative price models is important to us. Individual prices and flat-rate price models and, on request, performance-dependent conditions underpin our claim to guarantee a fair and transparent tariff structure. For LLB funds, we forego retrocessions (portfolio maintenance commissions), which makes our funds significantly cheaper in comparison to the market. We pass retrocessions received on third-party fund holdings on to our clients in full. Thanks to our simple and easy-to-understand tariff structure, the fees and conditions are evident at a glance. We also have a very fair approach when it comes to fees for our LLB funds and are one of the first banks to introduce a swap-based model for some fixed-income funds, with pricing being linked to the interest rate.

Financial planning for private individuals and entrepreneurs

The challenging geopolitical and economic environment is making it increasingly difficult for private individuals and entrepreneurs to make the right financial decisions. The need for comprehensive, professional advice is therefore continuing to grow. Our answer to this is the “LLB Compass – the 360° advice for your future”. Our holistic financial planning highlights all the important topics such as budgeting, asset structuring, pension planning, real estate and financing as well as tax expenses and estates. This provides our clients with a guide on how they can shape their financial future. In the case of entrepreneurs, our advice always takes account of the individual characteristics of the firm.

LLB Pension Fund Foundation for Liechtenstein
With the LLB Pension Fund Foundation, we are the only bank in Liechtenstein with a collective foundation for SMEs in Liechtenstein – and that since 2005. The Foundation is extremely popular thanks to its solid technical basis and its flexible design options based on the needs of the client. With a balance sheet totalling more than CHF 1.3 billion, it is one of the largest pension funds in the country as well as being an important pillar for Liechtenstein's domestic pension market. Its extremely attractive terms and conditions and good quality of service mean it is highly respected by its insured contributors and affiliated companies. The pathway it has adopted for digital channels means it is ideally equipped for the future. In order to be able to actively participate in shaping the legal framework, the LLB Pension Fund Foundation is represented on the Executive Board of the Liechtenstein Pension Scheme Association (LPKV). In this way, it is also instrumental in the expansion of the domestic market.

Employees

Excellent, committed employees are a fundamental prerequisite for the success of the LLB Group. For this reason, we attach particular importance to an attractive and modern work environment. This includes a strong corporate culture, interesting tasks, high development potential as well as many opportunities to help shape our common future.

The LLB Group as employer

We, as the LLB Group, are conscious of our responsibility towards employees. The way in which we structure working conditions can have positive and negative effects on the health, safety and well-being of our employees. We adopt measures aimed at creating a work environment characterised by respect, mutual appreciation and inclusion. We communicate openly, support the development of our employees and do our best to prevent any mental or physical stress. This enables us to avoid risks, remain an attractive employer and develop and retain talent. Our HR strategy defines the guidelines for our personnel management.

Our workforce in numbers

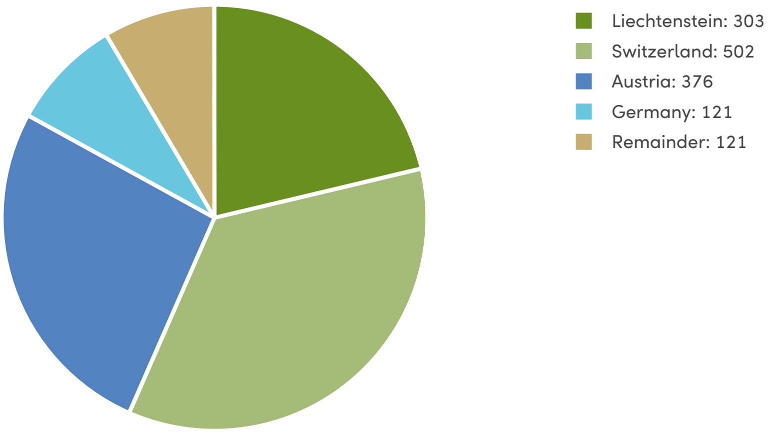
As at 31 December 2023, the LLB Group had 1’423 employees (31.12.2022: 1’318), who together filled 1’213 full-time positions (31.12.2022: 1’116). This makes us one of the largest employers in Liechtenstein. We record these figures for employees only. Our systems cannot currently record workers who are not employees.

At the end of 2023, 21 per cent (31.12.2022: 22 %) of our employees were Liechtenstein nationals, 35 per cent (31.12.2022: 36 %) Swiss nationals, 26 per cent (31.12.2022: 26 %) Austrian nationals and 9 per cent (31.12.2022: 7 %) were German nationals. All in all, people from forty nations (31.12.2022: 39 nations) are employed at the LLB Group. We are committed to ensuring that our client base is reflected in our employee mix. This also applies to our traditional cross-border markets in Germany and the rest of Western Europe as well as to the growth markets of Central and Eastern Europe and the Middle East.

We are very keen that our managers understand the mindset and concerns of our clients. And for this reason, almost 100 per cent of the managers and the majority of employees in the main business locations have their roots in their respective region. As a result, they are highly dedicated to the company and have a high level of integrity. They also take a longer-term view, which is very much appreciated by the clients.

To meet the demand for skilled employees, the LLB Group relies on commuters who come every day from Switzerland (31.12.2023: 392; 31.12.2022: 348) and Austria (31.12.2023: 114; 31.12.2022: 105) to Liechtenstein.

Breakdown by nationality [1]



1 Including permanent and temporary employees.

Attractive work environment
Being an attractive employer is becoming increasingly important for companies to gain potential applicants and retain existing employees. Against this backdrop, we continue to implement measures to improve the work environment. Here, we focus in particular on health promotion in the workplace, raising job quality and flexibility of working hours and location. In this way, the LLB Group can influence the creation of an employee-friendly business location in Liechtenstein through example.

As a universal bank, the LLB Group offers a wide variety of job diversity and a broad range of subject areas. To acquire and retain talent, it relies on a humane corporate culture that is characterised by partnership-based cooperation. The targeted development of employees and a modern compensation system also act as motivators. Through the use of staff turnover analysis, we want to understand the reasons and motives behind employees leaving their jobs and, based on this, come up with measures to improve the terms of employment and to reduce staff turnover and the costs that go along with it.

The staff turnover rate at the LLB Group was 9.9 per cent in the reporting year (2022: 13.0 %). The staff turnover rate is collected monthly and collated quarterly for a qualitative evaluation of the reasons for the departures.

We survey our employees, as a rule, every three years to get an idea of their opinions and their needs. In the last survey in mid-2023, we achieved a very high response rate of 91 per cent as well as improving in three of the four target values ("Attractive employer", "No resignation" and "Satisfaction") (see section High employee satisfaction). Liechtensteinische Landesbank and LLB Schweiz were honoured once again in 2024 with the Swiss Employer Awards for this achievement.

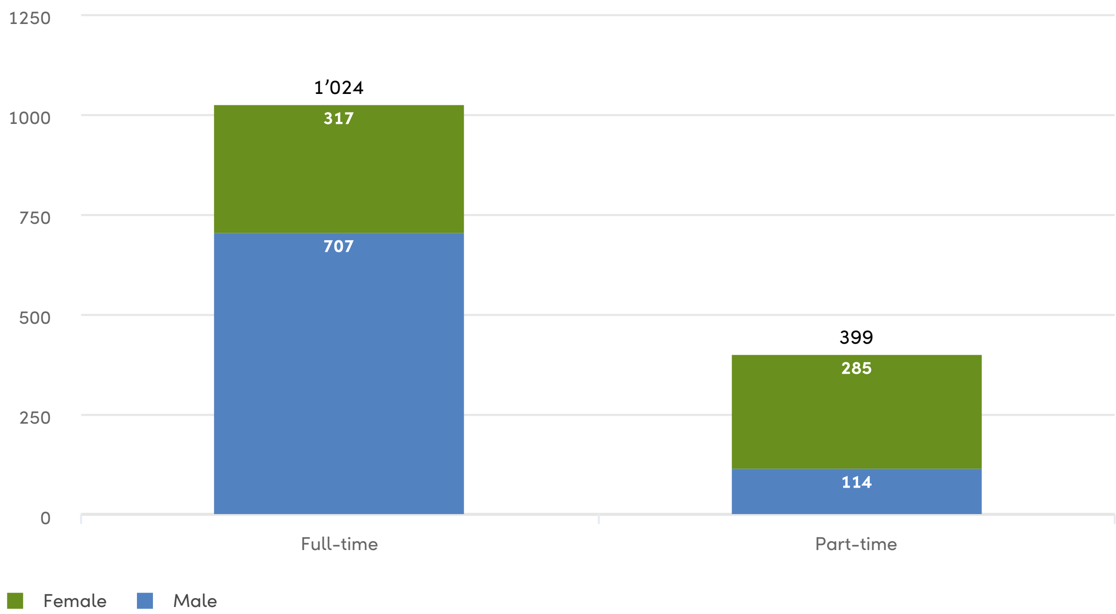
Flexible work environment
Mobile working is now high on the list of priorities for jobseekers. In recent years, the LLB Group has responded to this development and ramped up its home office capacities. The corona pandemic has sharply accelerated this process. Since the autumn of 2020, almost all employees have been able to work from home. Our modern home office regulations provide that employees may work from home for up to 40 per cent of their workload, if their job duties permit it and the legal framework conditions allow it. Differences arise in relation to permissible workloads due to Liechtenstein's bilateral agreements with Germany, Austria and Switzerland.

The measures taken are in line with our strong commitment to sustainability as defined in the ACT-26 corporate strategy: after all, fewer days in the office reduces commuter traffic. The feedback on these regulations has largely been very positive.

Compatibility of work and life situation

A high degree of compatibility between work and private life makes for an attractive employer. In recent years, therefore, we have pushed ahead with projects offering greater flexibility of working hours and location. Most employees work under the trust-based working time model. Under this model, they determine, in consultation with their manager, exactly how their working time is to be structured and different workloads managed. A reduction of working hours is, in consultation with their manager, possible as well – this also applies to management positions.

Breakdown by employment type [1]



1 Including permanent and temporary employees (apprentices and young talents)

In addition, employees can increase their holiday entitlement by five or ten days and forego a corresponding amount of pay in return. This “FreiZeit-Kauf” (purchase leisure time) scheme is highly valued: in the reporting year, 156 employees (2022: 125) purchased a total of 1’013 additional leave days (2022: 783).

Compatibility of work and life situation is an important criterion when choosing an employer – particularly for mothers. We have launched a special programme to facilitate their return to work after childbirth. For example, the workload can be reduced to 60 per cent in the first year if a mutual commitment is made to subsequently increase this to 80 per cent. In other instances, individual arrangements to take extended leave after childbirth or a smaller workload are made.

We also support paternity leave and permit our employees care leave in the case of a family emergency. The “Villa Wirbelwind” crèche in Vaduz, which was set up in co-operation with the Liechtenstein Bankers Association, is open to the children of all Liechtenstein bank employees.

Long-service employees are rewarded with a sabbatical. 46 employees (2022: 54) with long-service anniversaries of ten, twenty, thirty or forty years went on a sabbatical for up to four weeks in 2023.

Fair and performance-oriented compensation
The LLB Group spent CHF 209.5 million (2022: CHF 196.1 million) on salaries and social contributions in 2023. We have a modern compensation system that is considered exemplary in the banking sector. For the majority of employees, it includes a variable remuneration component. We set great store by fair compensation that explicitly recognises skills and performance. Women and men in the same position and at the same performance level are in the same pay scale and wage model.

A key indicator of performance is the Group Performance Indicator (GPI). The GPI allows all LLB Group employees to have a direct share in the net profit generated. The Group profit for the last three years – weighted in the ratio 60:30:10 – is used as the basis. The Group Board of Directors has defined a percentage of the net profit to feed into the bonus pool, which is subsequently shared with the employees. This percentage remains constant over the strategy period and is only reviewed in exceptional cases (for example major acquisitions) (see chapter Compensation policy).

During the previous year, the LLB Group disclosed the wage ratio for the first time. We compared the salary of the highest earner in the company to the median salary of the other employees. The ratio as at 31 December stood at 10.63 for the reporting year (31.12.2022: 11.13). Calculations for the whole LLB Group were performed in Swiss francs (conversion rates for EUR and AED as at 31 December 2023). The calculation was based on 100 per cent of total target compensation as at 31 December 2023. Neither the group of young talent employees nor hourly paid employees are included in the calculation.

Health and safety
Gaining the "Friendly Work Space" label from Gesundheitsförderung Schweiz (Swiss Health Promotion) in 2020 has made us truly top of class in this metric. In 2021 and 2022, we followed this initial success through with action and applied for recertification in summer 2023. Besides our very broad health-focused offering, which forms the basis for this award, we dedicated our attention during the reporting year to further developing procedural topics and to mental fitness. Pilot events were also held such as "Healthy leadership" for supervisors and "Stress fit" for employees. Following good feedback, we will be rolling out these training courses more widely over the next few years. We have expanded our offering with a variety of online events on various health topics as well as with weekly yoga lessons and a back fitness programme over lunchtime. Our aim is to reduce short- and long-term absences and to facilitate the return to work.

Mental stress can often result in physical illness and vice versa. Our employees are therefore able to gain free and anonymous access to psychological counselling should they find themselves in difficult professional or life situations. We also offer support to employees returning to work after a long absence and to those with serious health problems. Providing practical support enables employees to maintain or regain their productivity.

Our health management covers all LLB Group employees. LLB Österreich promotes health and sports provision in particular. This ranges from medical check-ups at work and vaccination programmes right through to participation in sporting events.

High employee satisfaction
Employee satisfaction is an indicator of whether it is possible to retain motivated, high-achieving employees in the company. To understand where we stand in this respect, we regularly conduct in-depth employee surveys at the companies of the LLB Group. In the last survey of 2023, we repeated our very good results in the five categories of “Commitment”, “Satisfaction”, “No resignation”, “Attractive employer” and “Would recommend employer to others”.

On the strength of these ratings the LLB Group took first place in the Swiss Employer Awards in January 2024 in the category of companies with more than 1’000 employees, with the high response rate of 91 per cent also being a decisive factor. A total of 141 Swiss and Liechtenstein companies took part in four categories based on size.

Diversity, equal opportunity and inclusion

We place a particular focus on diversity, equal opportunity and inclusion. Studies show that teams that are highly diverse are more likely to question existing processes and thought patterns as well as to develop and advance innovative ideas. A broad-based workforce where everyone is afforded the same opportunities ensures that the LLB Group has a talent pool in which different experiences and expertise complement each other. We strongly oppose any form of discrimination and violence and promote a diverse and inclusive workplace.

The LLB Group has long since stated its commitment to diversity among its employees and at all levels of management. The Board of Directors and management support teams that are characterised by cultural diversity. We have also focussed particularly on defining the generation and gender mix within the company and are taking measures in those areas where we see the greatest need for action on the basis of the key demographic figures and our business model.

While we do not have a separate programme to promote diversity, creating diversity and equal opportunities are an intrinsic part of our recruitment process. When we fill positions we look for an ideal complement to the team as well as an appropriate balance in terms of gender, nationality and age. The LLB Group has special programmes designed to promote young talent and employees over the age of 50. We do not distinguish between genders when it comes to compensation. Measures, key figures and targets relating to diversity, equal opportunity and inclusion are specified in the LLB Group diversity strategy.

Key figures and targets

In order to anchor diversity and inclusion more firmly within the company, in 2022 we defined measurable visions and key figures. These are not restrictive quotas, but indicators to help us prioritise measures and identify progress. In terms of gender balance, we would like to increase significantly the proportion of women in positions of responsibility.

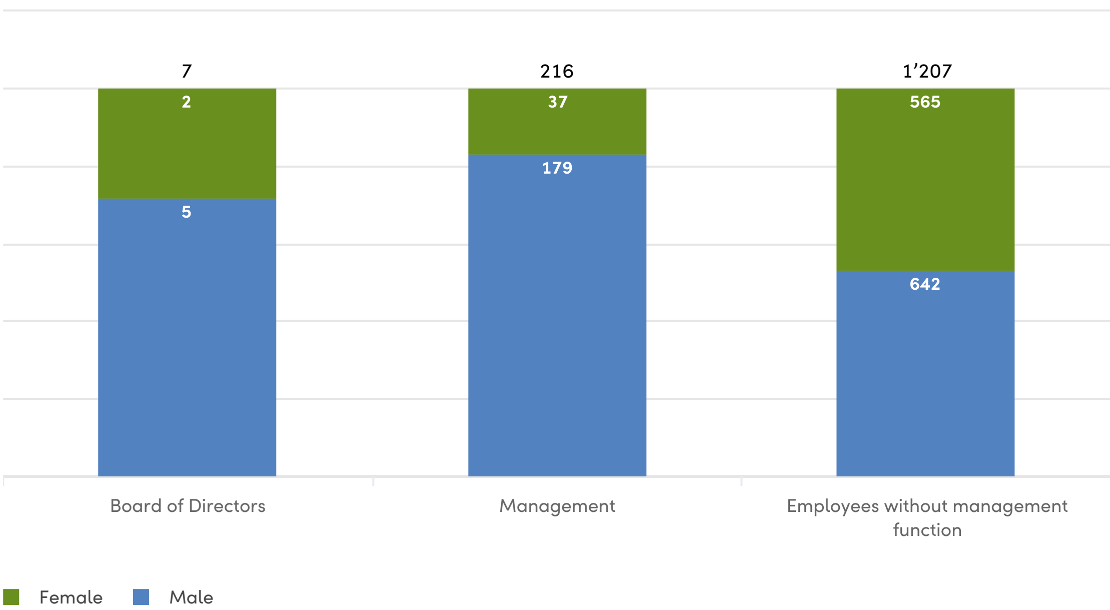
Diversity and inclusion key figures

in per cent	31.12.2023	31.12.2022	Target 2026	Target 2030
Gender mix				
Share of women in per cent	42	43	>40	>40
Share of women in positions of responsibility	23	21	30	35
Share of women in leadership roles	17	17	25	30
Share of women in senior management	8	10	15	20
Generation mix				
Departures of employees aged 55+ as a share of total departures [1]	4.4	11.0	<20	<20
Share of employees aged 35+ in positions of responsibility	7.7	7.4	15	20

1 Excluding natural causes

The proportion of women working for the LLB Group is relatively high at 42 per cent as at 31 December 2023 (31.12.2022: 43 %), though they are still under-represented in leadership positions. On 31 December 2023, there was one woman in Executive Management (31.12.2022: 1) and two women (31.12.2022: 2) in Senior Management. There has been one woman on the Group Executive Board since 2016. At the end of 2023, with two out of the seven members women, the proportion of women on the Board of Directors was 29 per cent (see chapter Corporate governance). 85 employees were assigned to the “Potential Pools”, from which, among other things, future managers are recruited internally; of these, 29 were female (see section Performance management and employee development).

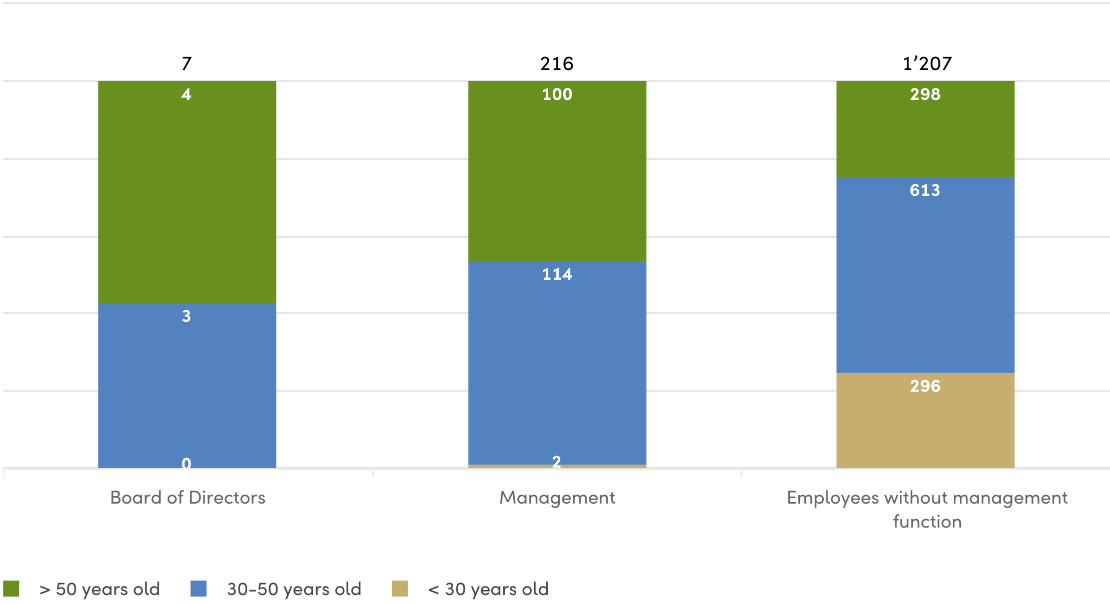
Breakdown by gender [1]



1 Including permanent and temporary employees.

With a view to achieving a generational balance, we want to retain outstanding employees over the long term and propel younger employees with potential into positions of responsibility more quickly.

Breakdown by age group [1]



1 Including permanent and temporary employees.

Pay equality

In 2020, together with the University of St. Gallen (HSG), we analysed pay equality between men and women. The results from the analysis presented in 2021 confirmed that there is no statistically significant disadvantaging of women at the LLB Group:

- At LLB in Liechtenstein Logib – a web tool to analyse pay equality – produced a result of 3.3 per cent.
- At LLB Schweiz the figure was 7.6 per cent.

Based on this, Liechtensteinische Landesbank received the highest award possible, the "We pay fair" certificate. LLB Schweiz similarly complies with the legal framework with its wage differential; no analysis was undertaken for LLB Österreich. The target value for 2026 and 2030 has been defined as below 5 per cent for each Group company.

Anti-discrimination

We vehemently oppose any form of discrimination. Offering all employees at the LLB Group the same opportunities, alongside other preventative measures, helps reduce discrimination in the workplace. Group Human Resources (GHR) is the body to turn to in case of any dispute. In 2023, there were no cases of discrimination reported at the LLB Group.

Initiative for employees 50+

Rapid digital developments and growing complexity are affecting the workplace, making job profiles more demanding. Staying motivated and up-to-date is a challenge – especially for people who have been in professional life for a long time.

At our Liechtenstein location, 26 per cent of employees are over the age of 50. To ensure they remain fit for the working world of the future, we have a special programme available for them. It includes, among other things, offerings to strengthen personal, professional and methodological competence. Our courses for employees turning 50, namely an analysis of their financial position, and for those over 56 of regular progress meetings are actively used and appreciated.

And the “Skills 4.0” course from a leading centre of excellence for future-oriented learning in Switzerland provides further education training to meet the needs specifically of the 50+ age group. Two courses from the Liechtenstein Chamber of Commerce and Industry – one on looking at where they stand in life at age 50+ and the other on consciously entering a new stage of life – which we recommend to our employees, are also well received.

Training as a main pillar of a company’s success

For the LLB Group, training and professional education are important instruments for increasing its competitiveness. They can also enhance the professional and personal skills of current and potential employees. Moreover, this not only has a positive effect on the level of qualifications of LLB employees but also on the overall level of qualifications in Liechtenstein’s labour market.

The organisational unit Group Human Resources is responsible for implementing a uniform personnel and social policy in accordance with the corresponding Group directives. All employees receive regular appraisals of their performance and their career development.

Performance management and employee development

The LLB Group has two uniform appraisal processes – the “Performance Management Process” (PMP) and the “People Development Process” (PDP) – to support the systematic development of its employees. For employees with above-average potential, so-called “Potential Pools” are created. Those talents who exhibit considerable development potential and are highly motivated are supported in a targeted manner. Our electronic portal eMap allows all employees to create a profile containing personal information regarding their ambitions. It also provides them with an overview of courses and of any training they have completed or are planning to undertake. The Group-wide training and education programmes are reviewed every year. The LLB Group also draws on employee surveys, which are carried out regularly, to improve its offering.

In the reporting year, we invested almost CHF 2.0 million (2022: CHF 1.8 million) in the targeted development of managers, talent and competences. By doing so, we were able to fill 60 per cent (2022: 69 %) of management positions that became vacant internally. In the “Career Planning” project, developmental intentions and perspectives were discussed with interested employees using a system-based process and with the aid of competence-oriented job profiles.

Digital learning

In the age of digitalisation, learning is increasingly taking place online. Digital learning formats are opening up new possibilities for acquiring knowledge. Many of our internal training courses now use webinars to deliver content.

All LLB Group employees have access to LinkedIn’s entire e-learning offering. LinkedIn Learning provides expert-led practical courses that enable them to acquire or enhance and deepen skills. Greater flexibility is another advantage of e-learning: employees can learn at any time or place, according to their individual needs. LinkedIn Learning is therefore also an essential component of our Group-internal management training.

Client adviser certification

With mandatory SAQ client adviser certification, we are ensuring the outstanding advisory competence of the LLB Group for the long term according to uniform quality criteria. In 2023, some forty employees with client contact started certification. The recertification catalogue had new training topics added, both in the online and in-person formats. Around seventy employees needing recertification in 2023 were able to extend their SAQ certificate for another three years.

The SAQ certification also complies with the regulatory requirements arising from the European Markets in Financial Instruments Directive (MiFID II) and the Swiss Financial Services Act (FinSA). In 2023, we invested around CHF 230’000 (2022: CHF 220’000) in training programmes in accordance with the standards of the Swiss Association for Quality (SAQ).

Sustainability training for employees
We have established a multi-stage sustainability training programme aimed at our client advisers to help them stay up to date in the face of our growing sustainable product range and associated increased requirements from the clients’ side as well as the legislators’. The programme was continued during the reporting year. Its attendance is mandatory for all new employees and client advisers. Two hundred and thirty employees completed the programme in 2023. In 2023, an online training course also took place for all client advisers on the topic of energy-efficient renovation of buildings. Some 190 employees have already completed the course.

Management development
Our managers play a key role in the implementation of our corporate strategy. In order to provide prospective and new managers with the necessary skills, we make use of the internal Leadership Development Programme (LEAD), which 29 employees completed successfully in the reporting year.

Professional training
LLB is one of the largest providers of training in Liechtenstein. In 2023, the LLB Group trained a total of 22 apprentices (2022: 25) in the fields of IT and commerce. These young adults benefit from high-quality dual vocational education and training. The traditional apprenticeship remains the main pillar of the development programme for our junior employees. We believe that the provision of a broad education is a key task, especially as through the Federal Vocational Baccalaureate (FVB) it allows young adults to keep their options open to go to a university of applied sciences or a traditional university. To raise awareness of sustainability matters amongst apprentices, we ran a multi-day workshop in 2023, together with the foundation “myclimate”. This enabled participants to gain the necessary knowledge as well as work on sustainability projects themselves.

Bachelor, work and study, and master programmes
The LLB Group focuses strongly on university graduates. There are three different programmes available for candidates:

- practical-based direct entry for graduates (2023: 6 participants);
- a work and study programme for postgraduates in the final phase of their studies (2023: 4 participants);
- and a trainee programme for postgraduates (2023: 10 participants) in the areas of general and relationship management.

The participants of these three programmes are in contact with top management, are involved in day-to-day business from the outset and profit from the comprehensive spectrum of tasks of a universal bank. Those who demonstrate performance and commitment are recommended for a permanent position.

The LLB Group continues to have large demand for employees with a higher education. To enhance our profile as an attractive employer, we are regularly visibly present at both online and physical events at the Universities of Liechtenstein and St. Gallen, FHS St. Gallen University of Applied Sciences and Zurich University of Applied Sciences (ZHAW) in Winterthur. This is bearing fruit: the level of qualifications of new entrant employees and managers remained constant in the reporting year compared to 2022.

Digitalisation of personnel management
The LLB Group has had a digital portal for some years now that offers employees and managers a uniform platform for a variety of different HR applications, ranging from tools for learning management to onboarding new employees. At the same time, two management-intensive processes (performance management and people development) were also system supported and automated, improving and facilitating performance measurement and employee development. The HR portal also enables employees to network more closely internally over a collaboration platform.

We are increasingly using digital tools for recruitment purposes, too. The focus is on recruiting via our social media channels, i.e. LinkedIn, Instagram and Xing.

Social commitment
The LLB Group's Future Foundation promotes activities and commitment in the areas of community service and the environment. Central to this are individuals and organisations whose actions serve as a model for successfully supporting the community. In addition, we had a new focus in 2023: employees actively supported non-profit and charitable projects in Liechtenstein, Switzerland and Austria. During a social volunteering day they lent a hand and made a valuable contribution. Through the Group-wide "Operation Christmas Child" campaign we helped disadvantaged children, bringing a little happiness under the Christmas tree.

Last year we took part as a Group in the "Operation Christmas Child" initiative for the first time. Since 1993 the project has provided millions of children in need around the world with small gifts and urgently needed items. Within the LLB Group we collected a total of 156 shoe boxes in 2023. The parcels from the German-speaking countries went to children in Eastern Europe.

Communicating with employees
Clear, transparent communication is imperative to gaining trust and commitment from employees. Here, the LLB Group is guided by the values of "integrity" and "respectfulness". This enables us to increase the acceptance of change processes. We foster our corporate culture and motivate employees to contribute to the implementation of the ACT-26 strategy, so that its goals as well as the achievement of intermediate steps are clearly visible to those on the outside.

The main instrument for internal communication is LLB's intranet. The modernised version (SharePoint) offers an array of collaboration tools such as, for example, the comment function. These tools enable employees to engage in interactive dialogue – much like on other social platforms.

In accordance with the Group directive "Corporate communications", employee communication is anchored in Group Corporate Communications. The Head of Group Corporate Communications periodically reports to the Group CEO and discusses key internal and external announcements with him. The Group CEO regularly addresses employees at all Group companies with video messages on ongoing projects as well as on new developments via the intranet. At least once a year, he invites all employees to the Group Forum. This internal information event is designed as an annual kick-off event and is broadcast by livestream to all business locations outside Liechtenstein. There is also an annual Group Night, where the Group CEO addresses the staff, but it is primarily a social gathering. An important internal communication channel is the LLB Voices staff magazine, which is published four times a year.

The main focus of internal communication in 2023 was the ACT-26 strategy – and there were many narratives on the topics of sustainability, growth, efficiency and digitalisation that accompanied it. Through this project, video production has become increasingly important within the LLB Group.

Representation of Employees
As a fair and responsible employer, it is important to us that employees have a body to whom they can turn should they encounter problems at work and which represents their interests vis-à-vis the Group Executive Board. The Representation of Employees (Arbeitnehmervertretung) at LLB's parent bank holds a regular dialogue with the Group Executive Board. The former has a say in various issues such as staff pension plans, rationalisation projects and staff retrenchment. It also represents the viewpoint of the employees in working groups such as the Mobility Commission and the Working Atmosphere and Health Commission. The Group Executive Board is obliged to inform the Representation of Employees of all matters that are relevant to employees. The Group CEO and the Head of Group Human Resources alternate this task on a quarterly basis. As at 31 December 2023, 19.2 per cent (31.12.2022: 19.3 %) of LLB Group employees are covered by collective employment contracts.

Personnel Pension Fund Foundation
The Personal Pension Fund Foundation of Liechtensteinische Landesbank provides a modern and straightforward pension solution. Our pension fund and its defined contribution scheme offer all insured persons an attractive benefit plan that goes beyond the requirements of the law. In addition, the employer assumes at least two thirds of the contributions. Securing pension provision is the top priority and this is monitored by the Board of Trustees on an ongoing basis. To achieve this objective long term, the technical parameters are set deliberately and carefully. In addition, the path we have embarked on towards digital channels will stand us in good stead for the future.

LLB Group headcount statistics

	31.12.2023	31.12.2022	31.12.2021
Employees			
Number of employees (full-time equivalents)	1'213	1'116	1'056
Full-time employees	1'024	939	903
of which apprentices	22	24	27
of which young talents [1]	19	25	17
Part-time employees	399	379	326
Employee retention			
Staff turnover rate in per cent	9.9	13.0	14.5
Average length of service in years	8	9	9
Average age in years	41	41	41
Diversity and equal opportunities			
Number of nations	40	39	38
Share of women in per cent	42	43	42
Training and professional education			
Training costs in CHF thousands	1'955	1'772	1'500
of which SAQ certification costs in CHF thousands	230	220	198

1 Includes all working students in master's studies, trainees with a master's degree and direct entrants with a bachelor's degree. All young talents have temporary employment contracts.

Corporate environmental and climate protection

As a responsibly operating company, it is important to us to contribute to environmental and climate protection and to the conservation of natural resources. As such, we aim to fulfil our responsibility by monitoring CO_2 emissions in our own operational locations and by managing climate risks effectively.

Effective climate management

The LLB Group has the biggest impact on the environment and services through its bank products and services (see chapter Environmental and social responsibility in banking). Nevertheless, we see it as our duty to become greener in our banking operations too and make an active contribution to protecting the environment and mitigating climate change. Thus we are setting a good example and laying firm foundations for discussions with our clients, who are facing similar challenges.

We have identified our CO_2 emissions as the primary source of our negative impact. By measuring these regularly and managing them effectively, we not only minimise the effect that we would have on the climate by releasing additional greenhouse gases into the atmosphere, we also protect our business operations from damage (e.g. with regard to the tougher climate legislation that is in the pipeline) and thus safeguard our services for all of our stakeholders.

This is why we take numerous measures to lower CO_2 emissions within the LLB Group. These include using regenerative energy sources, installing photovoltaic systems, increasing energy efficiency and promoting economical use of resources. We offset any emissions that we are unable to reduce by purchasing climate certificates. We aim to achieve complete climate neutrality, i.e. net zero CO_2 emissions, both in our banking operations and with our products by 2040. In respect of the former, we have set ourselves the interim target of reducing our emissions by at least 20 per cent by 2026 compared to 2019.

Transparent reporting

The LLB Group is committed to open and transparent reporting on its climate management efforts. Our CO_2 emissions are our most important key performance indicator in this regard as they provide us with information on the negative impact that we are having on the environment and what risks this poses to the LLB Group. For this reason, we have recorded our CO_2 emissions in all three dimensions specified in the Greenhouse Gas Protocol (GHG Protocol) since 2022:

- **Scope 1** includes all direct emissions caused by combustion.
- **Scope 2** includes emissions caused by purchased energy (electricity, district heating).
- **Scope 3** includes emissions caused by purchased inputs, third-party services or one's own products and services.

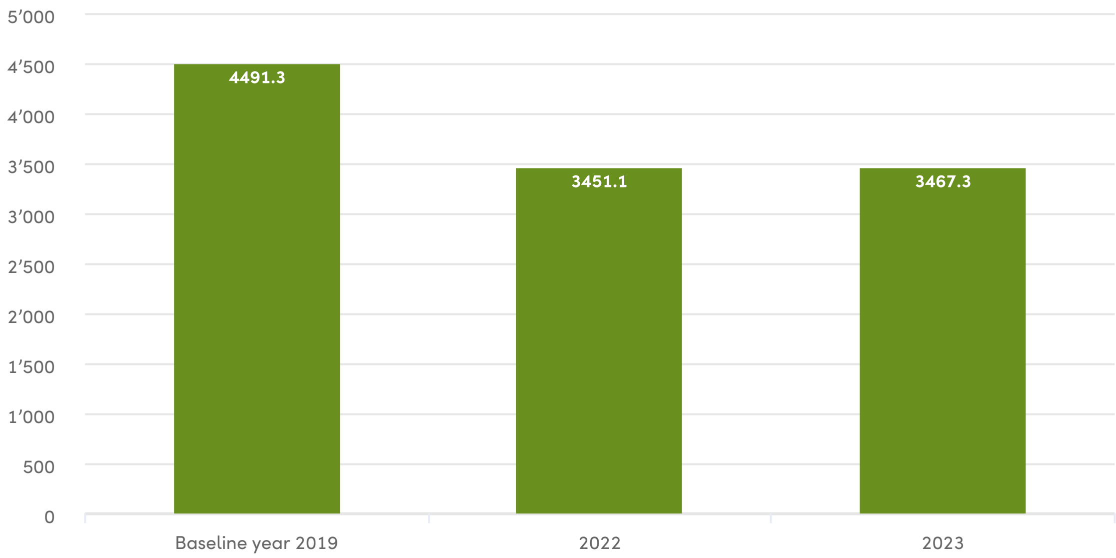
In this report, we focus on the categories relevant to us – 1, 2 and 3.1 to 3.7 – to calculate our CO_2 footprint. Specifically, these Scope 3 categories are “Purchased goods and services”, “Capital goods”, “Fuel and energy-related activities”, “Upstream transportation and distribution”, “Waste generated in operations”, “Business travel” and “Employee commuting”.

Also of particular relevance to banks is Scope 3.15 (“Investments”), which covers emissions generated by our bank products, services and own investments. More information on these Scope 3.15 “financed emissions” can be found in the chapter Environmental and social responsibility in banking.

Development of CO_2 emissions

The LLB Group generated total CO_2 emissions of 3’467.3 t in 2023, up slightly on the previous year (3’451.1 t). This increase has much to do with the LLB Group’s growth trajectory: the reporting year saw some 100 new staff taken on (full-time equivalents (FTEs); see chapter Employees) and the groundwork laid for opening the new offices in Germany. This pushed up CO_2 emissions linked to transport and catering. IT lifecycle measures also contributed to the rise in these emissions.

Development of CO_2 emissions in the LLB Group (in t CO_2)

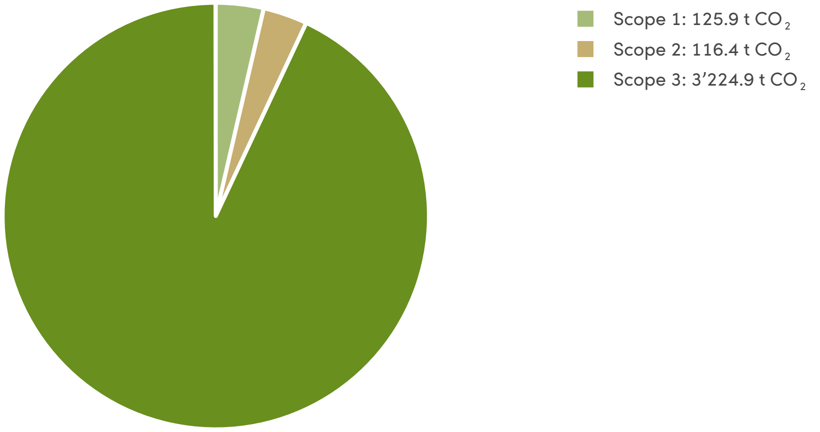


CO_2 emissions have fallen by some 23 per cent compared to the baseline year of 2019, meaning that we met our interim target of a 20 per cent reduction during the reporting year – i.e. ahead of schedule. As we switch our sustainability reporting to the European Sustainability Reporting Standards (ESRS), however, we will be reassessing our emissions, which may result in restatements.

At 72 per cent, the vast majority of our emissions in 2023 were attributable to LLB AG and its subsidiaries in Liechtenstein, with LLB Österreich and LLB Schweiz roughly splitting the other 28 per cent between them. As expected, Scope 3 emissions (categories 3.1 to 3.7) exceeded Scope 1 and 2 CO_2 emissions several times over in 2023.

Mobility is the biggest driver of emissions in the LLB Group’s banking operations and accounted for about two thirds of total CO_2 emissions in 2023. Commuting by employees accounted for about 56 per cent and business trips for about 12 per cent of these emissions. While LLB AG and its subsidiaries in Liechtenstein produce an average of 2.9 t CO_2 per employee (FTE), LLB Schweiz and LLB Österreich generate 3.1 t CO_2 and 2.2 t CO_2 respectively.

Breakdown by Scope (in t CO_2)



Action taken to cut CO_2 emissions

A number of measures have helped bring about a positive long-term trend in our CO_2 emissions, most notably the corporate mobility management and energy management being pursued by the LLB Group.

Corporate mobility management
The LLB Group is committed to keeping the environmental pollution caused by business and commuter traffic as low as possible. To this end, we have had a corporate mobility management scheme in place for several years now that is geared primarily towards encouraging eco-friendly commuting. During the reporting year, the Group Executive Board agreed on an enhancement to the mobility concept, which will take effect at the start of 2024. This "mobility management 2.0" will create even more incentives for climate-friendly mobility. At our locations in Liechtenstein, we have significantly increased our subsidies for using public transport and the bonuses that we pay staff who choose not to take up a parking space. By contrast, we apply a two-tier system of parking charges, which depend on the length of an employee's commute. Discounts are available for electric cars and plug-in hybrids.

We have installed nine electric charging points in all at six locations in Liechtenstein. They are primarily intended for staff but can also be used by our clients. We promote the use of non-motorised transport by providing changing facilities and showers with towel services as well as company bicycles. We also contribute CHF 50 towards the purchase of a bicycle helmet and motivate our employees to take part in the "Radfahren für Ihre Gesundheit" (Cycling for your health) competition run by the Liechtenstein Ministry of Infrastructure and Justice as well as that organised by the Liechtenstein Chamber of Commerce and Industry (LCCI) entitled "Mit dem Rad zur Arbeit" (Cycling to work). Out of all LLB employees in Liechtenstein, 370 (2022: 365) now come to work by bus, bike or on foot; this corresponds to 44 per cent.

In addition, our expenses regulations set out measures for business trips that also apply to LLB Österreich. For instance, staff travelling to social events and internal meetings are expected to use mainly public transport. Thanks to the extremely extensive network operated by Wiener Linien, the level of CO_2 emissions attributable to commuters at LLB Österreich is much lower than at the Group's other locations. The bank has covered the cost of annual season tickets for public transport since September 2023 in order to make using it an even more attractive proposition.

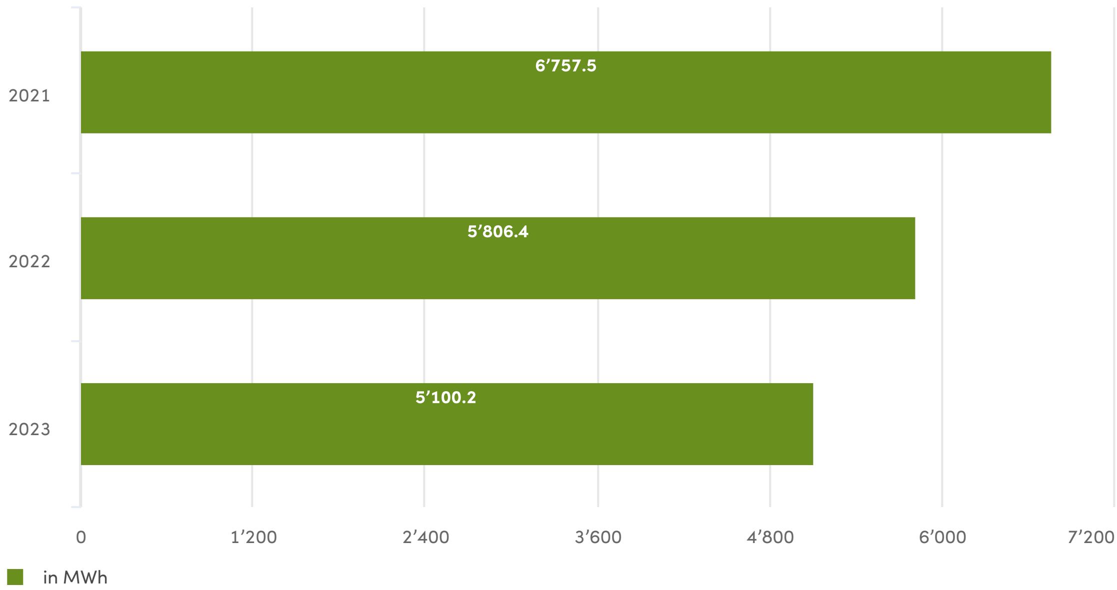
LLB Schweiz is currently weighing up changes to its own mobility management. Most of its employees likewise walk or take public transport to work.

Climate-conscious energy supply
The organisational unit Facility Management identifies potential energy savings and evaluates the outcome of efficiency measures. Again in 2023, efforts were made to increase the efficacy of the facilities where possible. The projects implemented or planned include:

- Introducing target temperature ranges for heating and cooling office buildings;
- Gradually switching the LLB vehicle fleet over to electric cars;
- A concept for introducing double-sided printing as standard in a way that maintains compatibility with pre-printed stationery;
- Drawing up a code of conduct for suppliers, which must be signed by all suppliers above a certain purchasing volume and which commits them to protecting the environment, mitigating climate change and upholding social and corporate governance standards:

Total energy consumption in the LLB Group fell by 12 per cent to 5’100.2 MWh (2022: 5’806.4 MWh).

Development of energy consumption in the LLB Group (in MWh)



LLB is anticipating further savings on the back of the action taken in response to the power shortages in winter 2022/23. The parent bank managed to reduce its electricity consumption by 14.3 per cent, or 460’076 kWh, in the reporting year compared to 2022. LLB AG and LLB Österreich have already completely switched over to green electricity; at 92 per cent, LLB Schweiz has largely completed its switchover. We have also started operating a photovoltaic system at our locations in Uznach and Eschen and two in Vaduz and will be fitting a solar facade in Eschen in 2024.

The LLB buildings that used natural gas were fully switched to biogas from 1 July 2022, a move that had been taken at LLB Schweiz as long ago as 2021. Gas consumption at LLB in Liechtenstein was reduced by 12.7 per cent in 2023 compared to 2022 levels.

Climate-neutral banking operations
The LLB Group's banking operations have been certified as climate-neutral by Swiss climate foundation "myclimate" since 2021. Amongst other things, this is achieved by purchasing climate certificates. Here, we solely finance environmental-protection projects where carbon dioxide is absorbed from the atmosphere ("carbon-removal projects"; see chapter Our understanding of sustainability). Going forward, our aim is to reduce the amount of offsetting that we do in favour of reducing our CO_2 emissions.

Developments on the international stage are likely to redefine how climate-neutrality is measured in banking operations in 2024. For example, offsetting measures will only be deemed to reduce emissions if the country in which the measures are based waives its entitlement to count them towards its own reduction targets (specifically, its Nationally Determined Contributions under the Paris climate agreement). A voluntary waiver of this kind is likely to be the exception rather than the rule in the short to medium term. The new eligibility rules will do nothing to change the fact that the projects supported by the LLB Group have a positive impact on the environment and society by removing CO_2 from the atmosphere while making the planet a better place for people and animals to live on.

Climate risk management
The LLB Group's risk management process ensures that climate risks are appropriately identified, assessed, managed and monitored. The risk strategy aligned with our climate goals provides the framework for this and helps us to promote the transition to a low-emission economy and society. At the same time, we are making our business strategy more resilient to climate risks (see chapter Risk management).

Key figures on corporate environmental and climate protection
The LLB's total energy consumption and greenhouse gas emissions (Scopes 1, 2 and 3.1 to 3.7) are shown below. The following gases were included in the calculation of CO_2 emissions:

- Carbon dioxide (CO_2)
- Methane (CH_4)
- Nitrous oxide (N_2O)
- Hydrofluorocarbons (HFCs)
- Perfluorocarbons (PFCs)
- Sulphur hexafluoride (SF_6)
- Nitrogen trifluoride (NF_3)

We used the database ecoinvent 3.6 as the source for the emissions factors and based our calculations on the IPCC's 2013 methodology, which determines greenhouse gas potential over a 100-year period. The calculation covers all LLB Group companies, consolidated following the "operational control" principle.

We updated the basis for our calculations in light of new scientific findings as part of a data quality management process. Compared to the figures in the TCFD Report 2022 and Sustainability Report 2022, therefore, there have been a number of slight restatements to the figures for the 2021 and 2022 reporting years as well as to the baseline year of 2019.

Energy consumption and greenhouse gas emissions of the LLB Group

	2023	2022	2021
Energy consumption (in MWh)	**5'100.2**	**5'806.4**	**6'757.5**
Electricity	3'677.1	4'312.3	4'701.8
District heating	347.3	320.1	436.3
Total heating fuels	833.7	988.8	1'215.8
Heating oil	105.7	128.2	136.2
Natural gas [1]	151.0	405.2	719.6
Biogas [1]	577.0	455.4	360.1
Total motor fuels	242.0	185.2	403.6
Diesel	164.2	126.1	229.6
Petrol (vehicles) [2]	66.9	53.8	145.7
Electric vehicles	10.9	5.3	3.0
Hybrid vehicles [3]	0.0	0.0	25.3
GHG emissions (in t CO_2) [4]	**3'467.3**	**3'451.1**	**3'074.3**
Scope 1 total [5]	125.9	156.8	350.2
Heating fuels	56.6	111.9	175.4
Motor fuels	53.8	41.9	94.2
Volatile gases (refrigerants) [6]	15.5	2.9	80.6
Scope 2 total [7]	116.4	142.1	150.2
Electricity [8]	73.8	105.0	103.5
District heating	42.6	37.1	46.7
Scope 3 total	3'224.9	3'152.2	2'573.9
Purchased goods and services	386.8	331.3	321.1
Capital goods	207.9	132.3	154.1
Fuel and energy-related activities	191.4	193.9	253.7
Upstream transportation and distribution	59.9	51.5	58.9
Waste generated in operations	28.8	27.7	25.2
Business travel	404.7	423.1	259.1
Employee commuting	1'945.4	1'992.4	1'501.8

1 Increased utilisation of biogas alongside natural gas from 2021
2 Since 2022, only business trips have been reported. In previous years, the use of vehicles for private purposes was also included.
3 The energy consumed by hybrid vehicles has been reported under petrol consumption since 2022.
4 Greenhouse gas emissions were calculated in accordance with the guidelines of the Greenhouse Gas Protocol.
5 Greenhouse gas emissions from own heating boilers, fuels and air conditioning systems
6 The actual replenishment requirement has been reported since 2022. In previous years, assumptions were made for this requirement.
7 Greenhouse gas emissions resulting from the production of purchased electricity and district heating. The statement is prepared using a "market-based approach" in accordance with Greenhouse Gas Protocol Scope 2 guidance.
8 Emissions from the use of electric vehicles are also included here. Reported according to the "market-based approach" of the Greenhouse Gas Protocol Scope 2 Guidance.

Industry initiatives and corporate citizenship

As part of various industry initiatives, the LLB Group campaigns for a sustainable banking sector and supports various ecological, social and cultural projects, thus making an active contribution to the prosperity of the population and to the sustainable development of Liechtenstein.

Participation in industry initiatives

The LLB Group derives from its corporate values and its guiding principles a strong commitment to responsible banking. By participating in various industry initiatives, we bring our ideals to the financial industry and, in doing so, also help advance our goals. This applies not least to the area of sustainability.

As an active member of the Liechtenstein Bankers Association (LBA) and Liechtenstein Chamber of Commerce and Industry (LCCI), we are committed to making the country fit for the future. Within the LBA, we have also long campaigned for sustainable finance to be made an important pillar of the banking centre's strategy. This is underpinned by an understanding that the financial industry and the whole economy are key to the sustainability transformation.

	Consideration of ESG aspects in investment decisions	Alignment of business strategies with SDGs and Paris climate agreement	Credit / investment portfolios by 2050 to net zero	Consideration of universal ethics standards in corporate governance	Commitment to early attainment of Paris climate goals before 2040	Accounting method to determine/report GHG in asset categories	Largest sustainability network in Switzerland	State-of-the-art climate reporting standard
Year joined	2020	2021	2021	2021	2022	2022	2022	2022

We reaffirm our commitment to sustainability and climate protection through membership in the most important international climate initiatives:

- **The United Nations Net-Zero Banking Alliance (NZBA):** we have been a member of the NZBA since August 2021. The alliance is geared towards financing and driving forward the economic transformation in order to reach net zero by 2050 at the latest.
- **Race to Zero:** through its membership of the NZBA, the LLB Group is also part of the Race to Zero campaign – an initiative launched by the United Nations. The campaign brings together state and non-state actors from more than 90 nations. They recognise the importance and the urgency of working towards a decarbonised economy in order to create a healthier, safer, cleaner and more resilient world for future generations.
- **Principles for Responsible Banking (PRB):** in 2021, we also became a signatory to the United Nations' PRB. The PRB is an initiative for responsible banking and provides a single framework for a sustainable banking industry. It was developed as part of an innovative partnership between banks around the world and the Finance Initiative of the United Nations Environment Programme.
- **The Climate Pledge:** the Climate Pledge is a voluntary commitment to implement the Paris climate agreement ten years earlier and thus be CO_2-neutral by 2040. The LLB Group has been an official partner since March 2022.

- **Principles for Responsible Investment (PRI):** the LLB Group has been a member of the Principles for Responsible Investment Finance Initiative since 2020. As such, it supports the responsible management of securities.
- **Climate foundations:** we are a partner of the independent non-profit LIFE Climate Foundation Liechtenstein (since 2009) and the Swiss Climate Foundation (since 2012). We thus belong to a group of partner firms that pool their resources to provide uncomplicated, efficient support to small and medium-sized enterprises (SMEs) in Switzerland and Liechtenstein that contribute to climate protection. We pass any refunds of the CO_2 levy that we receive from the Principality of Liechtenstein on to the climate foundation and thus promote climate-friendly products and technological developments as well as energy-saving projects.
- **UN Global Compact:** As a United Nations initiative, the UN Global Compact pursues the vision of an inclusive, sustainable global economy that benefits all people, communities and markets. To make this happen, the UN Global Compact supports companies to do business responsibly by aligning with ten universal principles on human rights, labour standards, environmental protection and anti-corruption as well as by incorporating the Sustainable Development Goals (SDGs).
- **Partnership for Carbon Accounting Financials (PCAF):** PCAF is a global, industry-led initiative to assess and disclose the greenhouse gas emissions financed by loans and investments. Following PCAF recommendations on how to calculate CO_2 ensures that the CO_2 data that the LLB Group discloses are meaningful and comparable with other institutions.

Sponsoring

When it comes to the positioning and visibility of the LLB Group, the area of sponsoring and events plays an important role. The aim of our sponsoring strategy is to gain stakeholders as brand ambassadors. We observe thereby the following principles:

- We want our four values (integrity, respectfulness, excellence and passion) to be experienced on an emotional and professional level through our activities.
- We strengthen and enable platforms and partnerships which fit us best.
- We explain clearly what the LLB Group stands for using topic pyramids.
- We coordinate partnerships and our own events Group-wide using a management tool.

The focus of our sponsoring commitments is on the thematic areas of sports, culture and competence. In these areas, we support various projects and organisations.

As part of a long-standing partnership, we continue to provide backing to the junior talent of FC Vaduz. As a partner to the Liechtenstein Olympic Committee, we are the main sponsor of the "LLB Nacht des Sports" (Night of Sports), at which the "LLB Sport Award" is also presented. And we are a presenting partner at the "Olympic Day", a sporting event held annually for all fourth- and fifth-grade school classes in Liechtenstein. This reporting year, we could go ahead again as planned with the Business Day for Women in Vaduz, where we explored the topics of diversity and inclusion. The "LLB Business Day Award" was presented at the event, which was devoted to women who have returned to the world of work. This year's winner was Ursula Wegstein, who won over the panel with her impressive CV.

The "Finanzcoach" (Finance Coach) course for children and young people was launched at the Eschen branch in summer 2023. The initiative is designed to teach them how to handle money and show them how finance and economics relate to our everyday lives. The course modules have been prepared to suit the respective age groups together with the Liechtenstein Bankers Association and are delivered by LLB employees in their role as "Finance Coaches".

LLB Schweiz also supports a range of organisations, with a similar focus on the three thematic areas of sports, culture and competence. It has sponsoring agreements with the Kulturtreff Rotfarb (a cultural centre) in Uznach, Knie's Kinderzoo in Rapperswil-Jona, the Flumserberg mountain lifts and the Unihockey Club HC Rychenberg in Winterthur.

LLB Österreich makes donations to numerous organisations engaged in the areas of art, culture and community service. It is also a member of various friends or supporters associations, including those of the Burgtheater, the Leopold Museum and the Albertina. In 2023, the bank once again supported and targeted donations at local Austrian institutions (including the Vienna Boys' Choir) and traditional companies.

The charitable nature of sponsoring undertaken by the LLB Group is placed to the fore. The projects and institutions supported are independent in terms of content and organisation. In 2023, LLB made awards worth CHF 342'000.– (2022: CHF 146'500.–) in Liechtenstein and LLB Schweiz awards worth around CHF 350'000.– (2022: CHF 330'000.–). LLB Österreich spent around EUR 90'000.– (2022: EUR 218'000.–) on donations, membership fees and sponsorship in Austria.

Through our many commitments, we contribute significantly to the implementation of the sustainability strategy of the LLB Group.

The non-profit Future Foundation

The "Zukunftsstiftung der Liechtensteinischen Landesbank AG" (the Future Foundation of Liechtensteinische Landesbank AG), which was founded in 2011 as part of our 150th anniversary celebrations, supports commitment to social and ecological sustainability in everyday life. We support organisations and non-profit projects that improve living and working conditions and promote self-responsibility. We also promote projects dedicated to environmental protection. We also focus on innovations in the areas of knowledge transfer as well as the integration and implementation of social entrepreneurship.

The annual event for donations by LLB's Future Foundation took place in Vaduz at the end of November 2023. CHF 153'000 in total was donated to 28 institutions for the first time.

Trust, responsibility and reliability are important to the LLB Group. We are closely connected to the people as well as the economy of Liechtenstein and our other home markets. In addition to project-specific donations amounting to CHF 71'000.00, the Future Foundation contributed to society by donating a total of CHF 153'000.00 to 28 social organisations in 2023. The Future Foundation is a member of the network of the "Vereinigung liechtensteinischer gemeinnütziger Stiftungen" (Association of Liechtenstein Non-Profit Foundations), which aims to promote the idea of entrepreneurial philanthropy.

Projects in 2023
Through its annual donations to a set circle of social institutions in Liechtenstein, the Future Foundation helps to maintain healthy social structures in the country. Providing additional funding to individual projects helps innovative ideas in the area of social and ecological development in the market regions covered by LLB as well as LLB Schweiz (Liechtenstein and eastern Switzerland) to be realised in practice.

The Future Foundation has distributed over CHF 1.8 million in the last thirteen years. Projects that were supported or considered for a donation for the first time in 2023 included:

- **pepperMINT:** The MINT Initiative Liechtenstein is a social foundation that offers children and young people the chance to experience and learn mathematics, computer science, natural science and technology in a fun way.
- **Stiftung Lebenswertes Liechtenstein:** The foundation's aim is to promote the long-term healthy social, ecological and economic development of the Principality of Liechtenstein, creating a positive national and international appeal and impact.
- **Zukunft.li Foundation:** The liberal think tank deals with economic and socio-political topics relevant to the sustainable development of Liechtenstein and to securing its future.
- **Makerspace Liechtenstein e.V.:** The association received support with its Precious Plastic Program. The manufacture of new products in an environmentally friendly way is facilitated through specially developed machinery and tools, which shred and melt recycled plastic and press it into injection moulds.
- **Familienzentrum Association, Balzers:** The new association, which is responsible for the development and management of the families centre in Balzers, received funding for the project's initial costs.
- **SOS-Kinderdorf Liechtenstein e.V.:** SOS Children's Villages is a non-profit charitable foundation. Its primary objective is to protect children in need. We support the "Frühe Hilfen" (early intervention) programme, which helps families in difficult situations who need funding for aids, therapy and / or care. The association will also be considered for our donations in the future.
- **Verein für Menschenrechte in Liechtenstein VMR:** The mission of the association, which was founded in December 2016, is to protect and promote human rights in Liechtenstein.
- **Ideenkanal:** The eponymous, non-profit Ideenkanal Foundation based in Vaduz provides the organisational framework for the ideas channel. The purpose of this foundation is to promote outcome-oriented entrepreneurship in the four German-speaking countries.
- **Verein für Menschen mit Demenz in Liechtenstein:** The association has been the contact partner for people with dementia in Liechtenstein since 2016. Its tasks include public relations, working with those affected and their families as well as training people, who look after and care for sufferers in various contexts. The association also advocates strengthening self-help and sufficient, accessible respite services.

EU Taxonomy

With the EU Taxonomy, the European Union has created criteria for environmentally sustainable economic activities. The LLB Group is disclosing key performance figures for its taxonomy-alignment for the first time in the 2023 reporting year. These key figures provide information as to the extent to which our central assets are in line with the European Union's environmental objectives.

Environmentally sustainable economic activities

The European Union has set itself the target of Europe being the world's first climate-neutral continent by 2050. This project is to be achieved with the European Green Deal. The EU Taxonomy is a key building block on the path to a sustainable economy. It specifies criteria, which allow an economic activity to be classified as environmentally sustainable and defines comprehensive reporting obligations for companies. The aim is to increase the transparency surrounding sustainability and minimise the risk of green-washing.

The LLB Group regards the EU Taxonomy as a tool that will help it achieve its commitment to all-embracing climate neutrality by 2040. In the future, it will provide support for the development of environmentally sustainable products and will help us integrate appropriate principles in all aspects of our business activities.

The EU's environmental objectives

According to Article 3 of the EU Taxonomy, an economic activity qualifies as environmentally sustainable if it contributes substantially to at least one of the six environmental objectives below. At the same time, the activity must not adversely harm any of the other environmental objectives and must comply with the minimum levels for social protection. The six environmental objectives provide a framework for assessing the environmental sustainability of an economic activity under the EU Taxonomy:

1 Climate change mitigation;
2 Climate change adaptation;
3 Sustainable use and protection of water and marine resources;
4 Transition to a circular economy;
5 Pollution prevention and control;
6 Protection and restoration of biodiversity and ecosystems.

The conditions under which an economic activity qualifies essentially as an environmental objective and as causing no significant harm to any of the other environmental objectives are determined using the technical screening criteria laid down in Delegated Regulations (EU) 2021 / 2139, 2022 / 1214, 2023 / 2485 and 2023 / 2486.

Overall, it must be said that the following results cannot represent the reality of the LLB Group entirely. This is due to the fact that financial companies are publishing information on their taxonomy-alignment for the first time this year. Furthermore, there are no national thresholds for nearly zero-energy buildings for a significant part of our mortgage loans. Moreover, manual random sampling and automated quality controls have revealed that companies have either not published information or have only published it incompletely. This leads to inconsistencies in the reporting templates, in particular, to discrepancies between the total values reported and the individual environmental objectives.

2023 reporting obligations
The LLB Group's reporting obligation for 2023 encompasses several Green Asset Ratios (GAR). A GAR corresponds to the percentage of assets associated with economic activities that are in line with the environmental objectives climate change mitigation and climate change adaptation and therefore count as environmentally sustainable under the EU Taxonomy. The total GAR reflects the cumulative value of the individual GARs:

- GAR of the claims, bonds and equity instruments due from or due to financial companies;
- GAR of the claims, bonds and equity instruments due from or due to non-financial companies;
- GAR of mortgage loans and building refurbishment loans;
- GAR for car loans;
- GAR for loans to local public authorities to finance residential construction and other specialist financing;
- GAR for repossessed commercial and private real estate collateral held for sale.

In addition to this, the proportion of exposures related to taxonomy-eligible economic activities per environmental objective must be disclosed. This corresponds to the proportion of assets that is associated with economic activities described in Delegated Regulations (EU) 2021 / 2139, 2022 / 1214, 2023 / 2485 and 2023 / 2486. Neither compliance with the technical screening criteria nor compliance with the minimum levels for social protection is essential for this.

Information as to the extent to which the LLB Group's off-balance-sheet exposures are associated with economic activities that count as environmentally sustainable under the EU Taxonomy must also be provided. Other reporting obligations relate to the extent of the LLB Group's assets that are associated with economic activities in the natural gas and nuclear energy sectors. The reporting obligation for the 2023 reporting year covers not only quantitative information but also qualitative information in accordance with the Delegated Regulation (EU) 2021 / 2178, which are published below for the respective key figures.

Green asset ratios (GAR)

Assets less trading book positions and exposures to central governments, central banks and supranational issuers must be used as the reference value in the denominator for calculating the GAR. This follows from Article 7 Paragraph 1 and Annex V of the Delegated Regulation (EU) 2021 / 2178. According to Article 7 and Annex V of the Delegated Regulation (EU) 2021 / 2178, the following exposures must be excluded from the numerator:

- Central governments, central banks and supranational issuers;
- Derivatives;
- Financial assets held for trading;
- On-demand interbank loans;
- Exposures to entities that are not obliged to publish non-financial information under Article 19a or 29a of Directive 2013 / 34 / EU;
- Cash and cash-related assets;
- Other assets (enterprise value, commodities, etc.).

With respect to the numerator in the respective Green Asset Ratio, the gross carrying amounts as at 31 December 2023 were considered per exposure. These positions within the regulatory scope of consolidation were analysed along the technical screening criteria of the EU Taxonomy. In the case of bonds and equity instruments, use was made of information from an external data provider to help with the analysis.

Subsequently, the figures for all individual positions were weighed with the proportion of revenues and investment expenditure (CapEx) associated with environmentally sustainable economic activities and totalled. A look-through approach was applied to the material LLB funds. A conservative valuation approach was chosen for the remaining funds as part of the initial disclosure. The volumes were subsumed into other assets without being assessed. GARs can therefore be expected to increase in subsequent years on the basis, in particular, because of more valid information on the external funds.

Overview of Taxonomy KPIs

		Total environmentally sustainable assets	KPI (revenue)	KPI (CapEx)	% coverage (over total assets)	% of assets excluded from the numerator of the GAR	% of assets excluded from the denominator of the GAR
Main KPI	**Green asset ratio (GAR) stock**	**26.25**	**0.04**	**0.10**	**72.59**	**38.28**	**27.41**

Additional KPIs		Total environmentally sustainable activities	KPI (revenue)	KPI (CapEx)	% coverage (over total assets)	% of assets excluded from the numerator of the GAR	% of assets excluded from the denominator of the GAR
	GAR (flow)	**26.25**	**0.04**	**0.10**	**72.59**	**38.28**	**27.41**
	Trading book						
	Financial guarantees	0.00	0.00	0.00			
	Assets under Management	84.48	4.01	8.66			
	Fees and commissions income						

Ultimately, the revenue-based total GAR as at 31 December 2023 comes to 0.04 per cent across the Group. In comparison, the LLB Group achieved an investment-related total GAR of 0.10 per cent.

Further details on environmentally sustainable assets (based on the Taxonomy) of the LLB Group can be found in the Appendix to this Annual Report.

GAR by counterparty

The GAR of the claims, bonds and equity instruments due from or due to financial companies amounts to 0.73 per cent based on revenue and 1.32 per cent based on investment. According to the EU Taxonomy, financial companies that are obliged to publish non-financial information in accordance with Article 19a or Article 29a of Directive 2013 / 34 / EU must disclose information on their revenue and investment-related GAR for the first time for the 2023 reporting year. This is why exposures to financial companies that are obliged to publish non-financial information in accordance with Article 19a or Article 29a of Directive 2013 / 34 / EU are incomplete for the calculation of the total GAR and the performance indicator for off-balance-sheet exposures for the 2023 reporting year. The compliance rate is expected to increase for the following year.

The claims, bonds and equity interests due from or due to non-financial companies produce a revenue-based GAR of 5.07 per cent. The investment-based GAR comes to 12.44 per cent. It is important to add that as at 31 December 2023, there is no claim vis-à-vis a non-financial company which obliges the bank to publish non-financial information in accordance with Article 19a or Article 29a of Directive 2013 / 34 / EU.

As at 31 December 2023, we at the LLB Group do have an item of real estate collateral that was acquired as a consequence of the borrower defaulting or the property being auctioned. For the purposes of Taxonomy disclosure, only real estate collateral earmarked for sale needs to be taken into account. This does not apply to plots of land.

Other environmental objectives

In line with the legal requirements, we have only included assets that make a contribution to the environmental objectives climate change mitigation and climate change adaptation in the calculation of the individual GARs. Information on the taxonomy-eligibility of the assets is required for the remaining environmental objectives (sustainable use and protection of water and marine resources; transition to a circular economy; pollution prevention and control; protection and restoration of biodiversity and ecosystems) in the 2023 reporting year. We are unable to disclose these performance indicators as at 31 December 2023 because this information is not yet available from our counterparties.

Challenges with collection
These key figures are largely due to challenges with claims, which do not allow complete disclosure at the current time. For example, there is still no national threshold for near zero-energy buildings in Liechtenstein, which is decisive for checking eligibility. A comparable situation results from insufficient regulations for energy efficiency, which is also vital to calculating the GARs. Complete allocation of exposures to economic activities within the meaning of the EU Taxonomy with complete certainty was not possible either and the interpretation of the requirements is not clear so far[1]. Against this backdrop, a nil return resulted for the revenue and investment-based GAR of mortgage loans, building refurbishment loans, loans to local public authorities for residential construction financing and other specialist financing as well as car loans for the 2023 reporting year.

Performance indicator for off-balance-sheet exposure

The performance indicator for off-balance-sheet exposure comprises a green ratio for financial guarantees to companies and a green ratio for assets under management. It relates to the proportion of assets under management[2] and financial guarantees associated with economic activities deemed to be environmentally sustainable under the EU Taxonomy to the total assets under management and financial guarantees. According to Article 7 Paragraph 1 and Annex V of the Delegated Regulation (EU) 2021 / 2178, all financial guarantees and assets under management less exposures to central governments, central banks and supranational issuers must be used as the reference value in the denominator. According to Article 7 and Annex V of the Delegated Regulation (EU) 2021 / 2178, the following exposures must be excluded from the numerator of the performance indicator for off-balance-sheet exposure:

- Central governments, central banks and supranational issuers;
- Derivatives;
- Exposures to entities that are not obliged to publish non-financial information under Article 19a or 29a of Directive 2013 / 34 / EU.

The proportion of off-balance-sheet exposures associated with economic activities deemed to be environmentally sustainable under the EU Taxonomy comes to 4.01 per cent based on revenue and 8.66 per cent based on investment as at 31 December 2023. These figures are solely due to the green ratio for assets under management. A similar approach to balance sheet exposures was taken for the calculation and use was made of an external data provider for bonds and equity instruments. External funds were valued conservatively and the gross carrying amount was allocated to the position without taxonomy-alignment.

1 In particular, with regard to the provisions on conducting the climate risk/vulnerability analysis and compliance with minimum levels of protection.

2 Asset management mandates (LLB Comfort and wiLLBe) including own funds within the LLB Group. Investment advisory mandates and external funds were not the focus in the 2023 reporting year. The gross carrying amounts of external funds were taken into account accordingly.

As at 31 December 2023, the volume of financial guarantees Group-wide came to CHF 867.9 million. At the reporting date, there were no positions vis-à-vis entities that are obliged to publish non-financial information in accordance with Article 19a or Article 29a of Directive 2013 / 34 / EU, which resulted in a nil return for the Taxonomy disclosure.

Information on economic activities in the area of nuclear energy and fossil gas

The economic activities associated with natural gas and nuclear energy defined according to the EU Taxonomy, which were considered in relation to revenue and investment, are presented along the two environmental objectives. The ratios are calculated analogously to the key figures listed for the Green Asset Ratio, which takes account of claims, bonds and equity instruments. Off-balance-sheet exposures were also included pro rata and shown on a consolidated basis. It is clear from this that the LLB Group has exposures in the area of nuclear energy and fossil gas. However, it must be stated here that the financial companies' disclosure for the 2023 reporting year, which was not yet complete, distorted the ratio to the extent that the objective figure is probably higher.

Nuclear and fossil gas related activities

Nuclear energy related activities	
The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	Yes
The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes

Fossil gas related activities	
The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Yes
The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat / cool and power generation facilities using fossil gaseous fuels.	Yes
The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat / cool using fossil gaseous fuels.	Yes

Further details on environmentally sustainable assets (based on the Taxonomy) of the LLB Group in the areas of nuclear energy and fossil gas can be found in the Appendix to this Annual Report.

Supplementary voluntary disclosures

In order to create the greatest possible transparency with respect to our portfolios' sustainability performance, we also disclose the estimated energy efficiency classes of our Swiss mortgage loans and the proportion of environmentally sustainable or taxonomy-aligned real estate held by LLB Immo KAG in addition to the mandatory reporting.

The estimated energy efficiency classes of our Swiss mortgage loans provide information about the buildings' energy performance. The estimates are based on the calculation methodology of the cantonal energy certificate for buildings (GEAK), which envisages a ranking in classes from A (very energy efficient or "new build standard") to G (inefficient corresponds to an "old building in need of refurbishment"). The following table summarises the results in an overview.

Estimated energy efficiency classes in Switzerland

Estimated efficiency classes	Proportion of energy efficiency classes (in %)
A	2.50
B	11.40
C	10.20
D	8.20
E	6.20
F	2.50
G	1.50
Data coverage	57.70

As a subsidiary of LLB Österreich, LLB Immo KAG ranks as one of the leading providers of real estate funds. In the process, it attaches great importance to including sustainability criteria when managing its real estate portfolio. Individual funds have already received the Austrian Ecolabel or an outstanding report from the Austrian Society for Environment and Technology (ÖGUT). At present, LLB Immo KAG manages four real estate funds with a total volume of EUR 1’156 million. They manage real estate worth approximately EUR 1’500 million. Of which, EUR 513 million (30.4 %) was classified as taxonomy-eligible and EUR 262 million (15.5 %) as taxonomy-aligned. As at 31 December 2023, the real estate volume of the LLB Semper Real Estate fund came to EUR 1’000 million, of which 37.9 per cent was classified as taxonomy-eligible and 3.0 per cent as taxonomy-aligned. Approximately CHF 13 million was invested in this mutual real estate fund as part of the LLB Group’s financial investments.

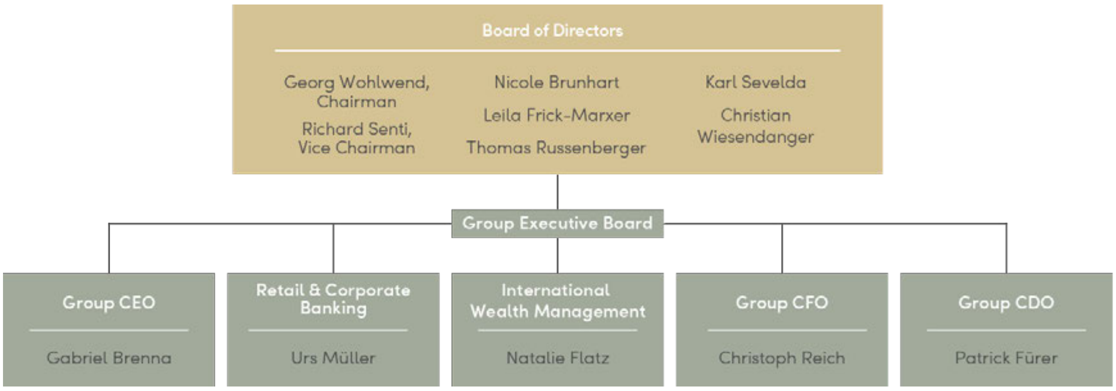
Assessment and outlook

In conclusion, it remains to be said that this analysis is based on current legislation and extensive discussions in the industry regarding its interpretation. In view of the challenges shown with the initial disclosure and the interpretation of certain uncertainties, the LLB Group pursued a best-effort approach throughout and also relied on a generally conservative interpretation of the issues. The fact that the institutionalisation of the EU Taxonomy is an ongoing task because of the dynamic development of the law must also be mentioned. Continuous professionalisation based on regulatory requirements is therefore fully in line with the LLB Group’s understanding of sustainability and its aspirations. Here, for example, the availability of large amounts of data and top quality information are seen as critical factors for success.

The LLB Group is also convinced that the corporate data made available externally will be gradually increased, which will make the key figures presented more meaningful. Ultimately the information shown will be gradually refined in future publications meaning that the Green Asset Ratios will approximate far more to reality.

Organisational structure

as at 31 December 2023



Corporate governance

For the LLB Group, good corporate governance is an essential part of its business policy. It ensures efficient collaboration between the management bodies and a balance between responsibility and control.

Basis

We practise responsible corporate governance that is oriented towards value creation in the long term. It is characterised by efficient collaboration between the Group Executive Board and the Board of Directors, transparent accounting and reporting as well as good shareholder relations. The principles and rules on corporate governance are laid down in two laws: the Law on the Control and Supervision of Public Enterprises (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 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 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 Liechtenstein Government explicitly supports the stock exchange listing of LLB and retains a majority stake 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 arising 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. On the basis of Art. 16 of the ÖUSG Law, the Participation Strategy was defined in consultation with LLB's Board of Directors. Further information can be found at www.llb.li/participationstrategy.

This report on corporate governance complies with the requirements of the Corporate Governance Directive (RLCG) of the SIX Swiss Exchange Regulation in the version dated 29 June 2022 as well as the fully revised guidelines of the Six Exchange Regulation regarding the RLCG of 1 January 2023. If information required by the RLCG is disclosed in the Notes to the financial statement, a corresponding reference is shown.

The corporate governance report presents the situation as at 31 December 2023. Important changes that 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 under the corresponding item.

1 Group structure and shareholders

1.1 Group structure

1.1.1 Description of the operative structure

Liechtensteinische Landesbank is a public limited company ("Aktiengesellschaft") under Liechtenstein law. It is the parent bank of the LLB Group. The LLB Group has a divisional management structure that is organised into five divisions. Besides the two market divisions "Retail & Corporate Banking" and "International Wealth Management", the management structure encompasses the functions of Group

Chief Executive Officer , Group Chief Financial Officer and Group Chief Digital & Operating Officer (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 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 Board of Directors and the Group Executive Board of LLB are identical personnel-wise to the Board of Directors and the Group Executive Board 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 bodies can pass binding resolutions and issue instructions that are binding for both the parent bank and the 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 subsidiaries. The role of Chairman of the Board of Directors is performed by a member of Group Executive Board. The organisational structure of the LLB Group as at 31 December 2023 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 2023, its market capitalisation stood at CHF 2’035.9 million (30’800’000 registered shares at a nominal value of CHF 5.00 at a year-end price of CHF 66.10).

Company	Reg. office	Listed on	Market capitalisation (in CHF thousands)	Segment	Security number	ISIN number
Liechtensteinische Landesbank Aktiengesellschaft	Vaduz	SIX Swiss Exchange	2'035'880	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 name, registered office, activities, share capital, percentage of share capital held) can be found in the notes to the consolidated financial statement of the LLB Group in the chapter Scope of consolidation.

1.2 Major shareholders

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

At the end of 2023, the Principality’s equity stake in the shares of Liechtensteinische Landesbank stood at 56.3 per cent. This corresponds to 17’336’215 of the total of 30’800’000 LLB shares. Detailed information about the development of this equity stake can be found at www.llb.li/capital+structure.

As at 31 December 2023, the Haselsteiner Familien-Privatstiftung, Ortenburger Strasse 27, 9800 Spittal / Drau, Austria, and grosso Holding Gesellschaft mbH, Walfischgasse 5, 1015 Vienna, Austria, together 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 2023, Liechtensteinische Landesbank AG held, directly or indirectly, a total of 208’055 of its own registered shares (0.7 % of the share capital). No registered shares were cancelled so that the capital structure remained the same. The registered shares held by LLB are intended to be used for future acquisitions and for treasury management purposes. Less than 0.4 per cent of the share capital was held by members of the Board of Directors and Corporate Management. 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 LLB comprises 30’800’000 registered, fully paid shares with a nominal value of CHF 5.00 each and therefore amounts 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 154.0 million and has not changed during the last four years. The LLB Group’s equity totalled CHF 2’240 million as at 31 December 2021, CHF 2’024 million as at 31 December 2022 and CHF 2’131 million as at 31 December 2023.

For the composition of and changes in equity during the last three reporting years refer also to the table Consolidated statement of changes in equity.

in CHF thousands	31.12.2023	31.12.2022	31.12.2021
Share capital	154'000	154'000	154'000
Share premium	– 15'066	– 14'923	– 13'952
Treasury shares	– 13'356	– 11'640	– 15'073
Retained earnings	2'140'361	2'056'623	1'959'517
Other reserves	– 136'250	– 161'534	12'932
Total	2'129'690	2'022'525	2'097'423
Non-controlling interests	962	1'203	142'704
Total equity	2'130'652	2'023'728	2'240'128

2.4 Shares and participation certificates

As at 31 December 2023, 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 (208’055 shares), all the shares are eligible for dividend. As at 31 December 2023, share capital eligible for dividend therefore amounted to CHF 153.0 million. In principle, all LLB shares are eligible for voting according to the principle of “one share, one vote”. 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 excluded from voting rights. There are no priority rights or similar entitlements. When new shares are issued, the shareholders have a subscription right entitling them to subscribe to new shares in proportion to the number of shares they already hold.

Liechtensteinische Landesbank AG has not issued any 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 acquirers 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 acquirer is not willing 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 determined that nominee registrations without such a declaration shall generally be entered without voting rights. The legal option to refuse registration in the share register on important grounds remains reserved.

2.7 Convertible bonds and options

As at 31 December 2023, 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 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.

On 7 November 2023, Liechtensteinische Landesbank issued a fixed interest bond for CHF 150 million. The term to maturity of the bond is seven years and the yield at maturity is 2.477 per cent. The bond has been listed on the SIX Swiss Exchange since 22 November 2023 (ISIN: CH1306117040) and is traded on the secondary market.

3 Board of Directors

3.1 Members

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 2023.

a) Name, nationality, education and professional career

Name	Year of birth	Profession	Nationality
Georg Wohlwend	1963	Business economist	FL
Richard Senti	1964	Business economist	FL
Nicole Brunhart	1975	Business economist	FL / CH
Leila Frick-Marxer	1984	Lawyer	FL
Thomas Russenberger	1975	Head of Group Human Resources	FL
Karl Sevelda	1950	Bank manager (ret.)	AT
Christian Wiesendanger	1964	Bank manager	CH

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 are constituted for the overall direction, supervision and control of a bank, on the one hand, and for the Board of Management and Corporate Management, 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

In accordance with the “Directive on Information relating to Corporate Governance”, all members of the Board of Directors are independent. In 2023, 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 had significant business relationships with Liechtensteinische Landesbank or a Group company. In accordance with Art. 12 of the Liechtenstein Law on the Control and Supervision of Public Enterprises, contracts with the members of the Board of Directors must be in writing. They require the approval of the Board of Directors, whereby the same conditions apply as for contracts with third parties.

Georg Wohlwend
Chairman, Business economist 1963, FL

Education:
- Swiss Board School, St. Gallen, 2014
- Taxation training at the University of Liechtenstein, 2012
- Management training at the University of St. Gallen, 2008
- EFQM Assessor, 2007
- Swiss Banking School, 1999
- International Professional Development Programme at the University of Tulsa (USA), 1992
- Licentiate in economics, major in business IT, University of Zurich, 1991

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

Richard Senti
Business economist
1964, FL / CH

Education:
- Dr. oec. HSG, University of St. Gallen, 1994
- Licentiate in economics at the University of St. Gallen (HSG), 1989

Professional career:
- Chairman of the Board of Directors of the Hoval Group, Vaduz, since 2020
- Menber of the Board of Directors Kaiser AG, Schaanwald, since 2023
- CFO and member of the management of the Hoval Group, Vaduz, 2003–2020
- Head Finance and Accounting (CFO) of the Infratec division, Von Roll Infratec Holding AG, Zurich 2000–2003
- Head Finances, Logistics and Human Resources, Hilti CR s.r.o., Prague, 1998–2000
- Head of Controlling of the Direct Fastening Business Unit, Hilti AG, Schaan, 1994–1998
- Controller in the Drilling Systems division, Hilti AG, Schaan, 1991–1994
- Assistant at the University of St. Gallen, 1988–1990

Nicole Brunhart
Business economist
1975, FL / CH

Education:
- Dr. oec., University of St. Gallen, 2007
- Master's Degree (lic. eoc. HSG) in Finance, Accounting and Controlling, University of St. Gallen, 2000
- CEMS Master Diplom for International Studies, St. Gallen and Paris, 1998

Professional career:
- Head of Transformation and Member of the Executive Board, Clearstream Fund Center Switzerland, Zurich, since 2022
- Head Strategic Clients Switzerland and Germany, Sustainability Champion for Switzerland, BlackRock Asset Management, Zurich and London, 2018–2022
- Executive Director, Global Institutional Asset Management, Sales Management & Pricing Switzerland, UBS Asset Management, Zurich, 2016–2018
- Executive Director, Business Development, Zürcher Kantonalbank, Zurich, 2016–2018
- Executive Director, Pricing Strategist, Swisscanto Asset Management AG, Zurich, 2010–2015
- Engagement Manager, McKinsey & Company, Zurich und Frankfurt, 2001–2010

Leila Frick-Marxer
Lawyer
1984, FL

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

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

Thomas Russenberger
Personnel manager
1975, FL / IT

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

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

Karl Sevelda
Bank manager (retired)
1950, AT

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

Professional career:
- Chairman of the Supervisory Board, Semper Constantia Privatbank AG, 2017–2018
- CEO, Raiffeisen Bank International AG, 2013–2017
- Deputy CEO, Raiffeisen Bank International AG, 2010–2013
- Member of the Executive Board responsible for corporate client business and worldwide corporate, trade and export finance at Raiffeisen Zentralbank Österreich AG, 1998–2013
- 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
- Creditanstalt-Bankverein London and New York, 1985
- Head of economics at the Office of the Federal Minister of Trade, Commerce and Industry, 1983–1985
- Adviser for commercial credits and export financing at Creditanstalt-Bankverein, 1977–1983

Christian Wiesendanger
Bank manager
1964, CH

Education:
- Master of Business Administration (MBA), 1998
- PhD in Theoretical and Mathematical Physics, University of Zurich, 1994
- Master's degree in Theoretical Physics, 1990

Professional career:
- Member of the Board, HIAG, Basel, 2021–2023
- CFO a.i., HIAG, Basel, 2022–2023
- Various leading functions at UBS (Senior Executive Wealth Management, Global Head Investment Platforms and Solutions, Head Wealth Management Switzerland), Zurich, 2010–2022
- Various leading functions at Credit Suisse (Head Private Banking Latin America, Head Private Banking Mittelland, Corporate Program Manager), Zurich, 2002–2010
- Associate and later Engagement Manager, McKinsey & Company, Zurich, 1997–2001
- Postdoctoral Researcher in Theoretical Physics, Institute for Advanced Studies, Dublin, 1995–1999

3.2 Other activities and commitments

- **Georg Wohlwend** is a Member of the Board of Directors of Neutrik AG, Schaan, and Seed X Liechtenstein AG, as well as Chairman of the Board of Directors of Alegra Capital AG, Vaduz.
- **Richard Senti** is Chairman of the Board of Directors of the Hoval Group, Vaduz and member of the Board of Directors of Kaiser AG, Schaanwald.
- **Thomas Russenberger** is Chairman of the Foundation Board of the "Presta Stiftung" pension fund, Eschen.
- **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 Chairman of the Foundation Board of CUSTOS Privatstiftung, Graz, and Vice 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). We have not issued any statutory rules on the number of permitted activities. These are governed 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". Accordingly, the following upper limits for time-consuming

- one mandate on a board of management with two mandates on a board of directors
- four mandates on a board of directors
- Board of management and board of directors mandates within the same group count as one mandate. Mandates as a representative of an EU or EEA member state are excluded.
- Exceptions may, with the approval of the FMA, be authorised by the Group Board of Directors.

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. Their term of office lasts three years, whereby one year is understood to be the period from one ordinary General Meeting of Shareholders to the next. Members can be re-elected for a further two terms. After serving three terms of office, the Chairman of the Board of Directors may, by way of exception and provided the circumstances so warrant, be re-elected for an additional term not exceeding two years.

The Group regulation "Group Nomination & Compensation Committee" (see point 3.5.2) stipulates that the Board of Directors should ensure continuity through planned renewal and succession as well as a sensible 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; Richard Senti is Vice Chairman. 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
Richard Senti	2018	2024
Nicole Brunhart	2023	2026
Leila Frick-Marxer	2022	2025
Thomas Russenberger	2018	2024
Karl Sevelda	2019	2025
Christian Wiesendanger	2023	2026

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]
Richard Senti	Vice Chairman	Group Audit Committee [1]
Nicole Brunhart	Member	Group Audit Committee Strategy Committee
Leila Frick-Marxer	Member	Group Nomination & Compensation Committee Group Risk Committee
Thomas Russenberger	Member	Group Nomination & Compensation Committee [1] Group Risk Committee
Karl Sevelda	Member	Group Risk Committee Strategy Committee
Christian Wiesendanger	Member	Group Risk Committee [1] 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 deemed necessary by it.

Currently these comprise:

- Group Nomination & Compensation Committee
- Group Audit Committee
- Group Risk Committee
- Strategy Committee

The Board of Directors elects the committee members from among its members and appoints the chairmen. In principle, 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 tasks vested in it by the 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
Richard Senti	Chairman
Nicole Brunhart	Member
Thomas Russenberger	Member

In accordance with 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 concerns itself especially with the methodology and quality of the external audit, the quality of financial reporting as well as the collaboration between and independence of the internal and external auditors.

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 tasks 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
Christian Wiesendanger	Chairman
Leila Frick-Marxer	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 tasks vested in it 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 & LCH & 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 & LCH & 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

One of the tasks of the Board of Directors is 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
Nicole Brunhart	Member
Karl Sevelda	Member
Christian Wiesendanger	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. 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 circulation. A circular resolution is just as binding as a resolution passed at a meeting of the Board of Directors. It is entered in the minutes of the next ordinary meeting.

Meetings of the Board of Directors are held in the form of physical, telephone or video conferences and minutes are taken.

The members of the Board of Directors exercise their tasks, competences and responsibilities with due care and regulate their personal and business matters in such a manner that, as far as possible, real or potential conflicts of interest are avoided. They are obliged to inform the Chairman of any real or potential conflicts of interest. This applies regardless of whether it is a general conflict of interest or a conflict of interest in connection with 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 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 2023 business year, the Board of Directors of Liechtensteinische Landesbank AG held a total of ten ordinary and four extraordinary meetings. A closed meeting lasting one and a half days was conducted by the Board of Directors in collaboration with the Group Executive Board following the ordinary meeting in June 2023. The closed meeting focused on the strategy review. The subject of the extraordinary board meetings were the growth initiative in Switzerland and a legal case.

Date	Meeting	Attendance	Duration in hours
19 January 2023	extraordinary	all, excepting Richard Senti	1.00
24 February 2023	ordinary	all	7.75
21 March 2023	ordinary	all, excepting Urs Leinhäuser	7.00
28 April 2023	ordinary	all	7.00
02 May 2023	extraordinary	all	1.25
05 May 2023	extraordinary	all, excepting Leila Frick-Marxer	1.25
23 May 2023	ordinary	all	4.75
29 June 2023	ordinary	all	3.50
29 June 2023	closed meeting	all	1.75
30 June 2023	closed meeting	all	5.50
13 July 2023	extraordinary	all	0.50
22 August 2023	ordinary	all	4.00
28 September 2023	ordinary	all, excepting Karl Sevelda	3.50
24 October 2023	ordinary	all	8.00
21 November 2023	ordinary	all	5.75
19 December 2023	ordinary	all	9.00

Group Audit Committee

The members of the Group Audit Committee meet at least four times a year. These ordinary meetings are convened by the 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 Audit Committee, the Group CEO, the Group CFO, the external auditors and the Head of Group Internal Audit can request the Chairman of the Group Audit Committee to convene extraordinary meetings. To deal with specific issues, the Group Audit 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 2023 business year, the members of the Group Audit Committee met for six meetings. No external experts were called in during the business year.

Date	Attendance	Duration in hours
19 January 2023	all	0.75
23 February 2023	all	3.00
22 May 2023	all	2.50
13 July 2023	all	0.50
21 August 2023	all	2.50
15 December 2023	all	3.00

Group Risk Committee

The members of the Group Risk Committee meet at least four times a year. These ordinary meetings are convened by the Chairman. 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 2023 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 2023	all	2.50
22 May 2023	all	4.25
21 August 2023	all	3.25
19 September 2023	all	2.00
15 December 2023	all	4.00

Group Nomination & Compensation Committee

During the 2023 business year, the members of the Group Nomination & Compensation Committee met for six meetings. The Group Nomination & Compensation Committee meets as often as business requires, but no less than 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 2023 business year, the members of the Group Nomination & Compensation Committee met for seven meetings.

Date	Attendance	Duration in hours
30 January 2023	all	3.00
21 March 2023	all	0.34
9 May 2023	all	1.50
16 May 2023	all	0.50
17 July 2023	all	0.75
25 August 2023	all	2.34
28 November 2023	all	2.00

Strategy Committee

The 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 29 and 30 June 2023, the Group Executive Board reported to the full Board of Directors on the status of the implementation of the strategic initiatives. In addition to this, the members of the Strategy Committee met for three meetings.

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 matters dealt with and, in particular, the resolutions are recorded in the minutes. The minutes are circulated to the meeting's participants and the members of the Board of Directors. The Chairmen of the committees report to the Board of Directors at its next meeting on the agenda items discussed and the resolutions passed.

Self-evaluation

As a rule, the Board of Directors evaluates its own performance and that of its committees on an annual basis. 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.

During the reporting year, the Board of Directors carried out such a self-evaluation based on a questionnaire. As in previous years, the overall evaluation was very positive. The collaboration between the Board members works very well. The culture of open and frank discussions is constructive and goal-oriented. The interdisciplinary composition of the Board and the range of ages of the members are regarded as positive. In future, the Board of Directors will deal more with creative and formative elements and market developments. In addition, great importance will continue to be attached to the further training of members.

3.6 Definition of areas of responsibility

The Board of Directors is responsible for the overall direction, supervision and control of the LLB Group. It ultimately bears responsibility 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 decides on the strategy of the LLB Group and exercises overall supervision of operational management. It defines the risk policy of the LLB Group and monitors compliance with it. Also, it monitors compliance with legal and regulatory provisions. At the request of the Group Executive Board, the Board of Directors determines the financial and human resources required to implement the corporate strategy. It must keep itself adequately informed of the financial and risk situation of the LLB Group. This also applies to decisions made within the Group companies that have an impact on the business activities 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.

3.6.1 Board of Directors
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.

In connection with specifying the organisation of the business activities of the LLB Group and the issuing of necessary regulations and directives, the Board of Directors has the following tasks in particular:

- 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.

As part of its overall responsibility for the organisation of accounting, financial control and financial planning of the LLB Group, the Board of Directors has the following tasks in particular:

- 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 has the following tasks in particular:

- 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.

3.6.2 Group Executive Board
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 & 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 through the two market-oriented divisions 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. 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.

Besides the powers and duties set forth in the statutes, the Group Executive Board has the following tasks in particular:

- 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.

3.6.3 Group CEO

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 is kept informed about the activities of the Group Executive Board by the Group CEO. The members of the Group Executive Board are responsible for ensuring the reporting to the Group CEO, for the attention of the Board of Directors, is appropriate. 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 adequate manner.

The Group CEO usually attends the meetings of the Board of Directors in an advisory capacity. He informs about the course of business and special occurrences and is available to provide information. 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 are represented for items on the agenda that affect them. 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 receives commented financial and risk management reports every three months. 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. Annual audits are planned on the basis of the evaluation of risks and controls and are based on an audit inventory for long-term coverage.

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 each audit by Group Internal Audit 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 whether the identified deficiencies have been rectified and the recommendations implemented and reports on this to the Group Audit Committee.

Risk management
A proactive approach towards risks is an integral part of our corporate strategy and ensures the LLB Group's risk-bearing capacity. It attaches great importance to forward-looking and holistic opportunity / risk management. As part of the risk policy, the Board of Directors issues guidelines and regulations concerning the principles of risk management and thus 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 common standards and rules of professional 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 a written activity report annually for submission to the

Group Risk Committee and the Board of Directors. Twice a year, he also submits a risk analysis along with measures and recommendations derived from it. Outside of regular reporting periods, the Group Risk Committee is promptly informed of serious compliance violations and issues of major economic or other significance and supported in determining what instructions or measures are needed (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. At Group Executive Board level are the market divisions "Retail & Corporate Banking" and "International Wealth Management". The Group Executive Board also includes the Group Chief Executive Officer (Group CEO), the Group Chief Financial Officer (Group CFO) and the Group Chief Digital & Operating Officer (Group CDO).

Gabriel Brenna
Group Chief Executive Officer
1973, CH / I

Joined the Group Executive Board:
2012

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

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

Liechtensteinische Landesbank:
- Group Chief Executive Officer, since March 2021
- Head of Private Banking division, October 2012–2021
- Member of the Group Executive Board and the Board of Management, since 2012

Board of Directors mandates in Liechtensteinische Landesbank Group companies:
- Liechtensteinische Landesbank (Österreich) AG (Member of the Supervisory Board)
- LLB (Switzerland) 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:
- Executive Master Law & Management (LM-HSG), St. Gallen, 2023
- Executive MBA, University of St. Gallen (HSG), 2009
- Federally qualified licentiate in economics, FHS St. Gallen, 1999

Professional career:
- Partner at Syndeo AG, Head of Accounting and Controlling for Banks, Horgen (ZH), 2006–2010
- Team manager Budget and Management Services, Asian Development Bank, Manila / Philippines, 2003–2006
- Senior consultant, KPMG Consulting, Zurich, 1999–2003
- Investment adviser for private clients, St. Galler Kantonalbank, Wil (SG), 1994–1996
- Commercial apprenticeship, St. Galler Kantonalbank, Buchs (SG), 1990–1993

Liechtensteinische Landesbank:
- Vice Group Chief Executive Officer, since 2022
- Group Chief Financial Officer, since 2012
- Chief Financial Officer, 2012–2012
- Member of the Group Executive Board and the Board of Management, since 2012
- Head of Group Finance & Risk Department, 2010–2012

Board of Directors mandates in Liechtensteinische Landesbank Group companies:
- Liechtensteinische Landesbank (Österreich) AG (Vice Chairman of the Supervisory Board)
- LLB (Switzerland) 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:
- Diploma of Advanced Studies (DAS) in Banking, 2017
- Executive Master of European and International Business Law, University of St. Gallen, 2006
- Mag. iur., University of Innsbruck, 2000

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

Liechtensteinische Landesbank:
- Head of "International Wealth Management" division, since 2022
- Head of Institutional Clients division, July 2016–2021
- Member of the Group Executive Board and the Board of Management, since 2016
- Head of Fund Services Business Area, 2012–2016
- Head of Institutional Clients Business Unit, 2011–2012

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 Services (Schweiz) AG (Vice Chairwoman)

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

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

Liechtensteinische Landesbank:
- Member of the Group Executive Board and the Board of Management, since 2019
- Group Chief Operating Officer, 2019–2021
- Group Chief Digital & Operating Officer, since 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:
- Head of “Retail & Corporate Banking” division, since 2016
- Vice Group Chief Executive Officer, 2012–2021
- Head of Institutional Clients division, 2012–2016
- Head of Domestic Market and Institutional Market divisions, 2011–2012
- Member of the Group Executive Board and the Board of Management, since 2011
- Head of Institutional Clients Business Unit, 2007–2011
- Head of Legal & Compliance, 1998–2006
- Legal counsel, 1995–1998

Board of Directors mandates in Liechtensteinische Landesbank Group companies:
- LLB (Switzerland) 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
With the exception of 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 companies (OaEC). We have not issued any statutory rules on the number of permitted activities. These are governed 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". Accordingly, the following upper limits for time-consuming professional commitments and parallel mandates must be observed:

- one mandate on a board of management with two mandates on a board of directors;
- four mandates on a board of directors;
- Board of management and board of directors mandates within the same group count as one mandate. Mandates as a representative of an EU or EEA member state are excluded.
- Exceptions may, with the approval of the FMA, be authorised by the Group Board of Directors.

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 PGR / Liechtenstein Law on Persons and Companies, LLB shares held by Liechtensteinische Landesbank itself and its subsidiaries (208'055 shares as at 31 December 2023) 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 votes in writing or electronically prior to the General Meeting (postal voting). 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 Swiss ordinance against excessive compensation by listed public companies (OaEC).

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 votes in writing or electronically. If a shareholder votes their shares prior to the General Meeting (postal voting), 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.

If this is not the case, 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 published on the company's website as well as, if necessary, in other media. The invitation must contain the information prescribed 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 interests 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 sets 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 vote on items which are included in the agenda, with the exception of proposals to convene 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 and be submitted to the General Meeting by tabling a resolution. 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 publish 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 with voting rights 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 willing to render such a declaration, the Board of Directors can refuse to enter the shares in the register. Pursuant to Art. 5a of the statutes (www.llb.li/statutes), the Board of Directors has determined that nominee registrations without such a declaration shall generally be entered without voting rights. 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, 19 April 2024 was fixed at 5 p.m. on Friday, 12 April 2024. From 13 April to 19 April 2024 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, not only Liechtenstein law but also various Swiss regulations apply to Liechtensteinische Landesbank AG. 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 falling below or exceeding the threshold percentages of 3, 5, 10, 15, 20, 25, 33.33, 50, or 66.67 of voting rights are obliged to 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 the Liechtensteinische Landesbank, the Principality of Liechtenstein holds at least 51 per cent of the capital and votes.

8 Independent auditors

8.1 Duration of mandate and term of office 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 5 May 2023 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 2023 business year, KPMG invoiced the companies of the LLB Group for CHF thousands 1'297 (2022: CHF thousands 1'172) in respect of audit fees. These fees include the work carried out as required by the respective regulatory authorities. In addition, in the 2023 business year, KPMG received CHF thousands 147 (2022: CHF thousands 123) 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 322 (2022: thousands CHF 348) in the 2023 business year.

Audit fees and additional fees

in CHF thousands	31.12.2023	31.12.2022
Audit fees	1'297	1'172
Additional fees	322	348
Taxation advice	230	273
Regulatory advice	90	43
Legal and other advice	2	33

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 regulatory audit report on the LLB Group. 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 that affect all Group companies are dealt with by the Group Audit Committee.

Significant findings in the reports of the internal and external auditors received since the last meeting that affect all Group companies are discussed at the next meeting of the Group Audit Committee.

The Head of Group Internal Audit is responsible for providing the relevant information. The function reports directly to the Group Audit Committee. The Head of Group Internal Audit is appointed by the Board of Directors and is subordinate to the Board's Chairman.

Representatives of the external auditors attended all six meetings of the Group Audit Committee during the report period, but not the meetings of the Board of Directors. The Head of Group Internal Audit attends all the meetings of the Group Audit Committee and also those 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. To ensure equality of opportunity and transparency, relationships with the financial community as well as with the media and other interested circles are established and maintained and trust is created. The most important information media of Liechtensteinische Landesbank are the website (www.llb.li), the annual and interim reports, media communiqués, the media and financial analysts conference, the webcast for media and analysts as well as the 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). Interested parties can register to automatically receive ad hoc communiqués at www.llb.li/registration. Ad hoc communiqués are published under the link www.llb.li/media-communiques.

For questions, please contact the following person who is responsible for investor relations:

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Date	Time	Event
	7.00 a.m.	Publishing of 2023 business result at www.llb.li;
26 February 2024	10.30 a.m.	Financial reporting and analyst conference
27 February 2024		2023 business result advertisement in the "Liechtensteiner Vaterland"
18 March 2024		Release of online Annual Report 2023 at ar2023.llb.li
07 April 2023		Printed edition of short report 2023
19 April 2024	6.00 p.m.	General Meeting of Shareholders
23 April 2024		Ex-dividend date
24 April 2024		Dividend record date
25 April 2024		Dividend payment date
	7.00 a.m.	Publishing of interim financial statement 2024; release of online interim financial statement 2024 at hr2024.llb.li
26 August 2024	10.30 a.m.	Webcast
27 August 2024		2024 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 until one day after the publication 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

The 3-year term of office of Chairman of the Board of Directors Georg Wohlwend, Vice Chairman Richard Senti and member of the Board of Directors Thomas Russenberger come to an end at the

32nd ordinary General Meeting of Shareholders on 19 April 2024. The Board of Directors will propose their re-election.

On 30 January 2024, the Liechtenstein Government amended the Participation Strategy for its participation in the Liechtensteinische Landesbank AG. It defines the role of the Principality of Liechtenstein as the majority shareholder of LLB. In the amended version, too, the Government emphasises that it exercises the shareholder interests of the State within the framework of the shareholders' powers of the General Meeting of Shareholders and, in this regard, respects the entrepreneurial autonomy as well as the rights and duties arising from its market listing. At the same time, the Participation Strategy defines the majority shareholder's expectations of LLB and offers minority shareholders planning security. Further information can be found at www.llb.li/participationstrategy.

Compensation report

The LLB Group has a progressive compensation system that is designed to encourage sustainable, long-term-oriented action by management and employees.

Introduction

Pursuant to the “Ordinance against Excessive Compensation with respect to Listed Stock Corporations” (OaEC), Swiss public companies whose shares are listed on an exchange in Switzerland or abroad must publish details about the compensation of the members of their governing bodies in a compensation report. The details to be reported are set out in Art. 13 to 16 of the OaEC.

According to the Regulatory Board Communiqué No. 2 / 2014 of 1 September 2014, No. II, all companies listed on the SIX Swiss Exchange shall have to disclose the same information on corporate governance. Issuers that do not have to comply with the regulations of the OaEC have, therefore, to publish details about the compensation of the members of the Board of Directors and the Board of Management in the same manner as Art. 14 to 16 of the OaEC. Liechtensteinische Landesbank AG fulfils this obligation with the publication of this compensation report.

The compensation policy, the basis and elements of the compensation as well as the responsibilities and procedure for determining compensation are described below. The chapter concludes with compensation for the 2023 business year.

Compensation policy

On 18 August 2011, the Board of Directors issued the Group regulation “Compensation policy of the LLB Group” for Liechtensteinische Landesbank AG and its Group companies (revised on 1 February 2023). The Group regulation is based on: the current version of the Ordinance on Banks and Investment Firms (Banking Ordinance) of 22 February 1994, in particular Appendix 4.4; EU Directive 2013 / 36 / EU (CRD) of 26 June 2013 as amended by EU Directive 2019 / 878 (CRD V) of 20 May 2019; Regulation No. 575 / 2013 (CRR) of 26 June 2013 as amended by 2019 / 876 (CRR II) of 20 May 2019; Delegated Regulation No. 527 / 2014 of 12 March 2014; Delegated Regulation No. 2021 / 923 of 25 March 2021; Delegated Regulation No. 861 / 2016 of 18 February 2016; and EBA Guideline EBA / GL / 2021 / 04 of 2 July 2021. The LLB Group applies these legal provisions in a manner that is commensurate with its size and internal organisation as well as the type, scope and complexity of its business.

The Group regulation “Compensation policy of the LLB Group” regulates the framework for the Group-wide compensation policy, in particular in regard to its alignment to risk management. It stipulates the basis, values and objectives and sets out the minimum requirements for the design of the compensation systems. In addition, it regulates Group-internal and Group-external reporting as well as related responsibilities. The Group regulation “Compensation policy of the LLB Group” applies particularly to those persons who are identified as risk takers as part of a process that is carried out annually. For its implementation at Liechtensteinische Landesbank AG, the Board of Directors has also issued the separate Group regulation “Compensation standards of LLB & LCH & ASM” (revised on 1 February 2023).

As a company exempt from Art. 12, Para. 2 of the OaEC, Liechtensteinische Landesbank has no statutory rules on compensation, participations and loans. The Group companies issue company-specific compensation guidelines that take into consideration the applicable (special) legal regulations. Deviations from the Group regulation are only permitted if they arise from mandatory law or special legal regulations.

The compensation policy is in line with the business strategy as well as the targets and values of the LLB Group and is based on the following principles:

- **Sustainability and risk adjustment:** Compensation practices must contribute to long-term corporate development. They must support risk management and the pursuit of both sustainable increases in the company's value as well as long-term client and employee retention. The compensation policy must create incentives that ensure the appropriate risk-taking behaviour by individuals in order to counteract any conflicts of interest. In addition, compensation policy is designed so as to take into account and promote sound and effective risk management with respect to sustainability risks. Specifically, the compensation structure does not encourage excessive risk-taking with respect to sustainability risks. This is ensured, among other things, by appropriately addressing risks with regard to sustainability aspects and business performance. The LLB Group applies these principles also to corresponding target agreements with relevant persons.
- **Foundation of trust:** The design of the compensation regulations and processes is founded on mutual trust between the employee and the employer. This is necessary because there are time differences between the provision of the performance and the acceptance of responsibility on the one hand, and the payment of the compensation on the other. Furthermore, a performance appraisal has subjective elements. For this reason, it is necessary to maintain the voluntary nature of the payment of the variable component and to indicate the scope for discretion in this area.
- **Performance and success orientation:** Compensation practices have to reward both individual performance and company-related performance. The focus on the Group's success promotes, and is in line with, the LLB Group's long-term interests. Acknowledging individual performance serves performance motivation, the management of individual performance contributions towards achieving company targets as well as the retention of top performers.
- **Simplicity, clarity and comprehensibility:** The compensation regulations and models are to be kept simple, clear and comprehensible. Both employees and third parties alike should be able to easily understand the basic concepts.
- **Fair compensation in accordance with responsibilities and management level:** When determining compensation, the workload as well as the value of the function in question have also to be taken into consideration and the different management level requirements reflected in a clear and fair manner.
- **Group orientation:** Compensation has to promote Group orientation. Participation in the long-term development of value through shared ownership in the form of an appropriate share option scheme is intended to increase commitment to the Group's success and identification with the corporate Group.
- **Freedom from discrimination:** All decisions concerning the employment relationship, including decisions on compensation, are based on the qualifications, the performance and the conduct of the employee or on other objective corporate considerations.

The compensation policy sets out the objectives, processes and requirements for the design of the compensation. It also contains rules for the alignment between compensation and risk management. For employees who receive a variable component of compensation, the compensation model specifies the ratio between fixed and variable portions and the allocation mechanism for the variable portion.

Elements of compensation

The compensation model of the LLB Group

The LLB Group's compensation model is geared towards performance-linked compensation. This means that an above-average performance has a positive and a below-average performance a negative effect on the amount of compensation. In accordance with the compensation policy, the compensation model is geared towards sustainable, long-term-oriented action.

The LLB Group's compensation model was developed in conjunction with HCM International.

Group Performance Indicator
A key indicator for the performance of the LLB Group is the so-called Group Performance Indicator (GPI). With the GPI, LLB Group employees with a variable salary component can directly participate in the earnings generated. Net profit over the last three years serves as the basis for the calculation, weighted at a ratio of 60 (current year) :30 (last year) :10 (year before last year). The Group Board of Directors has determined that a percentage of net profit be allocated to the bonus pool for sharing among the employees. The percentage will be maintained over the strategy period and will only be reviewed in exceptional circumstances (such as in the case of major acquisitions).

The Board of Directors of the LLB Group has the option to increase or reduce the size of the bonus pool (a fixed percentage of net profit) by 20 per cent based on a qualitative assessment. Here an assessment is made as to the extent to which the performance of the management and the employees is reflected in the company's results.

The compensation system of the LLB Group
The compensation system is essentially based on the following approaches:

- **Clear performance incentives, performance orientation and transparency:** A target compensation (total compensation or total target compensation) is defined for each employee. A bonus-malus logic ensures that employees earn more or less than their target compensation depending on whether they exceed or do not attain their objectives. Acknowledging individual performance fosters the contribution of individual performance to the achievement of company targets as well as the retention of top performers.
- **Uniform focus on the structure of the LLB Group:** The compensation system across the whole Group follows a uniform logic and is in accordance with the management structure.
- **Fair compensation in accordance with responsibilities and management level:** The determination of compensation considers the workload as well as the value of the function in question and reflects the different requirements in a clear and fair manner.
- **Objective orientation:** The variable component of the target compensation depends on the salary model and the attainment of objectives, which are determined during the annual objectives-setting process and reflect the orientation of and change in the bank. The focus on the GPI promotes, and is also in line with, the LLB Group's long-term interests. The fulfilment of basic tasks is shown through the function level and thus in the assignment of the reference compensation curve.
- **Fairness and freedom to act:** The variable salary component is a significant part of the target compensation. Internal transfers and departures are possible at any time and calculated fairly on a pro rata basis.
- **Integrity and trust:** Mutual trust between the employee and the employer is necessary because there is a time difference between the provision of the performance and the acceptance of responsibility on the one hand, and the payment of the compensation on the other. Furthermore, a performance appraisal is always subjective. As a reliable employer, the LLB Group also stands by its employees in difficult times.

These approaches should ensure the understanding of the functioning of the compensation system and fairness for the employees.

Target compensation
Around 36 per cent of employees receive a fixed compensation without a variable component. For around 64 per cent of employees, the target compensation (total target compensation) consists of a fixed and a variable component. The fixed component encompasses all contractually agreed or statutory compensation, which is already stipulated prior to the provision of any performance. The variable component includes, in particular, those elements of compensation which vary depending on various criteria, such as the business success of the company, the individual performance of the employee or the results attained by the organisational unit. In general, the amount and payment of the variable component is at the free discretion of the employer.

Fixed component of target compensation
The fixed component must be reasonably proportionate to the variable component. This is specified in the individual compensation guidelines of Liechtensteinische Landesbank AG and of the LLB Group

companies. Depending on the salary model, it varies from 67 to 100 per cent of the target compensation.

Variable component of target compensation
The variable component of the target compensation is paid in cash and / or in the form of an entitlement to acquire LLB shares, which are subject to a deferral or blocked period of five years (for members of senior management and risk takers) or six years (for members of the Group Executive Board). Other financial instruments, such as options or bonds, are not considered. The variable component may not exceed 100 per cent of the fixed component of the total compensation.

A clawback ruling applies to the blocked portion of the variable compensation, which is largely governed by the individually attained performance and the risks taken. If a significant change occurs in the assessment of performance and risks during the blocking period (for example, inadequate due diligence, untrustworthy business management or taking excessive risks), the acquired share entitlements are to be reduced accordingly. The body which determines the amount of the variable compensation during the annual compensation process will decide about the reduction of the share entitlements. Shares that have been transferred into the ownership of the employees can be clawed back by the company within three years should there be a material negative impact on its interests. The deferred portion can also be cancelled before the transfer of ownership should average net profit over the respective deferral period be negative.

A guaranteed variable compensation, for example in the form of a minimum bonus, may only be promised in exceptional circumstances and must be limited to the first working year. As a basic principle, no severance compensation and no additional voluntary annuity payments will be made to employees who leave the company.

The fixed compensation component and the variable target compensation are insured in the staff pension scheme for old age, death and invalidity. The employees of the LLB Group receive fringe benefits in the form of preferential conditions on bank products as customary in the industry as well as a limited preferential interest rate for mortgage loans and on credit balances.

Group Internal Audit is responsible for reviewing the implementation of the Group regulation "Compensation policy of the LLB Group" once a year. The results of this review are reported to the Board of Directors in writing. The compensation of senior executives in the areas of risk management and compliance at the parent bank and at the LLB Group companies is reviewed once a year by the relevant Board of Directors or by the Compensation Committee (if such a body exists in the Group company). The Group Nomination & Compensation Committee carries out these tasks for the Group functions.

Compensation of the Board of Directors and the Group Executive Board

Board of Directors
The Board of Directors stipulates the amount of compensation of its members in accordance with their duties and responsibilities. The members of the Board of Directors receive a fixed compensation, which includes the participation in (ordinary and extraordinary) meetings and the General Meeting of Shareholders. Activities in committees are compensated by a fixed amount per committee per year; no additional attendance fees are paid. The compensation is paid out in cash and in the form of entitlements for the acquisition of LLB shares. The number of LLB shares for the entitlement is calculated on the basis of the average share price in the fourth quarter of the business year. The entitlement is subject to a blocked period of three years.

The members of the Board of Directors do not receive any variable compensation. They also do not profit from the additional benefits for staff (fringe benefits) or from their preferential conditions on bank products. Business relations with them are subject to the same conditions that apply to comparable transactions with third parties. On account of legal provisions, no severance payment may be made in the event of the termination of a mandate (Art. 21, Para. 2 of the law concerning the control and supervision of public companies).

Compensation in 2023 was determined on the basis of a compensation benchmark, which was comprised of 20 companies from the banking and investment services industry in Liechtenstein and Switzerland that have a comparable business model, carried out by Hostettler & Company. Their business performance, balance sheet total and number of employees (FTEs) are all within a range of about 50 to 250 per cent of the size of LLB. Measured by financial size, LLB lies close to the median of the defined comparable companies. The structure and the amount of compensation remained unchanged in 2023.

Group Executive Board
A target compensation is defined for each member of the Group Executive Board. It consists of a fixed compensation (67 %) and a variable target compensation (33 %). The target compensation corresponds to the compensation attributable to the member of the Group Executive Board if net profit develops in line with the medium-term earnings expectations of the Group Board of Directors.

The compensation model also contains a bonus-malus provision. The members of the Group Executive Board receive more or less than their target compensation depending on whether they exceed, partly attain or do not attain the annual objectives. The maximum bonus possible is 150 per cent of the variable target compensation and the maximum malus possible is 50 per cent of the variable target compensation.

The fixed compensation in relation to the functions of the Group Executive Board in 2023 was determined on the basis of a compensation analysis carried out by the Kienbaum Consultants International company in 2022. It comprised between 20 and 24 comparable banks and between 24 and 31 comparable positions per function represented on the Group Executive Board. The comparable groups included in particular financial institutions that are of a similar size to LLB. This means that companies with a size of up to plus / minus 50 per cent were used in the comparison. Relevant for the determination of size was the number of people employed on the one hand, and the balance sheet total on the other. In the case of significantly larger companies, comparable positions with a similar scope of responsibility, which are typically found at lower hierarchical levels, were used. In addition, the determination of comparable functions was – where possible – based on the function value.

The amount of the variable compensation is determined by the success of the Group as measured by the Group net profit.

The Board of Directors can adjust the variable compensation, based on the individual performance within the framework of the Management by Objectives (MbO) process, by plus or minus 10 per cent of the variable target compensation.

A GPI of 100 per cent means that net profit corresponds to the medium-term earnings expectations as defined by the Board of Directors and so members of the Group Executive Board receive the variable target compensation. The variable compensation is linearly dependent on the GPI. The lower limit is set at 50 per cent and the upper limit at 150 per cent of the bonus pot.

The fixed compensation is paid out in cash every month, the variable component in the first quarter of the following year. The variable compensation comprises a short-term incentive (STI) and a long-term incentive (LTI). The distribution between the STI (40 %) and the LTI (60 %) is statutorily fixed. The STI is paid in cash and the LTI is paid in cash (10 %) and in the form of an entitlement to acquire LLB shares (50 %). The number of LLB shares for the LTI is calculated on the basis of the average share price in the fourth quarter of the business year. The LTI is subject to a deferral period of five years. The transfer of ownership of the deferred portion follows a pro rata logic, whereby each year the ownership of a fifth of each allocation is transferred. After the transfer of ownership of the LLB shares, each pro rata portion is subject to a blocked period of one year. The blocked portion is then released in LLB shares. The first release takes place two years (after a deferral period of one year and a blocked period of one year) after the allocation was made. The dividends are transferred pro rata after the General Meeting of Shareholders in the year released. Both the deferral period and the blocked period remain in force even after termination of employment. Upon the death of a beneficiary, the entitlement to the deferred portion and the blocked portion including the release in corresponding LLB shares becomes due.

The share entitlement can be withdrawn or reduced if there is a significant change in the assessment of performance and / or risk-taking behaviour of the member of the Group Executive Board during the period. The deferred portion can also be cancelled before the transfer of ownership should average net profit over the respective deferral period be negative. At the end of the deferral period, the Group Nomination & Compensation Committee examines whether the conditions for the entitlement have been met in full (malus system). The Committee submits its decision to the Board of Directors for approval. The latter makes the final decision.

If an employee has intentionally committed a criminal offence or fraud or violated a law that causes significant damage to the company or is otherwise very detrimental to the company's interests, the company has the right, within three years, to claw back shares that have already been transferred into the ownership of the employee.

The employment relationship of the members of the Group Executive Board is stipulated in individual employment contracts. The period of notice is generally four months. The contracts of employment do not contain any special clauses, such as, for example, severance compensation following the termination of employment or in the event of a change in control.

The fixed compensation component and the variable target compensation are insured in the staff pension scheme for old age, death and invalidity. The members of the Group Executive Board are subject to the same conditions in relation to fringe benefits as apply to other employees of the LLB Group. The preferential conditions on bank products as customary in the industry largely consist of a limited preferential interest rate for mortgage loans and on credit balances.

Responsibilities and methods of determining compensation

The Group Nomination & Compensation Committee (see chapter Corporate governance) advises the Board of Directors in all aspects concerning compensation. Its tasks include:

- 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 of proposals for the compensation of members of the Board of Directors and the members of the Group Executive Board as well as the Head of Group Internal Audit for submission to the Board of Directors in accordance with existing principles and regulations;
- The annual review of Group regulations "Compensation policy of the LLB Group", "Compensation standards of LLB & LCH & 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 & LCH & ASM" for submission to the Board of Directors in accordance with existing principles and regulations.

The full Board of Directors approves the decision-making principles and regulations governing compensation and specifies annually the amount of the compensation for the members of the Board of Directors and the members of the Group Executive Board, which reflects their relevant professional experience and the organisational responsibility they bear in the company. The decision regarding the amount of the compensation of the members of the Board of Directors and the members of the Group Executive Board is made at the discretion of the Board of Directors and is based on their duties and function. The amount of variable compensation of the Board of Management is dependent on the individual fixed compensation from the compensation model. The Chairman of the Group Executive Board has a right of proposal concerning the compensation of the other members of the Board of Management. The members of the Group Executive Board are not present at the discussion and the decision concerning the amount of their compensation. Pursuant to Art. 12, Para. 2 of the Law on the Liechtensteinische Landesbank, the Board of Directors must inform the Government about the compensation ruling specified for it. Liechtensteinische Landesbank submits the compensation report with the total compensation of the Board of Directors and the Group Executive Board to the General Meeting of Shareholders as a part of the annual report. It also does not hold an advisory vote on the question of compensation.

Compensation in 2023

For the 2023 business year, the members of the Board of Directors received a fixed compensation of CHF thousands 784. Contributions to benefit plans and other social contributions amounted to CHF thousands 121. The fixed compensation was paid in cash (CHF thousands 784) as well as in the form of an entitlement to acquire LLB shares (CHF thousands 170). The entitlement is subject to a blocked period of three years.

In comparison with the previous year, the total compensation of the members of the Board of Directors increased by CHF thousands 14 or 1.3 per cent. The higher compensation expense in 2023 was attributable mainly to a moderate adjustment to attendance fees.

For the 2023 business year, the members of the Group Executive Board received a fixed compensation of CHF thousands 3’199 and a variable compensation of CHF thousands 1’733. Contributions to benefit plans and other social contributions amounted to CHF thousands 1’042. The fixed compensation was paid in cash. The variable compensation was paid in cash (40 %) as well as in the form of an entitlement to acquire LLB shares (50 %) and a deferred cash component (10 %), both of which are subject to a deferral and blocked period of six years. The number of shares for the share-based compensation is calculated from the average share price of the last quarter of 2023 (CHF 63.68). The variable compensation for the members of the Group Executive Board was, on average, approximately 54 per cent of the fixed compensation or 35 per cent of total compensation.

The total compensation of the members of the Group Executive Board in 2023 decreased by CHF thousands 174 or 2.8 per cent. This decrease was primarily the result of the variable compensation, which was reduced by CHF thousands 179 or 9.4 per cent.

The total compensation of the members of the Board of Directors and the members of the Group Executive Board for the 2023 business year is reported on an accrual basis. The variable compensation was charged to the 2023 income statement. Payment of the STI to the members of the Group Executive Board will be made in the first quarter of 2024. The share entitlements (LTI) of the Group Executive Board and the Board of Directors are subject to a blocked period of six and three years respectively.

Details of the compensation and the participations of the members of the Board of Directors and the members of the Group Executive Board, as well as loans to them are shown in the following table.

Compensation of key management personnel

in CHF thousands	Fixed compensation 2023	Fixed compensation 2022	Variable compensation 2023	Variable compensation 2022	Entitlements[1] 2023	Entitlements[1] 2022	Contribution to benefit plans and other social contributions 2023	Contribution to benefit plans and other social contributions 2022	Total 2023	Total 2022
Members of the Board of Directors										
Georg Wohlwend, Chairman	300	300	0	0	40	40	86	86	426	426
Gabriela Nagel-Jungo, Vice Chairwoman until 5 May 2023	42	124	0	0	10	30	6	11	58	165
Richard Senti, Vice Chairman since 5 May 2023 [2]	117	72	0	0	27	20	11	7	155	99
Nicole Brunhart, Member since 5 May 2023 [2]	45		0		13		3		61	0
Leila Frick-Marxer, Member since 6 May 2022 [3]	65	42	0	0	20	13	5	3	90	58
Patrizia Holenstein, Member until 6 May 2022 [3]		24		0		7		0	0	31
Urs Leinhäuser, Member until 5 May 2023 [2/4]	31	82	0	0	7	20	0	0	38	102
Thomas Russenberger, Member	75	70	0	0	20	20	7	6	102	96
Karl Sevelda, Member	64	64	0	0	20	20	0	0	84	84
Christian Wiesendanger, Member since 5 May 2023 [2]	45		0		13		3		61	
Total	**784**	**778**	**0**	**0**	**170**	**170**	**121**	**113**	**1'075**	**1'061**
Members of the Board of Management										
Gabriel Brenna, Group CEO	870	870	207	261	311	261	239	234	1'627	1'626
Other members of the Board of Management	2'329	2'329	486	695	729	695	803	803	4'347	4'522
Total	**3'199**	**3'199**	**693**	**956**	**1'040**	**956**	**1'042**	**1'037**	**5'974**	**6'148**

1 The members of the Board of Directors receive a portion of their fixed compensation in the form of entitlements. With the members of the Executive Management, 50 per cent of the variable compensation consists of entitlements, which contain shares and, since 2023, also a cash component. The total compensation comprises the total of the fixed and variable compensation plus the entitlements.
2 The members of the Board of Directors receive a portion of their fixed compensation in the form of entitlements. With the members of the Executive Management, 50 per cent of the variable compensation consists of entitlements, which contain shares and, since 2023, also a cash component. The total compensation comprises the total of the fixed and variable compensation plus the entitlements.
3 On 6 May 2022, Patrizia Holenstein stepped down from the Board of Directors due to the term of office limitation rule. As her replacement, the General Meeting of Shareholders elected Leila Frick-Marxer for a first term of office of three years.
4 The compensation was paid to Adulco GmbH.

Shareholdings of related parties

	Registered shares	
	31.12.2023	31.12.2022
Members of the Board of Directors		
Georg Wohlwend, Chairman	3'695	3'065
Gabriela Nagel-Jungo, Vice Chairwoman until 5 May 2023 [1]		2'448
Richard Senti, Vice Chairman since 5 May 2023 [1]	815	500
Nicole Brunhart, Member since 5 May 2023 [1]	100	
Leila Frick-Marxer, Member since 6 May 2022 [2]	0	0
Patrizia Holenstein, Member until 6 Mai 2022 [2]		
Urs Leinhäuser, Member until 5 May 2023 [1]		2'363
Thomas Russenberger, Member	515	200
Karl Sevelda, Member	209	0
Christian Wiesendanger, Member since 5 May 2023 [1]	0	
Total	**5'334**	**8'576**
Members of the Board of Management		
Gabriel Brenna, Group CEO	27'938	32'180
Christoph Reich, Vice Group CEO	23'662	21'810
Natalie Flatz	10'787	9'250
Patrick Fürer	10'237	8'000
Urs Müller	34'698	32'794
Total	**107'322**	**104'034**
Other related companies and parties		
Related parties	4'800	4'800
Total	**4'800**	**4'800**

1 On 5 May 2023, Gabriela Nagel-Jungo and Urs Leinhäuser stepped down from the Board of Directors due to the term of office limitation rule. In their place, the General Meeting of Shareholders elected Nicole Brunhart and Christian Wiesendanger for a first term of office of three years. Richard Senti took over the office of Vice Chair from Gabriela Nagel-Jungo.
2 On 6 May 2022, Patrizia Holenstein stepped down from the Board of Directors due to the term of office limitation rule. As her replacement, the General Meeting of Shareholders elected Leila Frick-Marxer for a first term of office of three years.

No member of the Board of Directors or the Board of Management owns more than 0.2 per cent of the voting rights.

Loans to key management personnel

	Fixed mortgages		Variable mortgages		Total	
in CHF thousands	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Members of the Board of Directors						
Georg Wohlwend, Chairman	0	0	0	0	0	0
Gabriela Nagel-Jungo, Vice Chairwoman until 5 May 2023		200		0		200
Richard Senti, Vice Chairman since 5 May 2023 [1]	198	398	473	271	671	669
Nicole Brunhart, Member since 5 May 2023 [1]	0		0		0	
Leila Frick-Marxer, Member since 6 May 2022 [2]	0	0	0	0	0	0
Patrizia Holenstein, Member until 6 May 2022 [2]						
Urs Leinhäuser, Member until 5 May 2023 [1]		0		0		0
Thomas Russenberger, Member	0	0	0	0	0	0
Karl Sevelda, Member	0	0	0	0	0	0
Christian Wiesendanger, Member since 5 May 2023 [1]	0		0		0	
and related parties	0	0	0	0	0	0
Total	**198**	**598**	**473**	**271**	**671**	**869**
Members of the Board of Management						
Gabriel Brenna, Group CEO	0	0	0	0	0	0
Other members of the Board of Management	1'910	1'910	0	0	1'910	1'910
and related parties	0	0	0	0	0	0
Total	**1'910**	**1'910**	**0**	**0**	**1'910**	**1'910**

1 On 5 May 2023, Gabriela Nagel-Jungo and Urs Leinhäuser stepped down from the Board of Directors due to the term of office limitation rule. In their place, the General Meeting of Shareholders elected Nicole Brunhart and Christian Wiesendanger for a first term of office of three years. Richard Senti took over the office of Vice Chair from Gabriela Nagel-Jungo.
2 On 6 May 2022, Patrizia Holenstein stepped down from the Board of Directors due to the term of office limitation rule. As her replacement, the General Meeting of Shareholders elected Leila Frick-Marxer for a first term of office of three years.

All mortgage loans to members of management in key positions and related parties are fully secured.

At 31 December 2023, the remaining term to maturity of the fixed mortgages for the members of the Board of Directors and related parties ranged between 27 and 37 months (previous year: between 3 and 49 months) at standard market client interest rates of 1.02 to 1.05 per cent per annum (previous year: 0.75 to 1.25 %).

At 31 December 2023, the remaining term to maturity of the variable mortgages for the members of the Board of Directors and related parties extended to a maximum of 3 months (previous year: 3 months) at standard market client interest rates of 2.51 per cent per annum (previous year: 1.28 %). Following expiry, these are extended for a further 3 months providing they are not revoked.

At 31 December 2023, the remaining term to maturity of the fixed mortgages for the members of the Board of Management ranged between 6 and 100 months (previous year: between 18 and 112 months) at interest rates of 0.81 to 1.80 per cent per annum (previous year: 0.81 to 1.80 %).

Of the total amount for mortgages for the members of the Board of Management, CHF thousands 1'100 (previous year: CHF thousands 1'000) was granted at the preferential interest rate for staff, the remainder was subject to standard market client interest rates. No other loans were issued to the members of the Board of Management (previous year: none).

No value allowances for loans and other credit lines to management were necessary. LLB granted no guarantees for management or related parties (previous year: none).

Compensation, loans and credits to related parties pursuant to Art. 16, OaEC

Liechtensteinische Landesbank AG paid no compensation to persons pursuant to Art. 16, OaEC. Loans and credits to related parties pursuant to Art. 16, OaEC were granted at standard market conditions.

GRI index

Liechtensteinische Landesbank has reported in accordance with the GRI Standards for the period from 1 January 2023 to 31 December 2023.

For the Content Index – Essentials Service, GRI Services checked whether the GRI index was presented in a manner that is consistent with the requirements for reporting in accordance with the GRI Standards and whether the information in the GRI index is clearly presented and accessible to the stakeholders. This service was provided for the German version of the report.

Liechtensteinische Landesbank publishes a sustainability report on an annual basis. This report was published on 18 March 2024. Any questions or comments regarding this report can be sent by e-mail (ir@llb.li) to Dr Cyrill Sele, Head Group Corporate Communications & Sustainability at Liechtensteinische Landesbank AG (headquartered in Vaduz, Liechtenstein).

The Annual Report includes all companies named in the scope of consolidation section.

If a new presentation, calculation method or optimised data collection has led to different results for the previous years for individual GRI disclosures, then this is noted under the respective statements.

Non-financial information and data has not been externally assured.

Find here Facts and figures highlighting the LLB Group's commitment to the environment, society and corporate governance (PDF).

GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	n.a.

General disclosures

GRI-Standard / other source	Disclosure	Location	Omission (Requirements ommitted (RO), Reason (R), Explanation (E))
	1. The organization and its reporting practices		
	2-1 Organizational details	Corporate Governance	
	2-2 Entities included in the organization's sustainability reporting	GRI-Index	
	2-3 Reporting period, frequency and contact point	GRI-Index	
	2-4 Restatements of information	GRI-Index	
GRI 2: General Disclosures 2021	2-5 External assurance	GRI-Index	

	2. Activities and workers		
	2-6 Activities, value chain and other business relationships	Strategy and organisation	
	2-7 Employees	Employees	
GRI 2: General Disclosures 2021	2-8 Workers who are not employees		RO: Workers who are not employees. R: Information not available/incomplete. E: Our systems cannot currently record workers who are not employees.

	3. Governance		
	2-9 Governance structure and composition	Corporate Governance	
	2-10 Nomination and selection of the highest governance body	Corporate Governance	
	2-11 Chair of the highest governance body	Corporate Governance	
	2-12 Role of the highest governance body in overseeing the management of impacts	Our understanding of sustainability	
	2-13 Delegation of responsibility for managing impacts	Our understanding of sustainability	
	2-14 Role of the highest governance body in sustainability reporting	Our understanding of sustainability	
	2-15 Conflicts of interest	Corporate Governance	
	2-16 Communication of critical concerns	Values and corporate management	
	2-17 Collective knowledge of the highest governance body	Our understanding of sustainability	
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance	
	2-19 Remuneration policies	Compensation report	
	2-20 Process to determine remuneration	Compensation report	
GRI 2: General Disclosures 2021	2-21 Annual total compensation ratio	Employees	

	4. Strategy, policies and practices		
	2-22 Statement on sustainable development strategy	Letter to shareholders	
	2-23 Policy commitments	Values and corporate management	
		Our understanding of sustainability	
	2-24 Embedding policy commitments	Values and corporate management	
	2-25 Processes to remediate negative impacts	Environmental and social responsibility in banking	
	2-26 Mechanisms for seeking advice and raising concerns	Values and corporate management	
	2-27 Compliance with laws and regulations	Values and corporate management	
GRI 2: General Disclosures 2021	2-28 Membership associations	Industry initiatives and corporate citizenship	

	5. Stakeholder engagement		
	2-29 Approach to stakeholder engagement	Material topics	
GRI 2: General Disclosures 2021	2-30 Collective bargaining agreements	Employees	

	6. Disclosures on material topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Material topics	
	3-2 List of material topics	Material topics	

Material topics

Economic performance

GRI-Standard / other source	Disclosure	Location	Omission (Requirements ommitted (RO), Reason (R), Explanation (E))
GRI 3: Material Topics 2021	3-3 Management of material topics	Economic value creation	
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	Key figures	
	201-3 Defined benefit plan obligations and other retirement plans	Employees	
	201-4 Financial assistance received from government	Economic value creation	

Responsible corporate management

GRI 3: Material Topics 2021	3-3 Management of material topics	Values and corporate management	

Compliance

GRI 3: Material Topics 2021	3-3 Management of material topics	Values and corporate management	
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Values and corporate management	
	205-3 Confirmed incidents of corruption and actions taken	Values and corporate management	
GRI 205: Anti-competitive behaviour 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Values and corporate management	

Risk and reputation management

GRI 3: Material Topics 2021	3-3 Management of material topics	Risk management	

Digitalisation and innovative strength

GRI 3: Material Topics 2021	3-3 Management of material topics	Economic value creation	

Customer orientation

GRI 3: Material Topics 2021	3-3 Management of material topics	Environmental and social responsibility in banking	

Sustainable financial services

GRI 3: Material Topics 2021	3-3 Management of material topics	Environmental and social responsibility in banking	

	Climate protection and climate risk management	
GRI 3: Material Topics 2021	3-3 Management of material topics	Corporate environmental and climate protection
	302-1 Energy consumption within the organization	Corporate environmental and climate protection
GRI 302: Energy 2016	302-4 Reduction of energy consumption	Corporate environmental and climate protection
	305-1 Direct (Scope 1) GHG emissions	Corporate environmental and climate protection
	305-2 Energy indirect (Scope 2) GHG emissions	Corporate environmental and climate protection
	305-3 Other indirect (Scope 3) GHG emissions	Corporate environmental and climate protection
GRI 305: Emissions 2016	305-5 Reduction of GHG emissions	Corporate environmental and climate protection

	Employer of choice	
GRI 3: Material Topics 2021	3-3 Management of material topics	Employees
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Employees
	403-1 Occupational health and safety management system	Employees
	403-4 Worker participation, consultation, and communication on occupational health and safety	Employees
	403-5 Worker training on occupational health and safety	Employees
	403-6 Promotion of worker health	Employees
GRI 403: Occupational health and safety 2018	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Employees

	Recruitment and talent development	
GRI 3: Material Topics 2021	3-3 Management of material topics	Employees
	404-2 Programs for upgrading employee skills and transition assistance programs	Employees
GRI 404: Training and education 2016	404-3 Percentage of employees receiving regular performance and career development reviews	Employees

	Diversity, equal opportunity and inclusion	
GRI 3: Material Topics 2021	3-3 Management of material topics	Employees
GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	Employees
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Employees

	Economic role and regional employer	
GRI 3: Material Topics 2021	3-3 Management of material topics	Economic value creation
GRI 203: Indirect economic impacts 2016	203-2 Significant indirect economic impacts	Economic value creation

	Data protection and cyber security	
GRI 3: Material Topics 2021	3-3 Management of material topics	Values and corporate management
GRI 418: Customer privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Values and corporate management

Appendix: Detailed EU Taxonomy disclosure

Quantitative information on environmentally sustainable assets

The following pages contain detailed information on the LLB Group assets that are associated with environmentally sustainable economic activities (based on the Taxonomy). This information must be disclosed using the relevant templates in accordance with Art. 4 para. 2 of the Delegated Regulation (EU) 2021/2178. The relevant qualitative information can be found in the EU Taxonomy section.

1 Assets for the calculation of GAR (turnover)

31.12.2023

	in CHF millions	Total gross carrying amount	Climate Change Mitigation					Climate Change Adaptation				TOTAL				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	8'837.1	7.8	7.1	0.0	0.0	3.1	0.1	0.1	0.0	0.1	58.3	8.0	0.0	0.0	0.0
2	**Financial undertakings**	**322.5**	**2.4**	**2.4**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**17.6**	**2.4**	**0.0**	**0.0**	**0.0**
3	Credit institutions	283.3	2.4	2.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	16.4	2.4	0.0	0.0	0.0
4	Loans and advances	2.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5	Debt securities, including UoP	280.7	2.4	2.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	16.4	2.4	0.0	0.0	0.0
6	Equity instruments	0.0	0.0	0.0		0.0	0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
7	Other financial corporations	39.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.3	0.0	0.0	0.0	0.0
8	of which investment firms	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9	Loans and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10	Debt securities, including UoP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11	Equity instruments	0.0	0.0	0.0		0.0	0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
12	of which management companies	39.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.3	0.0	0.0	0.0	0.0
13	Loans and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
14	Debt securities, including UoP	39.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.3	0.0	0.0	0.0	0.0
15	Equity instruments	0.0	0.0	0.0		0.0	0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
16	of which insurance undertakings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
17	Loans and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
18	Debt securities, including UoP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
19	Equity instruments	0.0	0.0	0.0		0.0	0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
20	**Non-financial undertakings**	**112.1**	**4.7**	**4.7**	**0.0**	**0.0**	**3.1**	**0.1**	**0.1**	**0.0**	**0.1**	**40.0**	**5.7**	**0.0**	**0.0**	**0.0**
21	Loans and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
22	Debt securities, including UoP	106.5	4.3	4.3	0.0	0.0	2.8	0.1	0.1	0.0	0.1	38.4	5.3	0.0	0.0	0.0
23	Equity instruments	5.5	0.4	0.4		0.0	0.3	0.0	0.0		0.0	1.5	0.4		0.0	0.0
24	**Households**	**8'376.5**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
25	of which loans collateralised by residential immovable property	7'197.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
26	of which building renovation loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
27	of which motor vehicle loans	0.0	0.0	0.0	0.0	0.0	0.0					0.0	0.0	0.0	0.0	0.0
28	**Local governments financing**	**25.3**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
29	Housing financing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
30	Other local government financing	25.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0.7**	**0.7**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.7**	**0.0**	**0.0**	**0.0**	**0.0**
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	**9'862.8**														
33	**Financial and Non-financial undertakings**	8'550.0														
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	1'862.9														
35	Loans and advances	1'417.4														
36	of which loans collateralised by commercial immovable property	593.6														
37	of which building renovation loans	0.0														
38	Debt securities	445.3														
39	Equity instruments	0.3														
40	Non-EU country counterparties not subject to NFRD disclosure obligations	6'687.0														
41	Loans and advances	5'539.7														
42	Debt securities	914.2														
43	Equity instruments	233.2														
44	**Derivatives**	**286.4**														
45	**On demand interbank loans**	**314.4**														

1 Assets for the calculation of GAR (turnover)

31.12.2023

	in CHF millions		Climate Change Mitigation					Climate Change Adaptation				TOTAL				
		Total gross carrying amount	Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
46	Cash and cash-related assets	69.7														
47	Other categories of assets (e.g. Goodwill, commodities etc.)	642.3														
48	Total GAR assets	18'699.9	7.8	7.1	0.0	0.0	3.1	0.1	0.1	0.0	0.1	58.3	8.0	0.0	0.0	0.0
49	Assets not covered for GAR calculation	7'062.5														
50	Central governments and Supranational issuers	742.2														
51	Central banks exposure	6'320.3														
52	Trading book	0.0														
53	Total assets	25'762.4														

Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations

54	Financial guarantees	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
55	Assets under Management	2'106.3	88.9	82.4	0.0	0.8	44.9	1.0	1.0	0.0	0.5	329.5	84.5	0.0	0.8	45.4
56	Of which debt securities	1'501.8	48.2	45.7	0.0	0.2	18.2	0.9	0.9	0.0	0.5	206.1	44.9	0.0	0.2	18.7
57	Of which equity instruments	554.1	40.7	36.7	0.0	0.6	26.7	0.0	0.0	0.0	0.0	123.4	39.6	0.0	0.6	26.7

2 Assets for the calculation of GAR (CapEx)

31.12.2023

	in CHF millions	Total gross carrying amount	Climate Change Mitigation					Climate Change Adaptation				TOTAL				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	8'837.1	14.3	13.6	0.0	0.3	10.2	0.1	0.1	0.0	0.1	73.4	18.2	0.0	0.0	0.0
2	**Financial undertakings**	**322.5**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**21.2**	**4.3**	**0.0**	**0.0**	**0.0**
3	Credit institutions	283.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	19.8	4.3	0.0	0.0	0.0
4	Loans and advances	2.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5	Debt securities, including UoP	280.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	19.8	4.3	0.0	0.0	0.0
6	Equity instruments	0.0	0.0	0.0		0.0	0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
7	Other financial corporations	39.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.4	0.0	0.0	0.0	0.0
8	of which investment firms	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9	Loans and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10	Debt securities, including UoP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11	Equity instruments	0.0	0.0	0.0		0.0	0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
12	of which management companies	39.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.4	0.0	0.0	0.0	0.0
13	Loans and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
14	Debt securities, including UoP	39.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.4	0.0	0.0	0.0	0.0
15	Equity instruments	0.0	0.0	0.0		0.0	0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
16	of which insurance undertakings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
17	Loans and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
18	Debt securities, including UoP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
19	Equity instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
20	**Non-financial undertakings**	**112.1**	**13.6**	**13.6**	**0.0**	**0.3**	**10.2**	**0.1**	**0.1**	**0.0**	**0.1**	**51.5**	**13.9**	**0.0**	**0.0**	**0.0**
21	Loans and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
22	Debt securities, including UoP	106.5	13.1	13.1	0.0	0.2	9.9	0.1	0.1	0.0	0.1	49.2	13.4	0.0	0.0	0.0
23	Equity instruments	5.5	0.6	0.5		0.0	0.3	0.0	0.0		0.0	2.3	0.6		0.0	0.0
24	**Households**	**8'376.5**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
25	of which loans collateralised by residential immovable property	7'197.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
26	of which building renovation loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
27	of which motor vehicle loans	0.0	0.0	0.0	0.0	0.0	0.0					0.0	0.0	0.0	0.0	0.0
28	**Local governments financing**	**25.3**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
29	Housing financing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
30	Other local government financing	25.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0.7**	**0.7**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.7**	**0.0**	**0.0**	**0.0**	**0.0**
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	**9'862.8**														
33	**Financial and Non-financial undertakings**	8'550.0														
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	1'862.9														
35	Loans and advances	1'417.4														
36	of which loans collateralised by commercial immovable property	593.6														
37	of which building renovation loans	0.0														
38	Debt securities	445.3														
39	Equity instruments	0.3														
40	Non-EU country counterparties not subject to NFRD disclosure obligations	6'687.0														
41	Loans and advances	5'539.7														
42	Debt securities	914.2														
43	Equity instruments	233.2														
44	**Derivatives**	**286.4**														
45	**On demand interbank loans**	**314.4**														

2 Assets for the calculation of GAR (CapEx)

31.12.2023

	in CHF millions		Climate Change Mitigation					Climate Change Adaptation				TOTAL				
		Total gross carrying amount	Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
46	Cash and cash-related assets	69.7														
47	Other categories of assets (e.g. Goodwill, commodities etc.)	642.3														
48	Total GAR assets	18'699.9	14.3	13.6	0.0	0.3	10.2	0.1	0.1	0.0	0.1	73.4	18.2	0.0	0.0	0.0
49	Assets not covered for GAR calculation	7'062.5														
50	Central governments and Supranational issuers	742.2														
51	Central banks exposure	6'320.3														
52	Trading book	0.0														
53	Total assets	25'762.4														

Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations

54	Financial guarantees	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
55	Assets under Management	2'106.3	172.7	166.4	0.0	6.2	81.4	1.6	1.6	0.0	0.8	462.3	182.5	0.0	6.2	82.2
56	Of which debt securities	1'501.8	108.5	105.9	0.0	2.9	45.4	1.2	1.2	0.0	0.7	294.5	117.2	0.0	2.9	46.1
57	Of which equity instruments	554.1	64.3	60.5	0.0	3.3	36.0	0.5	0.5	0.0	0.1	167.8	65.3	0.0	3.3	36.1

3 GAR sector information (turnover)

	Breakdown by sector - NACE 2 digits level	Climate Change Mitigation				Climate Change Adaptation				TOTAL			
		Non-financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount	
		in CHF millions	Of which environmen-tally sustainable	in CHF millions	Of which environmen-tally sustainable	in CHF millions	Of which environmen-tally sustainable	in CHF millions	Of which environmen-tally sustainable	in CHF millions	Of which environmen-tally sustainable	in CHF millions	Of which environmen-tally sustainable
6	Extraction of crude petroleum and natural gas	0.0	0.0			0.0	0.0			0.0	0.0		
10	Manufacture of food products	0.0	0.0			0.0	0.0			0.0	0.0		
11	Manufacture of beverages	0.9	0.0			0.9	0.0			0.9	0.0		
14	Manufacture of wearing apparel	0.0	0.0			0.0	0.0			0.0	0.0		
15	Manufacture of leather and related products	0.0	0.0			0.0	0.0			0.0	0.0		
17	Manufacture of paper and paper products	0.0	0.0			0.0	0.0			0.0	0.0		
19	Manufacture of coke and refined petroleum products	0.1	0.0			0.1	0.0			0.1	0.0		
20	Manufacture of chemicals and chemical products	11.7	0.0			11.7	0.0			11.7	0.0		
21	Manufacture of basic pharmaceutical products	5.2	0.0			5.2	0.0			5.2	0.0		
22	Manufacture of rubber and plastic products	0.0	0.0			0.0	0.0			0.0	0.0		
23	Manufacture of other non-metallic mineral products	0.8	0.2			0.8	0.0			0.8	0.2		
24	Manufacture of basic metals	0.0	0.0			0.0	0.0			0.0	0.0		
25	Manufacture of fabricated metal products, except machinery and equipment	0.0	0.0			0.0	0.0			0.0	0.0		
26	Manufacture of computer, electronic and optical products	0.0	0.0			0.0	0.0			0.0	0.0		
27	Manufacture of electrical equipment	9.3	0.0			9.3	0.0			9.3	0.0		
28	Manufacture of machinery and equipment n.e.c.	0.6	0.1			0.6	0.0			0.6	0.1		
29	Manufacture of motor vehicles, trailers and semi-trailers	31.0	2.3			31.0	0.0			31.0	2.3		
30	Manufacture of other transport equipment	0.0	0.0			0.0	0.0			0.0	0.0		
32	Other manufacturing	0.0	0.0			0.0	0.0			0.0	0.0		
35	Electricity, gas, steam and air conditioning supply	4.8	0.6			4.8	0.0			4.8	0.6		
36	Water collection, treatment and supply	2.8	0.0			2.8	0.0			2.8	0.9		
41	Construction of buildings	0.0	0.0			0.0	0.0			0.0	0.0		
42	Civil engineering	0.3	0.0			0.3	0.0			0.3	0.0		
46	Wholesale trade, except of motor vehicles and motorcycles	0.3	0.0			0.3	0.0			0.3	0.0		
47	Retail trade, except of motor vehicles and motorcycles	5.0	0.0			5.0	0.0			5.0	0.0		
49	Land transport and transport via pipelines	0.0	0.0			0.0	0.0			0.0	0.0		
50	Water transport	0.2	0.0			0.2	0.0			0.2	0.0		
51	of which loans collateralised by residential immovable property	0.0	0.0			0.0	0.0			0.0	0.0		
52	Warehousing and support activities for transportation	0.0	0.0			0.0	0.0			0.0	0.0		
53	Postal and courier activities	4.9	1.5			4.9	0.0			4.9	1.5		
58	Publishing activities	0.0	0.0			0.0	0.0			0.0	0.0		
59	Motion picture, video and television programme production, sound recording and music publishing activities	0.2	0.0			0.2	0.0			0.2	0.0		
60	Programming and broadcasting activities	0.5	0.0			0.5	0.0			0.5	0.0		
61	Collateral obtained by taking possession: residential and commercial immovable properties	13.2	0.0			13.2	0.0			13.2	0.0		
62	Computer programming, consultancy and related activities	0.1	0.0			0.1	0.0			0.1	0.0		
63	Information service activities	0.0	0.0			0.0	0.0			0.0	0.0		
68	Real estate activities	19.0	0.0			19.0	0.0			19.0	0.0		
73	Advertising and market research	0.3	0.0			0.3	0.0			0.3	0.0		
78	Employment activities	0.0	0.0			0.0	0.0			0.0	0.0		
86	Human health activities	0.4	0.0			0.4	0.0			0.4	0.0		
93	Sports activities and amusement and recreation activities	0.0	0.0			0.0	0.0			0.0	0.0		
96	Other personal service activities	0.3	0.0			0.3	0.0			0.3	0.0		

4 GAR sector information (CapEx)

	Breakdown by sector - NACE 2 digits level	Climate Change Mitigation				Climate Change Adaptation				TOTAL			
		Non-financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount	
		in CHF millions	Of which environmentally sustainable	in CHF millions	Of which environmentally sustainable	in CHF millions	Of which environmentally sustainable	in CHF millions	Of which environmentally sustainable	in CHF millions	Of which environmentally sustainable	in CHF millions	Of which environmentally sustainable
6	Extraction of crude petroleum and natural gas	0.0	0.0			0.0	0.0			0.0	0.0		
10	Manufacture of food products	0.0	0.0			0.0	0.0			0.0	0.0		
11	Manufacture of beverages	0.9	0.0			0.9	0.0			0.9	0.0		
14	Manufacture of wearing apparel	0.0	0.0			0.0	0.0			0.0	0.0		
15	Manufacture of leather and related products	0.0	0.0			0.0	0.0			0.0	0.0		
17	Manufacture of paper and paper products	0.0	0.0			0.0	0.0			0.0	0.0		
19	Manufacture of coke and refined petroleum products	0.1	0.0			0.1	0.0			0.1	0.0		
20	Manufacture of chemicals and chemical products	11.7	0.0			11.7	0.0			11.7	0.0		
21	Manufacture of basic pharmaceutical products	5.2	0.0			5.2	0.0			5.2	0.0		
22	Manufacture of rubber and plastic products	0.0	0.0			0.0	0.0			0.0	0.0		
23	Manufacture of other non-metallic mineral products	0.8	0.2			0.8	0.0			0.8	0.2		
24	Manufacture of basic metals	0.0	0.0			0.0	0.0			0.0	0.0		
25	Manufacture of fabricated metal products, except machinery and equipment	0.0	0.0			0.0	0.0			0.0	0.0		
26	Manufacture of computer, electronic and optical products	0.0	0.0			0.0	0.0			0.0	0.0		
27	Manufacture of electrical equipment	9.3	0.0			9.3	0.0			9.3	0.0		
28	Manufacture of machinery and equipment n.e.c.	0.6	0.1			0.6	0.0			0.6	0.1		
29	Manufacture of motor vehicles, trailers and semi-trailers	31.0	7.0			31.0	0.0			31.0	7.0		
30	Manufacture of other transport equipment	0.0	0.0			0.0	0.0			0.0	0.0		
32	Other manufacturing	0.0	0.0			0.0	0.0			0.0	0.0		
35	Electricity, gas, steam and air conditioning supply	4.8	3.8			4.8	0.0			4.8	3.8		
36	Water collection, treatment and supply	2.8	0.0			2.8	0.0			2.8	0.2		
41	Construction of buildings	0.0	0.0			0.0	0.0			0.0	0.0		
42	Civil engineering	0.3	0.0			0.3	0.0			0.3	0.0		
46	Wholesale trade, except of motor vehicles and motorcycles	0.3	0.2			0.3	0.0			0.3	0.2		
47	Retail trade, except of motor vehicles and motorcycles	5.0	0.1			5.0	0.0			5.0	0.1		
49	Land transport and transport via pipelines	0.0	0.0			0.0	0.0			0.0	0.0		
50	Water transport	0.2	0.0			0.2	0.0			0.2	0.0		
51	of which loans collateralised by residential immovable property	0.0	0.0			0.0	0.0			0.0	0.0		
52	Warehousing and support activities for transportation	0.0	0.0			0.0	0.0			0.0	0.0		
53	Postal and courier activities	4.9	2.3			4.9	0.0			4.9	2.3		
58	Publishing activities	0.0	0.0			0.0	0.0			0.0	0.0		
59	Motion picture, video and television programme production, sound recording and music publishing activities	0.2	0.0			0.2	0.0			0.2	0.0		
60	Programming and broadcasting activities	0.5	0.0			0.5	0.0			0.5	0.0		
61	Collateral obtained by taking possession: residential and commercial immovable properties	13.2	0.0			13.2	0.1			13.2	0.1		
62	Computer programming, consultancy and related activities	0.1	0.0			0.1	0.0			0.1	0.0		
63	Information service activities	0.0	0.0			0.0	0.0			0.0	0.0		
68	Real estate activities	19.0	0.0			19.0	0.0			19.0	0.0		
73	Advertising and market research	0.3	0.0			0.3	0.0			0.3	0.0		
78	Employment activities	0.0	0.0			0.0	0.0			0.0	0.0		
86	Human health activities	0.4	0.0			0.4	0.0			0.4	0.0		
93	Sports activities and amusement and recreation activities	0.0	0.0			0.0	0.0			0.0	0.0		
96	Other personal service activities	0.3	0.0			0.3	0.0			0.3	0.0		

5 GAR KPI stock (turnover)

31.12.2023

	% (compared to total covered assets in the denominator)	Climate Change Mitigation					Climate Change Adaptation				TOTAL					Proportion of total assets covered
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0.09%	0.08%	0.00%	0.00%	0.04%	0.00%	0.00%	0.00%	0.00%	0.66%	0.09%	0.00%	0.00%	0.00%	47.26%
2	**Financial undertakings**	0.73%	0.73%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	5.47%	0.73%	0.00%	0.00%	0.00%	1.72%
3	Credit institutions	0.83%	0.83%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	5.78%	0.83%	0.00%	0.00%	0.00%	1.51%
4	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%
5	Debt securities, including UoP	0.84%	0.84%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	5.84%	0.84%	0.00%	0.00%	0.00%	1.50%
6	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	6.91%	0.00%		0.00%	0.00%	0.00%
7	Other financial corporations	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.22%	0.00%	0.00%	0.00%	0.00%	0.21%
8	of which investment firms	6.58%	6.58%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
9	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
10	Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
11	Equity instruments	12.48%	12.48%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%
12	of which management companies	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.22%	0.00%	0.00%	0.00%	0.00%	0.21%
13	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
14	Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.22%	0.00%	0.00%	0.00%	0.00%	0.21%
15	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%
16	of which insurance undertakings	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	6.87%	0.00%	0.00%	0.00%	0.00%	0.00%
17	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
18	Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	18.10%	0.00%	0.00%	0.00%	0.00%	0.00%
19	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	5.72%	0.00%		0.00%	0.00%	0.00%
20	**Non-financial undertakings**	4.19%	4.19%	0.00%	0.02%	2.77%	0.06%	0.06%	0.00%	0.06%	35.65%	5.07%	0.00%	0.00%	0.00%	0.60%
21	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
22	Debt securities, including UoP	4.06%	4.06%	0.00%	0.00%	2.65%	0.06%	0.06%	0.00%	0.06%	36.09%	4.97%	0.00%	0.00%	0.00%	0.57%
23	Equity instruments	6.82%	6.80%		0.35%	5.01%	0.07%	0.07%		0.06%	27.31%	7.00%		0.00%	0.00%	0.03%
24	**Households**	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	44.79%
25	of which loans collateralised by residential immovable property	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	38.49%
26	of which building renovation loans	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
27	of which motor vehicle loans	0.00%	0.00%	0.00%	0.00%	0.00%										0.00%
28	**Local governments financing**	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.14%
29	Housing financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
30	Other local government financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.14%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%
32	**Total GAR assets**	0.04%	0.04%	0.00%	0.00%	0.02%	0.00%	0.00%	0.00%	0.00%	0.31%	0.04%	0.00%	0.00%	0.00%	100.00%

6 GAR KPI stock (CapEx)

31.12.2023

	% (compared to total covered assets in the denominator)	Climate Change Mitigation					Climate Change Adaptation				TOTAL					Proportion of total assets covered
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0.16%	0.15%	0.00%	0.00%	0.12%	0.00%	0.00%	0.00%	0.00%	0.83%	0.21%	0.00%	0.00%	0.00%	47.26%
2	**Financial undertakings**	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	6.57%	1.32%	0.00%	0.00%	0.00%	1.72%
3	Credit institutions	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	6.99%	1.51%	0.00%	0.00%	0.00%	1.51%
4	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%
5	Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	7.06%	1.52%	0.00%	0.00%	0.00%	1.50%
6	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	6.95%	0.00%		0.00%	0.00%	0.00%
7	Other financial corporations	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.56%	0.00%	0.00%	0.00%	0.00%	0.21%
8	of which investment firms	17.71%	17.71%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
9	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
10	Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
11	Equity instruments	33.59%	33.59%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%
12	of which management companies	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.56%	0.00%	0.00%	0.00%	0.00%	0.21%
13	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
14	Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.56%	0.00%	0.00%	0.00%	0.00%	0.21%
15	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%
16	of which insurance undertakings	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	6.78%	0.00%	0.00%	0.00%	0.00%	0.00%
17	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
18	Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	17.80%	0.00%	0.00%	0.00%	0.00%	0.00%
19	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	5.65%	0.00%		0.00%	0.00%	0.00%
20	**Non-financial undertakings**	12.17%	12.17%	0.00%	0.22%	9.10%	0.07%	0.07%	0.00%	0.07%	45.97%	12.44%	0.00%	0.00%	0.00%	0.60%
21	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
22	Debt securities, including UoP	12.28%	12.28%	0.00%	0.20%	9.33%	0.07%	0.07%	0.00%	0.07%	46.21%	12.56%	0.00%	0.00%	0.00%	0.57%
23	Equity instruments	9.95%	9.93%		0.68%	4.81%	0.10%	0.10%		0.09%	41.32%	10.11%		0.00%	0.00%	0.03%
24	**Households**	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	44.79%
25	of which loans collateralised by residential immovable property	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	38.49%
26	of which building renovation loans	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
27	of which motor vehicle loans	0.00%	0.00%	0.00%	0.00%	0.00%										0.00%
28	**Local governments financing**	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.14%
29	Housing financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
30	Other local government financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.14%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%
32	**Total GAR assets**	0.08%	0.07%	0.00%	0.00%	0.05%	0.00%	0.00%	0.00%	0.00%	0.39%	0.10%	0.00%	0.00%	0.00%	100.00%

7 GAR KPI stock (turnover)

31.12.2023

	% (compared to flow of total eligible assets)	Climate Change Mitigation					Climate Change Adaptation				TOTAL					Proportion of total assets covered
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0.09%	0.08%	0.00%	0.00%	0.04%	0.00%	0.00%	0.00%	0.00%	0.66%	0.09%	0.00%	0.00%	0.00%	47.26%
2	**Financial undertakings**	0.73%	0.73%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	5.47%	0.73%	0.00%	0.00%	0.00%	1.72%
3	Credit institutions	0.83%	0.83%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	5.78%	0.83%	0.00%	0.00%	0.00%	1.51%
4	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%
5	Debt securities, including UoP	0.84%	0.84%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	5.84%	0.84%	0.00%	0.00%	0.00%	1.50%
6	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	6.91%	0.00%		0.00%	0.00%	0.00%
7	Other financial corporations	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.22%	0.00%	0.00%	0.00%	0.00%	0.21%
8	of which investment firms	6.58%	6.58%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
9	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
10	Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
11	Equity instruments	12.48%	12.48%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%
12	of which management companies	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.22%	0.00%	0.00%	0.00%	0.00%	0.21%
13	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
14	Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.22%	0.00%	0.00%	0.00%	0.00%	0.21%
15	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%
16	of which insurance undertakings	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	6.87%	0.00%	0.00%	0.00%	0.00%	0.00%
17	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
18	Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	18.10%	0.00%	0.00%	0.00%	0.00%	0.00%
19	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	5.72%	0.00%		0.00%	0.00%	0.00%
20	**Non-financial undertakings**	4.19%	4.19%	0.00%	0.02%	2.77%	0.06%	0.06%	0.00%	0.06%	35.65%	5.07%	0.00%	0.00%	0.00%	0.60%
21	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
22	Debt securities, including UoP	4.06%	4.06%	0.00%	0.00%	2.65%	0.06%	0.06%	0.00%	0.06%	36.09%	4.97%	0.00%	0.00%	0.00%	0.57%
23	Equity instruments	6.82%	6.80%		0.35%	5.01%	0.07%	0.07%		0.06%	27.31%	7.00%		0.00%	0.00%	0.03%
24	**Households**	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	44.79%
25	of which loans collateralised by residential immovable property	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	38.49%
26	of which building renovation loans	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
27	of which motor vehicle loans	0.00%	0.00%	0.00%	0.00%	0.00%										0.00%
28	**Local governments financing**	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.14%
29	Housing financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
30	Other local government financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.14%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%
32	**Total GAR assets**	0.04%	0.04%	0.00%	0.00%	0.02%	0.00%	0.00%	0.00%	0.00%	0.31%	0.04%	0.00%	0.00%	0.00%	100.00%

8 GAR KPI stock (CapEx)

31.12.2023

	% (compared to flow of total eligible assets)	Climate Change Mitigation					Climate Change Adaptation				TOTAL					Proportion of total assets covered
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0.16%	0.15%	0.00%	0.00%	0.12%	0.00%	0.00%	0.00%	0.00%	0.83%	0.21%	0.00%	0.00%	0.00%	47.26%
2	**Financial undertakings**	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	6.57%	1.32%	0.00%	0.00%	0.00%	1.72%
3	Credit institutions	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	6.99%	1.51%	0.00%	0.00%	0.00%	1.51%
4	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%
5	Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	7.06%	1.52%	0.00%	0.00%	0.00%	1.50%
6	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	6.95%	0.00%		0.00%	0.00%	0.00%
7	Other financial corporations	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.56%	0.00%	0.00%	0.00%	0.00%	0.21%
8	of which investment firms	17.71%	17.71%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
9	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
10	Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
11	Equity instruments	33.59%	33.59%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%
12	of which management companies	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.56%	0.00%	0.00%	0.00%	0.00%	0.21%
13	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
14	Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.56%	0.00%	0.00%	0.00%	0.00%	0.21%
15	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%
16	of which insurance undertakings	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	6.78%	0.00%	0.00%	0.00%	0.00%	0.00%
17	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
18	Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	17.80%	0.00%	0.00%	0.00%	0.00%	0.00%
19	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	5.65%	0.00%		0.00%	0.00%	0.00%
20	**Non-financial undertakings**	12.17%	12.17%	0.00%	0.22%	9.10%	0.07%	0.07%	0.00%	0.07%	45.97%	12.44%	0.00%	0.00%	0.00%	0.60%
21	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
22	Debt securities, including UoP	12.28%	12.28%	0.00%	0.20%	9.33%	0.07%	0.07%	0.00%	0.07%	46.21%	12.56%	0.00%	0.00%	0.00%	0.57%
23	Equity instruments	9.95%	9.93%		0.68%	4.81%	0.10%	0.10%		0.09%	41.32%	10.11%		0.00%	0.00%	0.03%
24	**Households**	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	44.79%
25	of which loans collateralised by residential immovable property	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	38.49%
26	of which building renovation loans	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
27	of which motor vehicle loans	0.00%	0.00%	0.00%	0.00%	0.00%										0.00%
28	**Local governments financing**	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.14%
29	Housing financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
30	Other local government financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.14%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%
32	**Total GAR assets**	0.08%	0.07%	0.00%	0.00%	0.05%	0.00%	0.00%	0.00%	0.00%	0.39%	0.10%	0.00%	0.00%	0.00%	100.00%

9 KPI off-balance sheet exposures (turnover)

31.12.2023

	% (compared to total eligible off-balance sheet assets)	Climate Change Mitigation					Climate Change Adaptation				TOTAL				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
2	Assets under management (AuM KPI)	4.22%	3.91%	0.00%	0.04%	2.13%	0.05%	0.05%	0.00%	0.03%	15.64%	4.01%	0.00%	0.04%	2.16%

10 KPI off-balance sheet exposures (CapEx)

31.12.2023

	% (compared to total eligible off-balance sheet assets)	Climate Change Mitigation					Climate Change Adaptation				TOTAL				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
2	Assets under management (AuM KPI)	8.20%	7.90%	0.00%	0.29%	3.86%	0.08%	0.08%	0.00%	0.04%	21.95%	8.66%	0.00%	0.29%	3.90%

Detailed information on economic activities in the area of nuclear energy and fossil gas

The following pages contain detailed information on the LLB Group assets that are associated with environmentally sustainable economic activities (based on the Taxonomy) in the areas of nuclear energy and fossil gas. The relevant qualitative information can be found in the EU Taxonomy section.

Proportion of the total GAR (revenue)

The following tables illustrate the proportion of taxonomy-aligned economic activities in the area of nuclear energy and fossil gas in the LLB Group's revenue-related total GAR (plus off-balance-sheet exposure). In each case, the proportion is shown separately for the denominator and numerator of the revenue-related GAR.

11 Taxonomy-aligned economic activities (denominator - revenue)

	Amount and proportion					
	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Economic activities	Amount	%	Amount	%	Amount	%
Amount and proportion of taxonomyaligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.00	0.00	0.00	0.00	0.00	0.00
Amount and proportion of taxonomyaligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.01	0.01	0.01	0.01	0.00	0.00
Amount and proportion of taxonomyaligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	4.77	5.33	4.77	5.33	0.00	0.00
Amount and proportion of taxonomyaligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.05	0.05	0.05	0.05	0.00	0.00
Amount and proportion of taxonomyaligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.02	0.02	0.02	0.02	0.00	0.00
Amount and proportion of taxonomyaligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.00	0.00	0.00	0.00	0.00	0.00
Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	**87.69**	**94.59**	**84.63**	**94.59**	**1.03**	**100.00**
Total applicable KPI	**92.53**	**100.00**	**89.47**	**100.00**	**1.03**	**100.00**

12 Taxonomy-aligned economic activities (numerator - revenue)

	Amount and proportion					
	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Economic activities	Amount	%	Amount	%	Amount	%
Amount and proportion of taxonomyaligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.00	0.00	0.00	0.00	0.00	0.00
Amount and proportion of taxonomyaligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.01	0.01	0.01	0.01	0.00	0.00
Amount and proportion of taxonomyaligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	11.08	12.39	11.08	12.39	0.00	0.00
Amount and proportion of taxonomyaligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.00	0.00	0.00	0.00	0.00	0.00
Amount and proportion of taxonomyaligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.00	0.00	0.00	0.00	0.00	0.00
Amount and proportion of taxonomyaligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.00	0.00	0.00	0.00	0.00	0.00
Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	**81.44**	**87.60**	**78.37**	**87.60**	**1.03**	**100.00**
Total applicable KPI	**92.53**	**100.00**	**89.47**	**100.00**	**1.03**	**100.00**

The following table illustrates the proportion of taxonomy-eligible economic activities in the area of nuclear energy and fossil gas in the LLB Group's revenue-related total GAR (plus off-balance-sheet exposure).

13 Taxonomy-eligible but not taxonomy-aligned economic activities (revenue)

	Amount and proportion					
	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Economic activities	Amount	%	Amount	%	Amount	%
Amount and proportion of taxonomyeligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.00	0.00	0.00	0.00	0.00	0.00
Amount and proportion of taxonomyeligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.29	0.30	0.29	0.30	0.00	0.00
Amount and proportion of taxonomyeligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.06	0.06	0.06	0.06	0.00	0.00
Amount and proportion of taxonomyeligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	8.74	9.04	8.74	9.04	0.00	0.00
Amount and proportion of taxonomyeligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	8.25	8.54	8.25	8.54	0.00	0.00
Amount and proportion of taxonomyeligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	3.84	3.97	3.84	3.97	0.00	0.00
Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 abo ve in the denominator of the applicable KPI	**366.64**	**78.08**	**75.48**	**78.08**	**1.03**	**100.00**
Total amount and proportion of taxonomy eligible but not taxonomyaligned economic activities in the denominator of the applicable KPI	**387.82**	**100.00**	**96.67**	**100.00**	**1.03**	**100.00**

The following table illustrates the proportion of taxonomy non-eligible economic activities in the area of nuclear energy and fossil gas in the LLB Group's revenue-related total GAR (plus off-balance-sheet exposure).

14 Taxonomy non-eligible economic activities (revenue)

Economic activities	Amount	Percentage
Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.00	0.00
Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.00	0.00
Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	1.75	0.02
Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.16	0.00
Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.00	0.00
Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.00	0.00
Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	**10'553.72**	**99.98**
Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI'	**10'555.63**	**100.00**

Proportion of the total GAR (CapEx)
The following tables illustrate the proportion of taxonomy-aligned economic activities in the area of nuclear energy and fossil gas in the LLB Group’s investment-related total GAR (plus off-balance-sheet exposure). In each case, the proportion is shown separately for the denominator and numerator of the investment-related GAR.

15 Taxonomy-aligned economic activities (denominator – CapEx)

	Amount and proportion					
	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Economic activities	Amount	%	Amount	%	Amount	%
Amount and proportion of taxonomyaligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.00	0.00	0.00	0.00	0.00	0.00
Amount and proportion of taxonomyaligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.70	0.39	0.70	0.39	0.00	0.00
Amount and proportion of taxonomyaligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	5.94	3.30	5.94	3.30	0.00	0.00
Amount and proportion of taxonomyaligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.09	0.05	0.09	0.05	0.00	0.00
Amount and proportion of taxonomyaligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.08	0.04	0.08	0.04	0.00	0.00
Amount and proportion of taxonomyaligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.00	0.00	0.00	0.00	0.00	0.00
Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	**193.89**	**96.21**	**173.21**	**96.21**	**1.71**	**100.00**
Total applicable KPI	**200.70**	**100.00**	**180.02**	**100.00**	**1.71**	**100.00**

16 Taxonomy-aligned economic activities (numerator - CapEx)

	Amount and proportion					
	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Economic activities	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
Amount and proportion of taxonomyaligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.00	0.00	0.00	0.00	0.00	0.00
Amount and proportion of taxonomyaligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	1.17	0.65	1.17	0.65	0.00	0.00
Amount and proportion of taxonomyaligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	8.91	4.95	8.91	4.95	0.00	0.00
Amount and proportion of taxonomyaligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.09	0.05	0.09	0.05	0.00	0.00
Amount and proportion of taxonomyaligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.08	0.04	0.08	0.04	0.00	0.00
Amount and proportion of taxonomyaligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.00	0.00	0.00	0.00	0.00	0.00
Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	**190.46**	**94.31**	**169.77**	**94.31**	**1.71**	**100.00**
Total applicable KPI	**200.70**	**100.00**	**180.02**	**100.00**	**1.71**	**100.00**

The following table illustrates the proportion of taxonomy-eligible economic activities in the area of nuclear energy and fossil gas in the LLB Group’s investment-related total GAR (plus off-balance-sheet exposure).

17 Taxonomy-eligible but not taxonomy-aligned economic activities (CapEx)

	Amount and proportion					
	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Economic activities	Amount	%	Amount	%	Amount	%
Amount and proportion of taxonomyeligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.00	0.00	0.00	0.00	0.00	0.00
Amount and proportion of taxonomyeligible but taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.03	0.01	0.03	0.01	0.00	0.00
Amount and proportion of taxonomyeligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.06	0.03	0.06	0.03	0.00	0.00
Amount and proportion of taxonomyeligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	5.77	3.09	5.77	3.09	0.00	0.00
Amount and proportion of taxonomyeligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	7.88	4.21	7.88	4.21	0.00	0.00
Amount and proportion of taxonomyeligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.25	0.13	0.25	0.13	0.00	0.00
Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 abo ve in the denominator of the applicable KPI	**521.75**	**92.52**	**173.10**	**92.52**	**1.71**	**100.00**
Total amount and proportion of taxonomy eligible but not taxonomyaligned economic activities in the denominator of the applicable KPI	**535.74**	**100.00**	**187.09**	**100.00**	**1.71**	**100.00**

The following table illustrates the proportion of taxonomy non-eligible economic activities in the area of nuclear energy and fossil gas in the LLB Group's investment-related total GAR (plus off-balance-sheet exposure).

18 Taxonomy non-eligible economic activities (CapEx)

Economic activities	Amount	Percentage
Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.00	0.00
Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	5.16	0.05
Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	1.07	0.01
Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.14	0.00
Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	1.66	0.02
Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021 / 2139 in the denominator of the applicable KPI	0.00	0.00
Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	**10'399.68**	**99.92**
Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI'	**10'407.72**	**100.00**