

# 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 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).

In 2011, the Liechtenstein Government as the representative of the principal shareholder, the Principality of Liechtenstein, adopted – with reference to the Law on the Control and Supervision of Public Enterprises (ÖUSG) – a Participation Strategy for Liechtensteinische Landesbank AG and amended it in January 2024. The 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. With this strategy, the Liechtenstein Government explicitly supports the stock exchange listing of LLB and retains a majority stake of at least 51 per cent. At the General Meeting of Shareholders, the Government represents the shareholder interest of the Principality pursuant to the rights afforded to it by stock corporation law. It thereby 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 policy. Further information can be found at [llb.li/participationstrategy](https://llb.li/participationstrategy).

This report on corporate governance complies with the requirements of the Directive on Information relating to Corporate Governance (DCG) of the SIX Swiss Exchange Regulation<sup>1</sup> as well as the corresponding Guideline<sup>2</sup>. If information required by the DCG 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 2024. 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.

<sup>1</sup> Version dated 29 June 2022

<sup>2</sup> Guideline of the Six Exchange Regulation AG regarding the Directive on Information relating to Corporate Governance of 1 January 2023 (version dated 1 January 2025)

## 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 organised into five divisions. In addition to the two market divisions “Retail & Corporate Banking” and “International Wealth Management”, the management structure encompasses the functions of Group Chief Executive Officer (Group CEO), Group Chief Financial Officer (Group CFO) and Group Chief Digital & Operating Officer (Group CDO) (see chapter [Strategy and organisation](#)). The rules of procedure adopted by the Board of Directors, in particular the functions diagram in the appendix, ensure the proper conduct of business, the appropriate organisation as well as the uniform management of the LLB Group. The bodies listed in the diagram are 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. 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 2024 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 2024, its market capitalisation stood at CHF 2'165.2 million (30'800'000 registered shares at a nominal value of CHF 5.00 at a year-end price of CHF 70.30).

Company	Reg. office	Listed on	Market capitalisation (in CHF thousands)	Segment	Security number	ISIN number
Liechtensteinische Landesbank Aktiengesellschaft	Vaduz	SIX Swiss Exchange	2'165'240	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 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 2024, 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 [llb.li/capital+structure](https://llb.li/capital+structure).

As at 31 December 2024, 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. 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.

UBS Fund Management (Switzerland) AG holds a stake of over 3 per cent. The 3 per cent threshold was exceeded as a result of the absorption merger between Credit Suisse Funds AG and UBS Fund

Management (Switzerland) AG in 2024 (<https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/>).

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 2024, Liechtensteinische Landesbank AG held, directly or indirectly, a total of 362'382 of its own registered shares (1.2 per cent 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. 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 three years. The LLB Group's equity totalled CHF 2'024 million as at 31 December 2022, CHF 2'131 million as at 31 December 2023 and CHF 2'024 million as at 31 December 2024.

The composition of and changes in equity during the last three reporting years are as follows:

in CHF thousands	31.12.2024	31.12.2023	31.12.2022
Share capital	154'000	154'000	154'000
Share premium	- 15'127	- 15'066	- 14'923
Treasury shares	- 24'634	- 13'356	- 11'640
Retained earnings	2'226'164	2'140'361	2'056'623
Other reserves	- 106'766	- 136'250	- 161'534
Total equity attributable to shareholders of LLB	2'233'637	2'129'690	2'022'525
Non-controlling interests	1'046	962	1'203
Total equity	2'234'683	2'130'652	2'023'728

### 2.4 Shares and participation certificates

As at 31 December 2024, 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 (362'382 shares), all the shares are eligible for dividend. As at 31 December 2024, share capital eligible for dividend therefore amounted to CHF 152.2 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 ([llb.li/statutes](https://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 2024, Liechtensteinische Landesbank had no convertible bonds or options on its own shares outstanding.

In 2019, 2020, 2023 and 2024, it also issued a total of five fixed-interest bonds. Detailed information on this can be found in the [Financial report](#).

## 3 Board of Directors



### 3.1 Members

#### a) Name, nationality, education and professional career

Name	Year of birth	Profession	Nationality
Georg Wohlwend	1963	Business economist	FL
Richard Senti	1964	Business economist	FL / CH
Nicole Brunhart	1975	Business economist	FL / CH
Leila Frick-Marxer	1984	Lawyer	FL / CH / EG
Thomas Russenberger	1975	Head of Group Human Resources	FL / IT
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 2024, 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 made 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**  
**Vice Chairman, 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
- ◆ Member 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



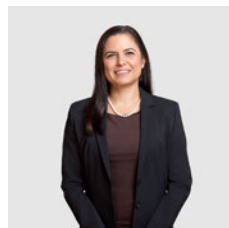
**Nicole Brunhart**  
**Business economist**  
 1975, FL / CH

**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 / CH / EG

**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





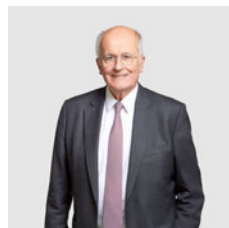
**Thomas Russenberger**  
**Personnel manager**  
 1975, FL / IT

**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

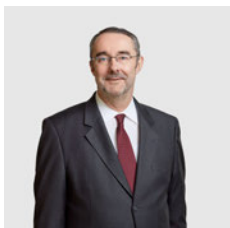
**Education:**

- ◆ 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 Alegria Capital AG, Vaduz, as of the Ymmij GmbH, 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.
- ◆ **Nicole Brunhart** is a Member of the Board of Directors of Baloise Asset Management Switzerland and of Baloise Asset Management International, Basel.
- ◆ **Thomas Russenberger** is Chairman of the Foundation Board of the "Presta Stiftung" pension fund, Eschen.
- ◆ **Karl Sevelda** is 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 Managing 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 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.

### 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 [Internal organisation](#)) 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).

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	2027
Richard Senti	2018	2027
Nicole Brunhart	2023	2026
Leila Frick-Marxer	2022	2025
Thomas Russenberger	2018	2027
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 <sup>1</sup>
Richard Senti	Vice Chairman	Group Audit Committee <sup>1</sup>
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 <sup>1</sup> Group Risk Committee
Karl Sevelda	Member	Group Risk Committee Strategy Committee
Christian Wiesendanger	Member	Group Risk Committee <sup>1</sup> Strategy Committee

<sup>1</sup> 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. They submit the results of their work to the Board of Directors and make proposals if decisions are pending.

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, those being the Group Nomination & Compensation Committee, the Group Audit Committee and the Group Risk Committee, in which the tasks and areas of responsibility are defined.

All committees are set up pursuant to Art. 22, Para. 2a of the Banking Law and support 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 committees can invite outside persons as experts and entrust LLB staff, in particular, with administrative duties.

### Group Audit Committee

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.

Among other things, 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;
- ◆ Supervising and controlling sustainability reporting.

Furthermore 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.

### Group Risk Committee

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, particularly 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), regulatory (e.g. risk exposure to international sanctions) 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, on an annual basis at a minimum, 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 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 analysis and activity report of the LLB Group and submission of a proposal to the Board of Directors as the approving authority for acknowledgement.
- ◆ The discussion and assessment of the business risk assessment and the activity report of the due diligence officer according to Art. 34 of the Due Diligence Ordinance (SPV) of the LLB Group and LLB AG. This with submission of a proposal to the Group Board of Directors as the approving authority for acknowledgement.
- ◆ The discussion and assessment of risk appetite in the areas of money laundering, terrorist financing as well as national and international sanctions. This with submission of a proposal to the Group Board of Directors as the approving authority for approval.
- ◆ 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 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 and 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;
- ◆ 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 appropriate 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 their periodic review, 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 banks 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 responsibility in relation to strategic human resources management:

- ♦ Evaluation of the pillars of the HR strategy as part of the redefinition of the business strategy.

### 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

Georg Wohlwend is a member of the Board of Trustees of the LLB Future Foundation. 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 circular. 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 are obliged to exercise their tasks, competencies and responsibilities with due care and to 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.

In addition to the above rules on recusal, the Chairman may take further appropriate measures.

During the 2024 business year, the Board of Directors of Liechtensteinische Landesbank AG held a total of eight ordinary and seven 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 2024. The closed meeting focused on the mid-term review of the ACT-26 strategy. The subject of the extraordinary board meetings were the appointment of the

new Head of the Retail & Corporate Banking division and member of the Group Executive Board along with the acquisition of ZKB Österreich AG.

Date	Meeting	Attendance	Duration in hours
18 January 2024	extraordinary	all	1.75
23 February 2024	ordinary	all	6.75
15 March 2024	ordinary	all	8.00
20 March 2024	extraordinary	all	0.25
26 March 2024	extraordinary	all	0.50
24 May 2024	ordinary	all	6.45
07 June 2024	extraordinary	all	1.50
20 June 2024	ordinary	all	3.75
20 June 2024	closed meeting	all	4.00
21 June 2024	closed meeting	all	3.75
05 July 2024	extraordinary	all	0.25
09 July 2024	extraordinary	all	1.00
15 July 2024	extraordinary	all	1.50
23 August 2024	ordinary	all	7.00
27 September 2024	ordinary	all	5.00
22 November 2024	ordinary	all	7.25
17 December 2024	ordinary	all	7.50

### Group Audit Committee

The members of the Group Risk Committee meet at least four times a year in ordinary meetings. These ordinary meetings are convened by the Chairman. The Chairman 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 & Regulatory 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 2024 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
18 January 2024	all	0.75
22 February 2024	all	3.50
23 May 2024	all	8.83
15 July 2024	all	1.67
22 August 2024	all	3.00
16 December 2024	all	3.00

### Group Risk Committee

The members of the Group Risk Committee meet at least four times a year in ordinary meetings. These ordinary meetings are convened by the Chairman. The Chairman 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 & Regulatory 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 2024 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
22 February 2024	all	3.50
23 May 2024	all	4.50
22 August 2024	all	4.50
28 October 2024	all	1.50
16 December 2024	all	5.50

### Group Nomination & Compensation Committee

The Group Nomination & Compensation Committee convenes as often as business requires, but at least twice a year. The meetings are convened by the Chairman. The Chairman 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 2024 business year, the members of the Group Nomination & Compensation Committee met for six meetings.

Date	Attendance	Duration in hours
16 February 2024	all	2.25
27 August 2024	all	3.50
30 September 2024	all	1.50
11 November 2024	all	3.25
27 November 2024	all	2.00
12 December 2024	all	0.50

### 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 20 and 21 June 2024, the Group Executive Board reported to the full Board of Directors on the status of the implementation of the strategic initiatives. The Strategy Committee did not meet during the year under review.

### 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 a self-evaluation on the basis of feedback discussions. As in previous years, the overall evaluation was very positive. Board members collaborate well together. Optimization potential was identified in the separation of tasks between the committees and the entire Board. In future, the Board of Directors intends to deal to a greater degree with creative and formative elements and market developments on the one hand and regulatory requirements on the other. In addition, great importance will continue to be attached to the further training of its members. In the reporting year, two training courses were held: one on digitalisation and the other on sustainability regulations.

### 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.

#### 3.6.1 Board of Directors

Within the scope of the powers and duties defined in the statutes, the Board of Directors has the following tasks in particular:

- ◆ Strategy and management;
- ◆ Organisation;
- ◆ Financial management;
- ◆ Risk policy and management.

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

- ◆ Specifying the guiding principles and values;
- ◆ Specifying the strategy 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 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 position limits 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 CEO, the Group CFO and the Group CDO. 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.
- ◆ Approves the composition of the Boards of Directors in those Group companies that do not hold a regulatory licence to operate as a credit institution or bank.
- ◆ Is authorised to approve investments for personnel expenses and general and administrative expenses of Group companies 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.
- ◆ Is authorised to conclude judicial and extrajudicial settlements within the scope of provisions already created.
- ◆ 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.

#### Group Internal Audit

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 & Regulatory 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 [Finance and risk management](#)).

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 legal framework, 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.

### Compliance

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 chapter [Risk management](#).

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 dealing with the essentials of the 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: Group Legal & Regulatory and Group Financial Crime Compliance. They 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](#)).

To underscore the importance and to further minimise the risk of the LLB Group being misused for criminal purposes, we created a separate business area – Group Financial Crime Compliance – for the efficient and effective handling of financial crime issues with effect from 1 January 2024. The Head of Group Financial Crime Compliance is the due diligence officer for both LLB AG and the LLB Group. Group Financial Crime Compliance produces an annual Group-wide risk analysis in the areas of money laundering, terrorist financing and sanctions circumvention for submission to the Board of Directors. It also produces an annual activity report.

### 3.8 Gender guidelines

The Board of Directors is responsible for the overall management and supervision of the LLB Group and as such it is subject to specific legal requirements in terms of its professional and personal skills (fit and proper rules). In order that the Board of Directors can properly perform its monitoring and control function, there are requirements – given the responsibilities of the person concerned – particularly in the following areas:

- ♦ their technical and professional qualification – necessary knowledge and experience as well as regular training and further education (“fitness”)
- ♦ their personal reliability (“propriety”)
- ♦ their time commitment and independence of mind (“governance criteria”)

As regards the technical and professional qualification requirement, the Board of Directors as a whole must be sufficiently qualified. Individual members with highly specialised knowledge can – particularly with regard to the desired diversity of educational and professional backgrounds and professional experience – compensate for other members with less specialised knowledge in these areas. Furthermore, as regards the mandatory setting up of expert committees (e.g. risk or compensation committees), it must be ensured that their members have a sufficiently in-depth (specialised) knowledge and experience in the relevant area so that the committee as a whole has the expertise required to carry out its tasks and the (individual) member is able to fulfil their resulting duties diligently.

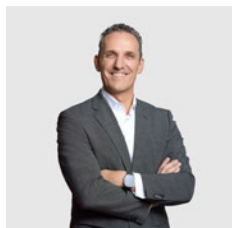
On the basis of their education, their professional background and their experience, the seven members contribute various and complementary skills and abilities. With two women on the seven-member Board, the proportion of women was, for historic reasons, 29 per cent at the end of 2024. The Board of Directors aims to increase the proportion of women to at least 30 per cent in the long term. Against this background, it is important to add that the LLB Group actively promotes diversity and offers all employees the same employment and promotion opportunities. The Group Nomination & Compensation Committee ensures that the candidates and members are given the same treatment and opportunities and ensures that there is no discrimination on the grounds of gender.

## 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 / IT

**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:**

- ◆ Vice President 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, 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
- ◆ Member of the Group Executive Board and the Board of Management, since 2012
- ◆ Group Chief Financial Officer, 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 (Vice Chairman)
- ◆ 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:**

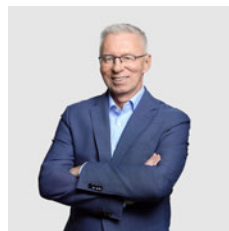
- ◆ Head of “International Wealth Management” division, since 2022
- ◆ Head of Institutional Clients division, 2016–2021
- ◆ Member of the Group Executive Board and the Board of Management, since 2016
- ◆ Head of Fund Services Business Area, 2012–2016
- ◆ Head of Institutional Clients Business Unit, 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, 2009–2016
- ◆ 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:**

- ◆ Group Chief Digital & Operating Officer, since 2022
- ◆ Group Chief Operating Officer, 2019–2021
- ◆ Member of the Group Executive Board and the Board of Management, since 2019

**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 (362'382 shares as at 31 December 2024) 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 submit 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 ([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 submit 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 ([llb.li/statutes](https://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 ([llb.li/statutes](https://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 Wednesday, 16 April 2025 was fixed at 5 p.m. on Wednesday, 9 April 2025. From 10 to and including 16 April 2025 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 66.66 of voting rights are obliged to notify SIX and LLB ([llb.li/thresholds](https://llb.li/thresholds)).

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

members of the Board of Directors and / or the members of the Group Executive Board or other senior executives.

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

## 8 Independent auditors

### 8.1 Duration of mandate and term of office of the auditor in charge

#### 8.1.1 Date of acceptance of existing auditing mandate

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

KPMG Liechtenstein AG, Vaduz, has held the mandate as independent auditor, according to the Law on Persons and Companies and the Banking Law, since the General Meeting on 7 May 2021. KPMG was re-elected at the General Meeting on 19 April 2024 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

Moreno Halter has been the auditor in charge since 2021. Mirko Liberto has been responsible for the auditing mandate since 2024. The auditor in charge changes every seven years.

### 8.2 Audit fees

In the 2024 business year, KPMG invoiced the companies of the LLB Group for CHF thousands 1'463 (2023: CHF thousands 1'297) 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 150 (2023: CHF thousands 147) 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 387 (2023: thousands CHF 322) in the 2024 business year.

#### Audit fees and additional fees

in CHF thousands	2024	2023
Audit fees	1'463	1'297
Additional fees	387	322
Taxation advice	290	230
Regulatory advice	94	90
Legal and other advice	3	2

### 8.4 Information instruments of the 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):

- ◆ fee, budget and previous-year comparison;
- ◆ 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 ([llb.li](https://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 [llb.li/registration](https://llb.li/registration). Ad hoc communiqués are published under the link [llb.li/media-communiques](https://llb.li/media-communiques).

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

Cyrill Sele  
 Head Group Corporate Communications & Sustainability  
 Städtle 44 / P. O. Box 384  
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Date	Time	Event
	7.00 a.m.	Publishing of 2024 business result at llb.li;
21 February 2025	10.30 a.m.	Financial reporting and analyst conference
22 February 2025		2024 business result advertisement in the "Liechtensteiner Vaterland"
17 March 2024		Release of online Annual Report 2024 at <a href="https://ar2024.llb.li">ar2024.llb.li</a>
7 April 2025		Printed edition of short report 2024
16 April 2025	6.00 p.m.	General Meeting of Shareholders
23 April 2025		Ex-dividend date
24 April 2025		Dividend record date
25 April 2025		Dividend payment date
	7.00 a.m.	Publishing of interim financial statement 2025; release of online interim financial statement 2025 at <a href="https://hr2025.llb.li">hr2025.llb.li</a>
20 August 2025	10.30 a.m.	Webcast
21 August 2025		2025 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 & Regulatory, 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

As of 9 January 2024, LLB has acquired 100 per cent of the share capital of ZKB Österreich AG. The acquisition incorporates total assets under management of around EUR 3.4 billion (around CHF 3.2 billion). The new Group company is trading under the name LLB Bank AG. Subject to approval by the Austrian Financial Market Authority, the plan is for LLB Bank AG to merge with Liechtensteinische Landesbank (Österreich) AG by the middle of 2025.

The Board of Directors at Liechtensteinische Landesbank (LLB) has appointed Michael Hartmann as a new member of the Group Executive Board. Hartmann will become Head of the Retail & Corporate Banking Division on 1 July 2025, taking over from Urs Müller, who will be retiring at the end of March 2025 after 14 years on the Group Executive Board.

At the General Meeting of Shareholders on 16 April 2025, Leila Frick-Marxer and Karl Sevelde will finish their three-year term of office as members of the Board of Directors. The Board of Directors will propose their re-election.

# Compensation report

The LLB Group has a modern 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 2024 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 2024). 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; EBA Guideline EBA/GL/2021/04 of 2 July 2021 and Regulation (EU) 2019/2033 of 27 November 2019. 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 the purpose of its implementation, the Group companies issue company-specific compensation guidelines that take into consideration the applicable (special) legal regulations. Any provisions in company-specific compensation guidelines that deviate from these provisions only take precedence over the latter if they are derived from mandatory applicable law or special legal regulations or go beyond these provisions.

As a company exempt from Art. 12, Para. 2 of the OaEC, Liechtensteinische Landesbank has not stipulated any regulations concerning compensation, participation and loans. The Board of Directors



of Liechtensteinische Landesbank AG has issued, within the meaning of the Group regulation “Compensation policy of the LLB Group”, a separate Group regulation “Compensation standards of LLB & LCH & ASM” (revised on 1 February 2024).

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:

- ◆ **Long-term orientation 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, the remuneration policy is designed in such a way that it does not incentivise excessive risk-taking in the area of sustainability. The LLB Group applies these principles also to corresponding target agreements with relevant employees; however, specific elements of ESG are not currently part of LLB’s general compensation policy.
- ◆ **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 should 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 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 defined a percentage of the net profit to feed into the bonus pool, which is subsequently shared with 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 based, in particular, on the following principles:

- ♦ **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 guidelines are intended to ensure how the compensation system works is understood and that it is fair for all 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 either paid solely in cash or in cash and in the form of an entitlement to acquire LLB shares. For selected groups of employees, the variable component is 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 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 2024 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 2024.

### **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 2024 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 (ten per cent) 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 [Corporate governance report](#)) advises the Board of Directors in all aspects concerning compensation. Its tasks include, among others:

- ◆ 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 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 does not hold an advisory vote on the question of compensation.

### Compensation in 2024

For the 2024 business year, the members of the Board of Directors received a fixed compensation of CHF thousands 940. Contributions to benefit plans and other social contributions amounted to CHF thousands 124. The fixed compensation was paid in cash (CHF thousands 770) 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 12 or 1.1 per cent. The higher compensation expense in 2024 was attributable mainly to a moderate adjustment to attendance fees.

For the 2024 business year, the members of the Group Executive Board received a fixed compensation of CHF thousands 3'325 and a variable compensation of CHF thousands 1'982. Contributions to benefit plans and other social contributions amounted to CHF thousands 1'111. 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 2024 (CHF 70.28). The variable compensation for the members of the Group Executive Board was, on average, approximately 59.6 per cent of the fixed compensation or 30.9 per cent of total compensation.

The total compensation of the members of the Group Executive Board in 2024 decreased by CHF thousands 445 or 7.4 per cent. This decrease was primarily the result of the variable compensation, which fell by CHF thousands 250 or 14.4 per cent.

The total compensation of the members of the Board of Directors and the members of the Group Executive Board for the 2024 business year is reported on an accrual basis. The variable compensation was charged to the 2024 income statement. Payment of the STI to the members of the Group Executive Board will be made in the first quarter of 2025. 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

	Fixed compensation		Variable compensation		Entitlements <sup>1</sup>		Contribution to benefit plans and other social contributions		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
in CHF thousands										
<b>Members of the Board of Directors</b>										
Georg Wohlwend, Chairman	300	300	0	0	40	40	88	86	428	426
Gabriela Nagel, Vice Chairwoman until 5 May 2023 <sup>2</sup>		42		0		10		6		58
Richard Senti, Vice Chairman since 5 May 2023 <sup>2</sup>	125	117	0	0	30	27	12	11	167	155
Nicole Brunhart, Member since 5 May 2023 <sup>2</sup>	68	45	0	0	20	13	5	3	93	61
Leila Frick-Marxer, Member	65	65	0	0	20	20	5	5	90	90
Urs Leinhäuser, Member until 5 May 2023 <sup>2/3</sup>		31		0		7		0		38
Thomas Russenberger, Member	80	75	0	0	20	20	8	7	108	102
Karl Sevelde, Member	64	64	0	0	20	20	0	0	84	84
Christian Wiesendanger, Member since 5 May 2023 <sup>2</sup>	68	45	0	0	20	13	5	3	93	61
<b>Total</b>	<b>770</b>	<b>784</b>	<b>0</b>	<b>0</b>	<b>170</b>	<b>170</b>	<b>124</b>	<b>121</b>	<b>1'063</b>	<b>1'075</b>
<b>Members of the Board of Management</b>										
Gabriel Brenna, Group CEO	921	870	221	207	331	311	244	239	1'717	1'627
Other members of the Board of Management	2'404	2'329	572	486	859	729	867	803	4'702	4'347
<b>Total</b>	<b>3'325</b>	<b>3'199</b>	<b>793</b>	<b>693</b>	<b>1'189</b>	<b>1'040</b>	<b>1'111</b>	<b>1'042</b>	<b>6'418</b>	<b>5'974</b>

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, 60 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 On 5 May 2023, Gabriela Nagel 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.

3 The compensation was paid to Adulco GmbH.



## Shareholdings of related parties

	Registered shares	
	31.12.2024	31.12.2023
<b>Members of the Board of Directors <sup>1</sup></b>		
Georg Wohlwend, Chairman	4'387	3'695
Richard Senti, Vice Chairman since 5 May 2023	1'187	815
Nicole Brunhart, Member since 5 May 2023	100	100
Leila Frick-Marxer, Member	0	0
Thomas Russenberger, Member	887	515
Karl Sevelda, Member	581	209
Christian Wiesendanger, Member since 5 May 2023	0	0
<b>Total</b>	<b>7'142</b>	<b>5'334</b>
<b>Members of the Board of Management</b>		
Gabriel Brenna, Group CEO	30'353	27'938
Christoph Reich, Vice Group CEO	25'591	23'662
Natalie Flatz	12'687	10'787
Patrick Fürer	12'569	10'237
Urs Müller	36'687	34'698
<b>Total</b>	<b>117'887</b>	<b>107'322</b>
<b>Other related companies and parties</b>		
Related parties	4'800	4'800
<b>Total</b>	<b>4'800</b>	<b>4'800</b>

<sup>1</sup> On 5 May 2023, Gabriela Nagel 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.

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

in CHF thousands	Fixed mortgages		Variable mortgages		Total	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023
<b>Members of the Board of Directors <sup>1</sup></b>						
Georg Wohlwend, Chairman	0	0	0	0	0	0
Richard Senti, Vice Chairman since 5 May 2023	198	198	472	473	670	671
Nicole Brunhart, Member since 5 May 2023	0	0	0	0	0	0
Leila Frick-Marxer, Member	0	0	0	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	0	0	0	0	0	0
and related parties	0	0	0	0	0	0
<b>Total</b>	<b>198</b>	<b>198</b>	<b>472</b>	<b>473</b>	<b>670</b>	<b>671</b>
<b>Members of the Board of Management</b>						
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
<b>Total</b>	<b>1'910</b>	<b>1'910</b>	<b>0</b>	<b>0</b>	<b>1'910</b>	<b>1'910</b>

<sup>1</sup> On 5 May 2023, Gabriela Nagel 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.

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

At 31 December 2024, the remaining term to maturity of the fixed mortgages for the members of the Board of Directors and related parties ranged between 15 and 25 months (previous year: between 27 and 37 months) at standard market client interest rates of 1.02 to 1.05 per cent per annum (previous year: 1.02 to 1.05 %).

At 31 December 2024, 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 0 months (previous year: 3 months) at standard market client interest rates of 2.01 per cent per annum (previous year: 2.51 %). Following expiry, these are extended for a further 3 months providing they are not revoked.

At 31 December 2024, the remaining term to maturity of the fixed mortgages for the members of the Board of Management ranged between 0 and 88 months (previous year: between 6 and 110 months) at interest rates of 1.05 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 1'000 (previous year: CHF thousands 1'100) 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.