

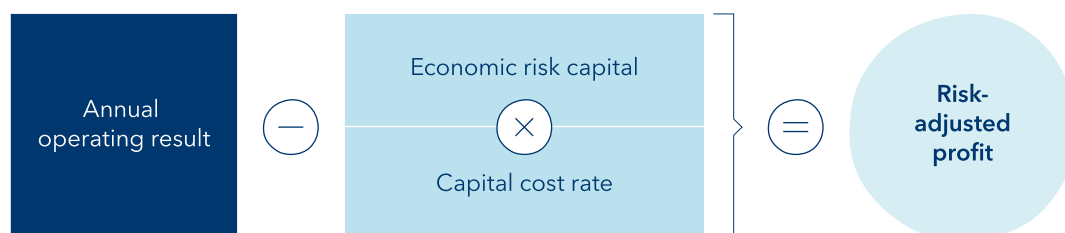
The sum of provisions for variable compensation must be affordable in the aggregate. This should never result in VP Bank Group or any individual subsidiary company falling into financial difficulties. The impact on the Group's equity situation is taken into consideration in this process.

Further to a request by the NCC (see the [Corporate governance chapter, section 3.5.2](#)), the Board of Directors establishes the principles applicable to compensation and the amount of compensation paid to the Board of Directors, as well as the fixed and variable compensation of the Members of GEM and the Heads of Risk Management and Compliance.

Allocation of variable compensation

The allocation of variable payments is made on a discretionary basis and in addition to the attainment of quantitative and/or qualitative goals also takes account of the degree of compliance with statutory requirements, guidelines set by the company, including the Code of Conduct, as well as any requirements defined by the client. Longer-term perspectives may also flow into the performance evaluation. The performance evaluation of identified employees is based upon the individual's goals as well as the goals of the team, the business segment, the subsidiary company and the overall result of VP Bank Group on the basis of the value share approach. The variable compensation of employees in controlling functions, internal audit or with legal and compliance tasks is determined based upon the achievement of the targets related to their tasks irrespective of the results of the business units being controlled. A participation in the results of the company or of VP Bank Group is admissible within normal limits and is sensible within the spirit of equal treatment. Achievement of targets is evaluated after the end of the financial year within the scope of the performance management process. The amount of the individual variable compensation is determined by the employee's superior.

Calculation of risk-adjusted profit



Compliance with compensation provisions

The compensation practices of VP Bank are in compliance with Annex 4.4 of the BankO as well as the EU Directive and are geared to long-term success. The decision concerning the earmarking of a total amount for compensation ultimately lies with the Board of Directors.

VP Bank does not make guaranteed payments in addition to fixed salaries such as end-of-service indemnities agreed in advance. Special payments upon commencement of employment may occur in given individual cases – as a rule, these relate to compensation for foregone benefits from the previous employer.

In application of Liechtenstein law, variable salary components, where applicable, may be cancelled, those withheld may be forfeited or those already paid out may be reclaimed. This applies in particular in the event that employees are found to have been at fault or excessive risk is assumed to achieve goals.

Compensation, shareholdings and loans to selected groups of persons

Board of Directors

The Board of Directors receives compensation for the duties and responsibilities conferred on them by law and pursuant to Art. 20 of the Articles of Association. This is laid down annually by the Board of Directors in plenary session acting on the proposal of the NCC. Compensation is paid to the Members of the Board of Directors on a graduated basis according to their function on the Board of Directors and its committees or in other bodies. Three quarters of this compensation is paid in cash and one quarter is settled in the form of freely disposable VP Bank registered shares A, the number of which is determined by the current market price at the time of receipt.

Audited section

Compensation paid to the Members of the Board of Directors (audited)

in CHF 1000	Fixed		Remuneration ^{1,2} thereof in registered shares A (market value)		Retirement Benefit plans		Total remuneration		
	2024	2023	2024	2023	2024	2023	2024	2023	
Board of Directors									
Stephan Zimmermann	Chairman ^A	373	93	93	23			373	93
Dr. Thomas R. Meier	Chairman ^B	163	490	41	123			163	490
Ursula Lang	Vice Chairwoman ^C	180	180	45	45			180	180
Dr. Mauro Pedrazzini	Vice Chairman ^D	160	153	40	38			160	153
Stefan Amstad	BoD ^E	160	107	40	27			160	107
Philipp Elkuch	BoD ^F	160	160	40	40			160	160
Dr. Beat Graf	BoD ^G	145	145	36	36			145	145
Dr. Dirk Klee	BoD ^H	47		0				47	
Katja Rosenplänter-Marxer	BoD ^I	150	140	38	35			150	140
Michael Riesen	BoD ^J		53		13				53
Total Board of Directors		1,538	1,522	373	381	0	0	1,538	1,522

^A Chairman of the Board of Directors since 26. April 2026 (previously member), Chairman of the Strategy & Digitalisation Committee since 26. April 2024 (previously member), member of the Audit Committee until 26. April 2024, Member of the Nomination & Compensation Committee since 26. April 2024

^B Chairman of the Board of Directors until 26. April 2026

^C Chairwoman of the Risk Committee, Member of the Nomination & Compensation Committee, Member of the Audit Committee since 1. October 2024

^D Member of the Strategy & Digitalisation Committee, member of the Risk Committee

^E Chairwoman of the Audit Committee, member of the Risk Committee

^F Chairman of the Nomination & Compensation Committee, member of the Strategy & Digitalisation Committee.

^G Member of the Audit Committee, member of the Nomination & Compensation Committee

^H Member of the Board of Directors from 26. April until 30. September 2024, member of the Strategy & Digitalisation and of the Audit Committee during that time

^I Member of the Risk Committee, Sustainability Officer of the Board of Directors

^J Member of the Board of Directors until 28. April 2023

¹ Social-security costs on the emoluments paid to the Board members are borne by VP Bank.

² Compensation for out-of-pocket expenses is not included.

VP Bank has concluded no agreements on severance payments with Members of the Board of Directors.

Shareholdings and loans to the Members of the Board of Directors and related persons (audited)

in CHF 1000	Shareholdings in VP Bank				Loans and credits	
	Number of Shares (including related parties, excluding qualifying participants)					
	Registered shares A		Registered shares B			
	2024	2023	2024	2023	2024	2,023
Board of Directors						
Stephan Zimmermann	1,542	278				
Dr. Thomas R. Meier ^A		5,313				
Stefan Amstad	861	318				
Philipp Elkuch	1,672	1,129			2,220	1,520
Dr. Beat Graf	3,443	2,951				
Ursula Lang	3,355	2,745				
Dr. Dirk Klee ^B						
Katja Rosenplänter-Marxer	1,868	1,359				
Dr. Mauro Pedrazzini	1,264	721				
Total Board of Directors	14,005	14,814	0	0	2,220	1,520

^A Chair of the Board of Directors until 26 April 2024.

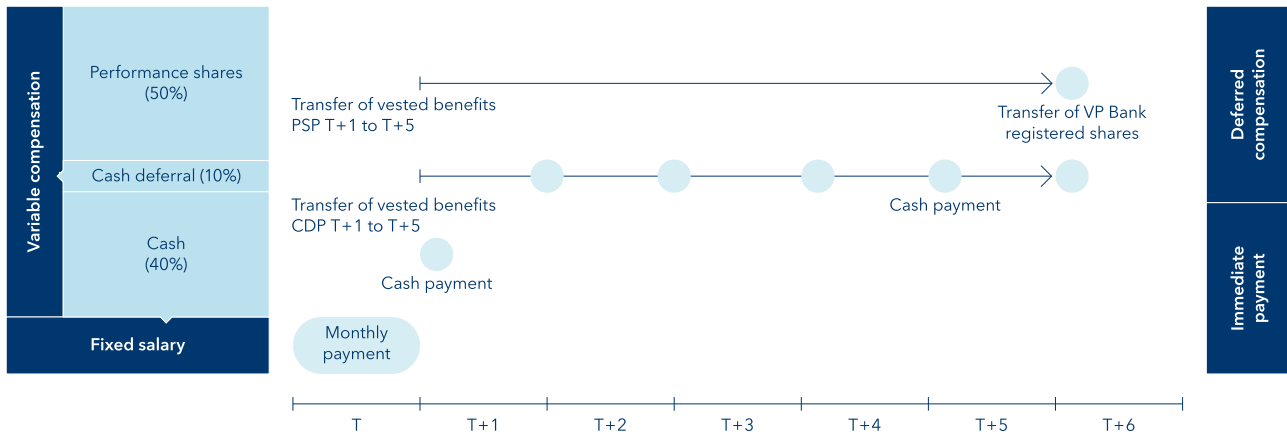
^B Member of the Board of Directors from 26 April 2024 until 30 September 2024.

End of audited section

Group Executive Management (GEM)

In accordance with the model approved by the Board of Directors on 26 October 2023, the compensation payable to GEM consists of the following components:

1. A fixed base salary; this is contractually agreed between the Board of Directors and individual Members. In addition to the base salary, VP Bank pays proportionate contributions to the management insurance scheme and the pension fund.
2. A Performance Share Plan (PSP); this is a long-term, variable management equity-participation programme in the form of registered shares A of VP Bank Ltd and promotes long-term commitment in the form of equity shares. At the end of the five-year plan period and depending upon performance, 50 to 150 per cent of the allocated vested benefits are transferred in the form of equity shares. This vesting multiple is determined from the weighting of an average group net income and the average net new money over the first three years of the plan period. Once the equity shares have been transferred, they remain blocked for one year. Until the time of transfer of ownership, the Board of Directors reserves the right to reduce or suspend the allocated vested benefits in the case of defined occurrences and in extraordinary situations. The share of the PSP makes up 50 per cent of total variable performance-related compensation.
3. A Cash Deferral Plan (CDP); this is a long-term management equity-participation programme in the form of cash payments. Payment is spread out pro rata over five years. Until the time when each respective payment is made, the Board of Directors reserves the right to reduce or suspend the cash benefits allocated in the case of defined occurrences and in extraordinary situations. The share of the cash deferral makes up 10 per cent of total variable performance-related compensation.
4. Direct cash compensation (STI), the share of which amounts to 40 per cent of total variable performance-related compensation. The Board of Directors determines the planning parameters of the variable profit-sharing (PSP, CDP, STI) and their amount annually. The target share of total compensation varies according to function and market customs. VP Bank has concluded no agreements on severance pay with the Members of GEM. An external advisor who has no other mandates from VP Bank Group was commissioned to structure the compensation model.



Compensation 2024

As an exception to the standard arrangement (see the section on deferred compensation instruments), no Performance Share Plan (PSP) or Cash Deferral Plan (CDP) have been established for deferred variable compensation for 2024. This is due to the fact that the CEO and all GEM Members (as at 31 December 2024) have waived their variable compensation in recognition of last year's challenging circumstances. In addition, the number of participating selected key managers has been significantly reduced due to the small total amount of variable compensation. Variable compensation for 2024 will be paid to all selected key managers entirely in the form of equity shares according to the Restricted Share Plan (RSP). Under the RSP, each year, one fifth of the equity shares are paid out in the form of registered shares A of VP Bank over a scheduled duration of five years. These will remain blocked for a further year after the transfer.

Audited section

Compensation paid to GEM (audited)

in CHF 1000	Fixes basic salary		Short Term Incentive (STI)		Cash Deferral Plan (CDP)		Performance and Restricted Share Plan (PSP/RSP)		Retirement Benefit plans		Total remuneration	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Group Executive Management	3,289	3,303	600	774	0	176	0	986	664	436	4,663	5,674
Highest remuneration												
Paul H. Arni	200	700	600	200	0	50	0	250	245	109	1,046	1,309

¹ These amounts do not include fees or lump-sum allowances.

² Length of service awards and severance pay are included.

The Members of GEM were paid a fixed basic salary of CHF 3.29 million in the 2024 financial year. As previously mentioned, all GEM Members (as of 31 December 2024) have waived the payment of variable compensation for the 2024 financial year.

The payment made to Paul Arni constitutes partial payment of the target bonus for 2024, which was paid out with the aim of terminating the employment relationship early during the current strategy period. Any remaining deferred compensation elements allocated during previous years will be carried forward in accordance with the applicable plan rules (after three or five years).

End of audited section

Deferred compensation from previous years

The following payments were made to the Members of GEM in the 2024 financial year for variable deferred compensation from previous years.

The second tranche of CHF 82,600 was paid out from CDP 2022-2026 and the first tranche of CHF 75,250 from CDP 2023-2027.

A total of 5,476 performance shares with a market value of CHF 520,270 on the date of allocation were transferred to the Members of GEM from PSP 2021-2023, which was part of the compensation for the 2020 financial year. The vesting multiple applied was 60 per cent.

The vested benefits from previous management equity-participation programmes (PSP 2022-2024, PSP 2023-2025, PSP 2024-2028, CDP 2022-2026, CDP 2023-2027 and CDP 2024-2028) will continue to run unchanged until the end of the plan period. The following table, "Outstanding management equity-participation programmes", shows an overview of outstanding rights to deferred variable compensation from previous financial years for the Members of GEM in post on 31 December 2024.

Outstanding management equity-participation programmes

Performance Share Plan	Vesting date	Performance shares		Shares (vesting)	
		Number	Value	Number	Value
PSP 2022-2024	01.03.2025	10,343	1,032,438	To be determined	To be determined
PSP 2023-2025	01.03.2026	8,590	752,570	To be determined	To be determined
PSP 2024-2028	01.03.2029	10,330	877,534	To be determined	To be determined

Cash Deferral Plan	Vesting date		Value on vesting date	Value	
	First	Last	Annually	Total	Outstanding
CDP 2022-2026	01.03.2024	01.03.2027	82,600	413,000	247,800
CDP 2023-2027	01.03.2025	01.03.2028	75,250	376,250	301,000
CDP 2024-2029	01.03.2025	01.03.2029	35,100	175,500	175,500

Overview of outstanding allocations of deferred compensation (to the Members of Group Executive Management in post on 31 December 2024)

Audited section

Shareholdings and loans to Group Executive Management and related persons (audited)

in CHF 1000	Shareholdings in VP Bank				Loans and credits	
	Number of Shares (including related parties, excluding qualifying participants)					
	Registered shares A		Registered shares B		2024	2023
2024	2023	2024	2023			
Management						
Dr. Urs Monstein, CEO	8,410	7,306			2,614	2,614
Paul H. Arni, ^A		587				750
Roger Barmettler, CFO	884				672	
Dr. Rolf Steiner						
Patrick Bont, CRO	177					
Adrian Schneider	220	220				
Dr. Mara Harvey					745	
Total Management	9,691	8,113	0	0	4,031	3,364

^A Member of the Group Executive Management until 31 December 2022.

End of audited section