PERSPECTIVES

VP BANK

Annual Report 2024

Understanding. Acting.

In a rapidly changing world, new challenges are constantly emerging – challenges that need answers. Finding these answers is not always easy.

VP Bank has a team of competent experts in various departments who provide its clients with guidance on all financial matters. The bank sees itself not just as a classic service provider that only accepts and processes orders, but also as a reliable partner who understands the individual needs of its clients and is actively involved in their success.

This annual report presents a selection of five topics that are of great relevance to VP Bank's clients.

- Opportunities or security
- Independence or partnership
- Needs or wants
- Man or machine
- Work or life

These and other topics also form part of VP Bank's advertising campaign, which was launched in March 2025.

Annual report 2024
reports.vpbank.com

Contents

Statement by the Chairman of the Board and the Chief Executive Officer

Dear Shareholders, Ladies and Gentlemen

2024 was characterised by challenges. Inflation, a turnaround in interest rates, fears of recession and tighter monetary policy clearly left their mark on the financial sector. Last year was also challenging for VP Bank. After a solid year end in 2023, which benefited greatly from the positive interest rate environment, the turnaround in interest rates in the first few months of 2024 had a negative impact on VP Bank's results. Shifting client assets from current account balances to higher interest-bearing time deposits and securities resulted in a decrease in interest income and an increase in interest expenses. Accordingly, this led to a lower operating income and thus a lower net profit. This trend became more pronounced at the end of April, with the result that we had to publish an interim statement in mid-May in accordance with Art. 53 LR on the changed profit outlook and respond immediately to the falling earnings with a cost programme. The Board of Directors corrected the previous strategic objectives and systematically refocused the bank's orientation on its core competences in the target markets. It also adjusted the financial outlook to the economic possibilities.

We then presented the measures that had been agreed and their implementation in our semi-annual results. During implementation, we initially focussed on cost savings and efficiency gains that could be realised in the near future. In 2025, the focus will be on earnings.

Net income for the year affected by interest income

The lower interest rate environment determined VP Bank's interest income in the second half of the year as well, but not to the same extent as it did in the first half of the year. Interest income fell by 27.1 per cent in the first half of the year compared to the previous year, while the decline in the second half of the year was only 19.2 per cent compared to the previous year. Commission and service activities grew at a stable rate overall, while trading activities fell slightly. Overall, this resulted in operating income of CHF 330.5 million as of the end of 2024, corresponding to a reduction of 9.3 per cent compared to the previous year.

Costs were further reduced despite the restructuring costs announced in the first half of the year and one-off expenses for the pension fund. Total operating expenses fell by 1.7 per cent to CHF 308.3 million. Without these one-off expenses, costs would have fallen by 5.2 per cent.

In total, VP Bank generated a net profit of CHF 18.5 million in 2024, which corresponds to a reduction of 58.2 per cent. Excluding one-off expenses, the Group's net income was down 37.1 per cent compared to the previous year.

> « Activities on the client side developed positively. »

Urs Monstein
Chief Executive Officer

Higher client assets and positive net new money

Activities on the client side developed positively. VP Bank reported net new money of CHF 0.5 billion. This figure includes CHF 1.2 billion which we are treating separately, since it primarily involves client funds related to the strategic withdrawal from business with Russian clients. Excluding these desired outflows, net new money inflows stood at CHF 1.7 billion, which corresponds to growth of 3.6 per cent. The net new money originated in particular from business with external asset managers in Zurich, the region of Asia, the British Virgin Islands and Asset Servicing.

Together with the market development, the positive new money trend led to an increase in client assets under management of 9.5 per cent to CHF 50.7 billion. We aim to further strengthen this growth in 2025.

Strong lending business

VP Bank also grew in the lending business. Credit volume increased by 8.7 per cent from CHF 5.5 billion at the end of 2023 to CHF 5.9 billion, with lending for mortgage loans up by 13.3 per cent and other credit by 1.7 per cent. This relatively strong growth was associated with the transfer of excess liquidity to the asset side. In 2025, we expect credit growth to normalise and credit volume to rise less sharply.

Financial stability

VP Bank has strong capitalisation and high liquidity. The tier 1 ratio is 25.9 per cent, and the liquidity coverage ratio is 165.3 per cent. This means that VP Bank is exceeding the regulatory requirements by quite some margin.

Sustainable improvement in profitability

With the measures initiated to increase efficiency and the cost savings implemented, we have taken important steps towards improving profitability on a long-term, sustainable basis. We are guided by a minimum efficiency target of CHF 20 million, which we intend to achieve by the end of 2026. The focus of these measures was initially on the cost side. As such, we have streamlined our range of products and services, made organisational adjustments and resolved redundancies in the last few months. These changes also saw headcount fall by 6.1 per cent to 945 full-time positions. The associated cost savings will be visible from 2025.

In 2025, the focus will be on the income side. We have revised our value proposition and launched growth initiatives. These include initiatives in the fiduciary business in Liechtenstein, in international business with asset managers and in market cultivation in the Nordic countries. Where necessary and appropriate, we plan to strengthen our existing capabilities through the targeted use of client advisers. In Luxembourg, a larger team of new colleagues will join us in the course of the first half of the year.

These measures are intended to reduce the cost/income ratio to a competitive level over the long term. Furthermore, we are striving for annual net new money growth of over 4 per cent, annual revenue growth of 4 to 6 per cent and a tier 1 ratio of more than 20 per cent.

« We have taken important steps towards improving profitability on a long-term, sustainable basis. »

Stephan Zimmermann
Chairman of the Board of Directors

Changes to the Board of Directors and the Executive Board

There were changes made to both the Board of Directors and the Executive Board in 2024. We have also taken on new roles this year, as Chairman of the Board of Directors and as Chief Executive Officer. We assure you that we will continue to work hard to ensure the success of VP Bank.

On the Board of Directors, Thomas Meier decided not to stand for re-election after six years in office as Chairman. In April 2024, the annual general meeting appointed Philipp Elkuch for a three-year term of office. Dirk Klee was newly elected to the Board of Directors. However, as of the end of September, he resigned from his role, as he took on a professional challenge that was incompatible with his activities as a Member of the Board of Directors at VP Bank.

On the Executive Board, Paul Arni resigned in May 2024 after five years as the Group's Chief Executive Officer. At the end of 2024, Roger Barmettler, Chief Financial Officer, and Mara Harvey, CEO of VP Bank (Switzerland) Ltd and Head of Region Europe, stepped down from the Executive Board to take on new challenges outside the bank.

Share performance and proposed dividend

VP Bank shares got off to a positive start in the 2024 stock market year. As a result of the lower interim financial result, the share price fell from CHF 91.60 in mid-May to CHF 69.20 on 5 August 2024. This marked the lowest closing price in 2024. After that, the share price stabilised at a lower level, fluctuating until the end of the year between CHF 69.40 and CHF 77.60.

The Board of Directors proposes that the VP Bank annual general meeting on 25 April 2025 approve a dividend payout of CHF 4.00 per registered share A and CHF 0.40 per registered share B, which corresponds to a dividend yield of 5.2 per cent. The dividend payout ratio envisaged is thus 134.0 per cent of the group net income generated. VP Bank is well capitalised, which allows it to return capital to its shareholders.

We would like to take this opportunity to express our sincere thanks to our shareholders for their continued trust and support. With all our measures and efforts, we aim to create sustainable added value and to convert our strengths into attractive shareholders' returns.

Client trust as a prerequisite for success

We would especially like to thank our clients for their trust in our bank and our range of services. A high level of satisfaction with the bank was confirmed by a survey conducted in the summer with an independent institute. More than three quarters of private clients and more than two thirds of intermediaries are satisfied or very satisfied with us. Respondents were particularly positive about accessibility, the personal advice we provide to our clients, our rapid client service and consequently the positive client experience. This is an incentive for us to continually improve and keep impressing our clients with a compelling range of services and our expertise.

Last but not least, we would like to thank our employees, who made this excellent survey result possible by working for our clients day in, day out, not only in the front office but also in the less visible, supporting roles. Thank you!

Stephan Zimmermann
Chairman of the Board of Directors

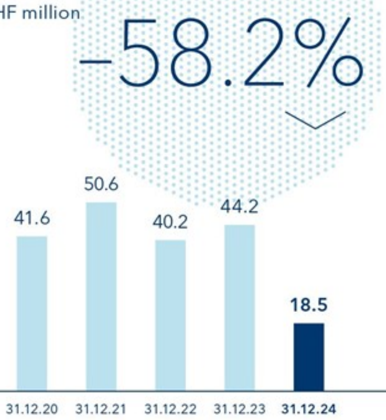
Urs Monstein
Chief Executive Officer

01

At a glance

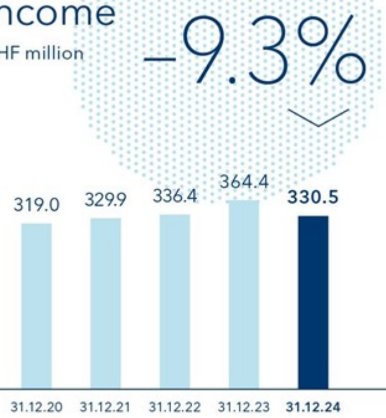
Financial year in figures

Net income
CHF million



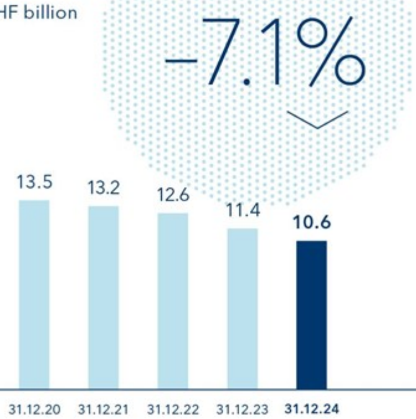
Client assets[1]
CHF billion

Total operating income
CHF million



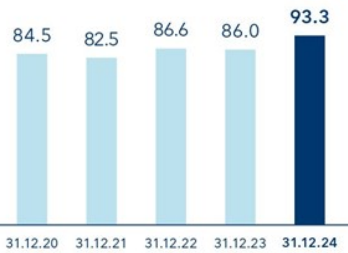
Operating expenses
CHF million

Total assets
CHF billion



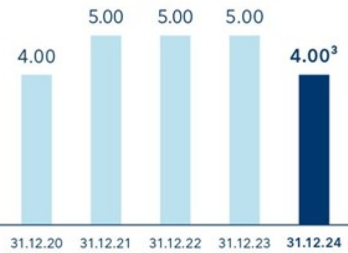
Total shareholders' equity
CHF million

Cost/income ratio[2]
in per cent



Tier 1 ratio
in per cent

Dividend
CHF



[1] Client assets under management excl. custody assets
[2] Operating expenses / total operating income
[3] Proposal to the annual general meeting

Key figures of VP Bank Group

	2024	2023	Variance in %
Key income statement data in CHF million[1, 2]			
Total net interest income	102.3	133.6	–23.5
Total net income from commission business and services	137.1	137.9	–0.6
Income from trading activities	81.4	85.3	–4.6
Income from financial instruments	5.1	6.0	–16.1
Total operating income	330.5	364.4	–9.3
Operating expenses	308.3	313.5	–1.7
Group net income	18.5	44.2	–58.2
Key balance-sheet data in CHF million[1, 2]			
Total assets	10,635.6	11,449.9	–7.1
Due from banks	850.7	1,353.8	–37.2
Due from customers	5,941.3	5,467.5	8.7
Due to customers	8,948.5	9,505.1	–5.9
Total shareholders' equity	1,116.8	1,107.2	0.9
Equity ratio (in %)	10.5	9.7	8.6
Tier 1 ratio in accordance with Basel III (in %)	25.9	24.9	3.8
Leverage ratio in accordance with Basel III (in %)	9.9	9.1	8.8
Liquidity coverage ratio in accordance with Basel III (in %)	165.3	305.8	–46.0
Net stable funding ratio (NSFR) in accordance with Basel III (in %)	144.5	156.8	–7.8
Total client assets under management in CHF million	**50,749.2**	**46,351.9**	**9.5**
On-balance-sheet customer deposits (excluding custody assets)	8,602.9	9,387.3	–8.4
Fiduciary deposits (excluding custody assets)	454.9	600.2	–24.2
Client securities accounts	41,691.4	36,364.3	14.6
Custody assets in CHF million	**5,645.2**	**4,703.4**	**20.0**
Total client assets in CHF million	**56,394.3**	**51,055.3**	**10.5**
Business volumes in CHF million[3]	**56,690.4**	**51,819.4**	**9.4**
Net new money in CHF million	**463.6**	**27.3**	**n.a.**
Key operating indicators[2]			
Return on equity (in %)[1, 4]	1.7	4.1	
Cost/income ratio (in %)[5]	93.3	86.0	
Headcount (expressed as full-time equivalents)[6]	945.4	1,007.2	
Key indicators related to shares of VP Bank in CHF[1]			
Group net income per registered share A[7]	2.98	7.19	
Group net income per registered share B[7]	0.30	0.72	
Dividend per registered share A[8]	4.00	5.00	
Dividend per registered share B[8]	0.40	0.50	
Dividend yield registered share A (in %)[9]	5.2	5.7	
Payout ratio registered share A (in %)	134.0	69.5	
Shareholders' equity per registered share A on the balance-sheet date	179.99	179.63	
Shareholders' equity per registered share B on the balance-sheet date	18.00	17.96	
Quoted price per registered share A	77.40	87.60	
Quoted price per registered share B	7.70	8.80	
Highest quoted price per registered share A	97.60	103.00	
Lowest quoted price per registered share A	68.20	80.40	
Market capitalisation (in CHF million)[10]	512	580	
Price/earnings ratio per registered share A	25.93	12.18	
Rating Standard & Poor's	**A–/Negative/A-2**	**A–/Stable/A-2**	

1 The reported key data and operating indicators are computed and reported on the basis of the share of the net profit and shareholders' equity attributable to the shareholders of VP Bank Ltd, Vaduz.
2 Details in the notes to the consolidated income statement and consolidated balance sheet.
3 Assets under management and due from customers.
4 Net income / average shareholders' equity less dividend.
5 Total operating expenses / total operating income.
6 In accordance with legal requirements, apprentices are to be included in headcount statistics as 50 per cent of equivalent full-time employees.
7 Based on the weighted average number of shares (registered share A) (note 11).
8 Subject to approval by the annual general meeting.
9 Based on closing price at year end.
10 Including registered shares B.

The definitions are available at www.vpbank.com/apm

VP Bank shares

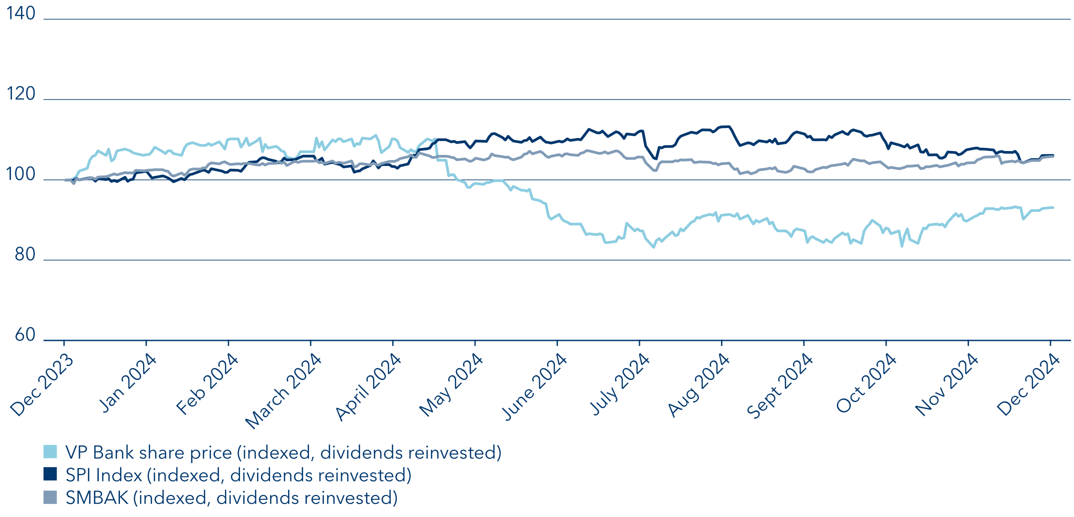
VP Bank shares got off to a positive start in the 2024 stock market year, although they did go on to lose value, closing the year at CHF 77.40.

Lower interest income due to higher interest rate expenses had a negative impact on VP Bank's earnings and profitability, as the bank announced in an extraordinary interim statement in May. Lower interest income has affected results across the financial sector. However, this had a particularly strong impact at VP Bank, as it could not be offset by other sources of income. The lower interim financial result impacted the share price, which fell from CHF 91.60 in mid-May to CHF 69.20 on 5 August 2024, the lowest closing price in 2024. After that, the rate stabilised and fluctuated until the end of the year between CHF 69.40 and CHF 77.60.

Overall, VP Bank's share price fell by 11.6 per cent in 2024. Taking account of dividend payments (and assuming reinvested dividends), the bank generated a return of –6.8 per cent, compared to a return of 5.9 per cent on the Swiss Bank Index and 6.2 per cent on the Swiss Performance Index.

VP Bank shares compared to the Swiss stock market

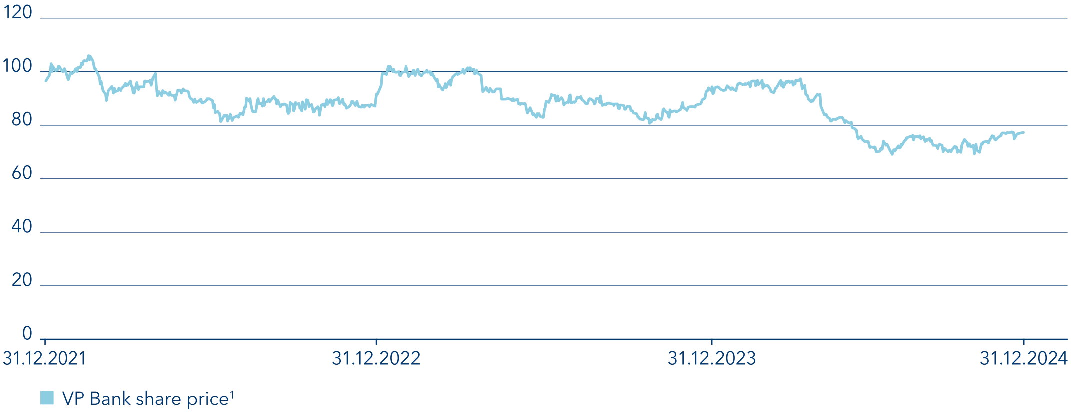
indexed, dividends reinvested



Consideration of the last three years shows that the daily closing price for VP Bank shares has fluctuated between CHF 106.0 and CHF 69.20. In the first half of 2022, the outbreak of the war in Ukraine led to a significant drop in the price of VP Bank shares and other equities in the Swiss Performance Index. Although it made a recovery at the beginning of 2023, this did not continue, since shareholders opted to take profit after the dividend payout. The price drop at the end of April / beginning of May reflects the annual dividend payout.

Share price performance 2022 to 2024

in CHF



[1] VP Bank registered shares A are traded on SIX Swiss Exchange and feature on the SPI. VP Bank registered shares B are not traded on any stock exchange. The par value of each registered share A is CHF 10.00, and the par value of each registered share B is CHF 1.00.

Low trading volumes

The short-term performance of the VP Bank share price is sometimes affected by low trading volumes, which can often occur for enterprises with a low market capitalisation. Additional factors at play in the trading volume at VP Bank include its stable shareholder base with three anchor shareholders, which reduces the free float accordingly, as well as the persistently low level of investor interest in financial stocks. An average of 2,829 shares were traded each day in 2024 (compared to 1,872 shares in 2023), with the figure varying between 1 share and 17,812 shares per day.

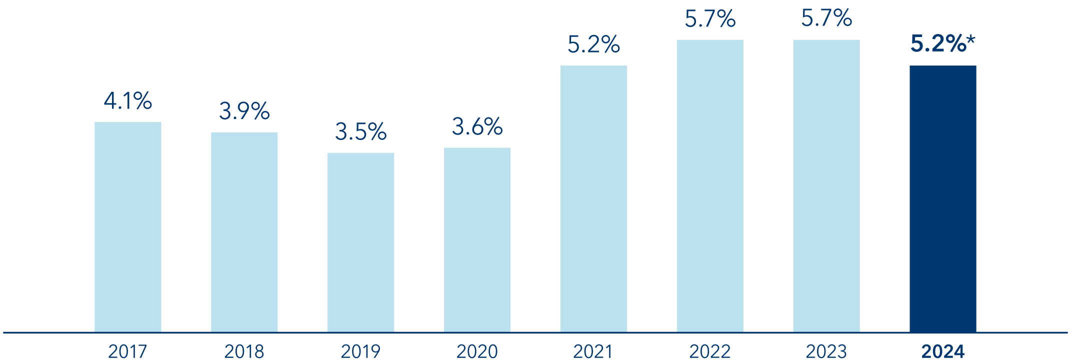
Dividend policy with a long-term focus

VP Bank has been listed on the Swiss Stock Exchange since 1984 and has been able to pay dividends continuously since the outset. VP Bank's stability and excellent capitalisation mean that a balanced dividend policy can be pursued, making it more attractive for investors over the long term. VP Bank's dividend policy, as defined in 2014, provides for 40 to 60 per cent of the group net income generated to be paid out to shareholders.

Since then, the average payout ratio per registered share A has been 59.3 per cent. For 2024, a dividend of CHF 4.00 per registered share A was proposed at the annual general meeting, which corresponds to a dividend yield of 5.2 per cent and a payout ratio of 134.0 per cent. VP Bank is well capitalised, and its stability allows it to pursue its aim of ensuring attractive shareholder returns.

Dividend yield performance of VP Bank shares

calculated based on the closing price at the end of the previous year



* Proposal to the annual general meeting: dividend of CHF 4.00.

Thanks to the continuous payment of dividends, the VP Bank share qualifies as a Swiss "dividend share" and has also featured for a number of years in the rankings of the most attractive dividend shares prepared by major financial media publications.

Stable anchor shareholder base

A large proportion of VP Bank's share capital is in the hands of three anchor shareholders: "Stiftung Fürstl. Kommerzienrat Guido Feger" foundation, "U.M.M. Hilti-Stiftung" foundation and "Marxer Stiftung für Bank- und Unternehmenswerte" foundation. With their forward-looking approach, long-term planning and a focus on sustainability, the foundations are guarantors for the bank's continuity and stability. In the core market of Liechtenstein, these three foundations are of great financial importance and underscore VP Bank's status as a system-relevant institution.

Shareholders	Percentage of votes	Percentage of share capital
"Stiftung Fürstl. Kommerzienrat Guido Feger" foundation	46.60%	23.00%
"U.M.M. Hilti-Stiftung" foundation	10.30%	9.70%
"Marxer Stiftung für Bank- und Unternehmenswerte" foundation	6.30%	11.40%

As of 31.12.2024

Share details

KPIs for registered shares A and B

Registered share A	2024	2023
Shares issued[1]	5,623,827	5,582,815
Group net income per share (CHF)	2.98	7.19
Dividend per share (CHF)	4.00	5.00

1 Weighted average without treasury shares.

Registered share B	2024	2023
Shares issued[1]	5,651,383	5,653,083
Group net income per share (CHF)	0.30	0.72
Dividend per share (CHF)	0.40	0.50

1 Weighted average without treasury shares.

Stock market data

Stock market data (registered share A)	2024	2023
Year-end price (CHF)	77.40	87.60
High/low (CHF)	97.6/68.2	103/80.4
Market capitalisation (CHF million)	465.6	526.9
Free float at year end (%)	53.8	53.2
Price/earnings ratio (%)	25.9	12.2
Total return (%)	**-6.8**	**5.0**

Master data

Registered share A, listed on SIX Swiss Exchange	
SIX symbol	VPBN
Bloomberg ticker	VPBN
Reuters ticker	VPBN.S
Securities number	31 548 726
ISIN	LI0315487269

Further information and the latest figures on VP Bank shares can be found on the website at vpbank.com/share.

Important events in 2024

New services, groundbreaking initiatives and changes shaped the year at VP Bank.

January

"Best Private Bank" for intermediaries in Singapore

VP Bank Ltd Singapore Branch is named "Best Private Bank – Intermediaries" by Asian Private Banker for the third time. Financial intermediaries account for more than 50 per cent of VP Bank's business and are part of its strategic focus.

February

VP Bank receives SGS "Fair-ON-Pay" certificate

VP Bank meets the requirements for equal pay and is awarded the SGS "Fair-ON-Pay" certificate. VP Bank actively promotes equality, diversity and inclusion, which is key to its success and attractiveness as an employer.

March

2023 annual results of VP Bank Group

VP Bank Group increases its operating income by 8.3 per cent to CHF 364.4 million and posts net income for the year of CHF 44.2 million, which corresponds to an increase of 10.1 per cent.

April

Top rating "Risk Indicator 1"

For the 11th year in a row, VP Bank receives the top rating "Risk Indicator 1" from Dun & Bradstreet for risk and creditworthiness. VP Bank Group's outstanding financial stability is instrumental in achieving this great rating. This award not only confirms that VP Bank is a trusted, attractive business partner with very good payment habits and the highest level of creditworthiness, but also attests to its excellent liquidity.

April

61st annual general meeting of VP Bank

The shareholders of VP Bank approve a dividend of CHF 5.00 per registered share A and CHF 0.50 per registered share B. Thomas R. Meier declares that he will not be seeking re-election and resigns as Chairman of the Board of Directors.

April

New Chairman of the Board of Directors

Stephan Zimmermann is elected Chairman by the Board of Directors. He has been on the Board of Directors of VP Bank since 2023 and has decades of management experience at UBS, most recently as Chairman of the Board of Directors at UBS Business Solutions Inc.

May

CEO Paul Arni resigns

Paul Arni, Chief Executive Officer of VP Bank Group, leaves VP Bank after around five years. Urs Monstein assumes the role of CEO ad interim.

May

Multiple awards for VP Fund Solutions

The Value Holdings Germany Fund is awarded the 2024 Fund Award, the Solitaire Global Bond Fund USD receives the Mountain View Fund Award and two other funds on the VP Fund Solutions platform receive the Germany 2024 Lipper Fund Award.

May

Decline in profits over the first four months

VP Bank posts net profit for the first four months of 2024 that is 50 per cent lower compared with the previous year. The key reason for this is lower interest income.

June

VP Bank Swiss Ladies Open

The fifth edition of the international VP Bank Swiss Ladies Open is held at Golfpark Holzhäusern from 28 to 30 June 2024. In total, 132 of the best golfers take part in Switzerland's biggest women's golf tournament.

August

Semi-annual results of VP Bank Group

VP Bank Group generates a net profit of CHF 11.5 million in the first half of 2024 and implements a substantial package of measures to increase efficiency and accelerate growth.

August

Introduction of a new mobile banking app

VP Bank completely overhauls its mobile banking app and aligns the range of functions and design with its browser version, meaning it can offer its clients various new options for convenient e-banking on any device.

September

Vaduz Food Festival 2024

As part of VP Bank's culinary commitment, 30 elite chefs and young talent showcase their delicacies at the town hall. Between them, they have 300 Gault Millau points and 17 Michelin stars.

September

Excellent annual report

The VP Bank annual report ranks third in the 2024 Swiss annual report rating. These awards confirm the high quality of VP Bank's corporate communication and once again demonstrate the bank's exceptional creativity.

November

Urs Monstein becomes CEO of VP Bank

VP Bank appoints Urs Monstein as Group Chief Executive Officer. Following comprehensive screening of internal and external candidates, the Board of Directors chooses the current interim Group CEO. Over the previous few months, he impressed with his leadership as well as his understanding of the corporate culture and the priorities in implementing the bank's strategy.

November

VP Bank Opus Award

VP Bank and the Academy of Music in Liechtenstein present the VP Bank Opus Award for the first time in November 2024. Seventeen-year-old Fabian Egger impressed the expert jury and was named the winner.

December

High level of client satisfaction

More than three quarters of private clients are generally satisfied or very satisfied with VP Bank. This is one of the results of the group-wide client satisfaction survey conducted in the summer with the independent institute YouGov. More than two thirds of intermediaries said they were satisfied or very satisfied.

The interactive version of the important events in 2024 can be found in the digital version at reports.vpbank.com.


Opportunities
or security
vpbank.com/ar-opportunities

02

Strategy and targets

Trends and strategic success factors

The financial sector is undergoing significant transformative processes and the related changes like no other industry.

Client needs are evolving, labour shortages are becoming more acute, regulation continues to expand and technological progress is accelerating. In addition, the recent past has been characterised by growing geopolitical challenges and a changed interest rate environment.

Client needs – increasing individualisation and cross-border services

Clients are growing more accustomed to having information available near-instantly and to receiving individual offers tailored to them, 24/7. Banks must therefore be able to offer products and services quickly and in line with their clients' needs. The convenience of digital offerings, coupled with expertise, is the priority here, and this requires a hybrid service model. In particular, personal advice serves as a starting point for understanding and managing the greater complexity, international reach and range of options associated with financial services.

Wealthy clients are becoming more international and have bank accounts in various countries. In turn, this will also see a rise in demand for cross-border wealth management services. This is being driven by geopolitical changes as well as the quest for diversification, stability and security in asset-related matters.

Technology – new opportunities through digitisation

Open finance, AI, quantum computing and blockchain are the technology trends in the industry today. The benefits they afford include increased efficiency through automation, transparency and the enabling of entirely new business models.

Aside from these technology trends, data security and cyber security measures are also becoming increasingly important, with hacker attacks becoming ever more ingenious. It is therefore essential to invest in technologies and the necessary digital know-how in order to guarantee protection against cyber attacks.

Industry – the advantage of collaborating with fintechs

Banks are increasingly entering into cooperation arrangements with, or acquiring equity interests in, fintech and wealthtech companies so that they can offer focused products and solutions to their clients. This can also result in offerings from third-party providers via an application programming interface (API).

Technologies for the rapid development of APIs and decentralised IT architecture are therefore a competitive advantage. The open interfaces enable differentiated banking as a service with a high rate of innovation, while complying with IT security standards.

Regulation – increasing international complexity

The financial sector has undergone major regulatory changes in recent years, which have been driven by economic, pandemic-related, political and technological developments. One particularly challenging issue in this area is the regulations applicable to individual markets, since they differ from country to country.

Providing regulation-compliant advice and a range of services based on this will keep becoming ever more complex. As a result, it is likely that institutes will become increasingly specialised.

Employees – shortage of skilled professionals remains an issue

Due to the structural changes in the banking industry, the need for specialised professionals has increased significantly, for example in IT and compliance. In looking for the right people, banks are competing with companies from many other industries, including the tech sector. Attractive working conditions will play a decisive role in the battle for top talent, with career and development opportunities and modern working models just as important as salary expectations.

Labour shortages are forcing banks to consider how quickly they can grow and, at the same time, how quickly they need to invest in automation and/or artificial intelligence in order to make up for the lack of new professionals.

Strategic success factors

Strategy and targets

With its corporate strategy, VP Bank is building on its strong existing business in its home market of Liechtenstein and four international locations. The aim is to continue growing in all regions.

What VP Bank stands for

Founded in 1956 in Vaduz, VP Bank has grown from a friendly local bank to become Liechtenstein's third-largest bank and an internationally active financial services enterprise, with locations in Liechtenstein, Zurich, Luxembourg, Singapore and the British Virgin Islands. Thanks to the expertise and flexibility of its employees, the bank is able to offer top-notch solutions with a personal touch.

Clients benefit from:

- an understanding of their needs across national borders;
- personal wealth planning, asset management and investment advisory services;
- very good investment performance, including in multi-year comparisons;
- a modern, user-friendly client platform;
- reliability thanks to above-average capitalisation, a strong liquidity position and anchor shareholders with a long-term focus.

Business model

VP Bank's founder, Guido Feger, was a successful entrepreneur and one of Liechtenstein's most important trustees. Over the years, the bank has established itself as an experienced partner for financial intermediaries. It also makes the expertise it has built up available to wealthy private clients on an international basis. The bank's home market of Liechtenstein is complemented by a comprehensive retail banking and commercial banking business.

Positioning:

- Universal bank in Liechtenstein
- Partner for intermediaries: these include trustees, external asset managers, lawyers, family offices and fund managers
- Specialist for private clients with complex needs when it comes to asset protection and investment
- Fund competence centre for third-party and private label funds

Targets

VP Bank has a diversified business model in various markets with good growth prospects. With local market development plans, the bank's target is to continue growing in all markets.

In doing so, VP Bank aims to achieve the following objectives:

- In Liechtenstein, VP Bank offers a wide range of services for everyone as a distinguished bank: from a simple savings account, personalised investment advisory services and financial planning to comprehensive financing.
- VP Bank is the preferred partner for intermediaries. The bank also aims to attain a leading position with external asset managers in Singapore. VP Bank is the first port of call for trustees in Liechtenstein.
- VP Bank is a recognised specialist in wealth management and asset protection for wealthy private clients in selected markets. In the BVI, it is also the leading bank for the financing of premium real estate.
- In the fund business, VP Bank is the one-stop shop for alternative investment funds.

Location and segment strategies

Liechtenstein

VP Bank is currently pursuing a growth strategy in its home market of Liechtenstein, coupled with the acquisition of market share. In addition to Liechtenstein, the bank's focus includes other select target markets abroad. The bank has its roots in business with external asset managers and trustees, and this will remain an important pillar of its growth strategy in the future. The continuous expansion of the bank's digital platform, with the aim of increasing efficiency and simplifying operational processes with partners, is of great importance in this respect.

In the private client business, the bank's focus is on the structured expansion of its affluent business. This includes offering comprehensive support, aided by the introduction of a standardised, goal-based advisory process. In the lending business, the focus is on supporting growth plans in the private client and intermediary segments. Thanks to its considerable market knowledge, VP Bank is able to offer tailored financing solutions that meet the specific needs of its clients. In addition, the support provided to younger generations is being stepped up further to ensure a successful transfer of wealth.

« VP Bank is currently pursuing a growth strategy in its home market of Liechtenstein, coupled with the acquisition of market share. »

Urs Monstein
Chief Executive Officer

Switzerland

In Switzerland, VP Bank is pursuing balanced growth in its intermediary and private client businesses. In the intermediary business, the bank intends to continue utilising the momentum generated by the growth seen in 2024. VP Bank's offering is characterised by personal, tailor-made services, an international network and an advanced platform. In the private client business, growth is being sought not only in Switzerland, but also beyond the country's borders. The aim is to accelerate growth by hiring an adequate number of client advisors.

Luxembourg

In Luxembourg, the bank has been able to establish a solid foundation for its intermediary and private client businesses to bolster its reputation as a trusted partner. Efforts towards encouraging growth are focused on the markets of Luxembourg, Germany and the Nordic countries. Targeted activities are being employed with the intention of increasing the visibility and raising the profile of VP Bank.

Singapore

The bank's renewed strategy places a strong focus on promoting synergies between the intermediary and private client segments. In line with this, the robust financial infrastructure, strategic location and forward-looking regulatory environment of the city state of Singapore are being utilised to capitalise on opportunities in the rapidly growing Asian markets. In this regard, business with external asset managers is at the core of VP Bank's strategic development, while its private client business is being run on a complementary basis.

British Virgin Islands

The market strategy of VP Bank (BVI) Ltd is focused on continued successful growth in the financing of prime real estate and on strengthening its market leadership in this attractive niche. In addition, the aim is to further expand the range of investment solutions available to private clients with new offerings that are appropriate to a private bank which provides holistic advisory services. New clients choose VP Bank (BVI) based on its proven network of partnerships, which is being expanded on an ongoing basis.

Asset Servicing

Asset Servicing is pursuing the strategic goal of gaining share in the rapidly growing markets of Luxembourg and Liechtenstein. In terms of market cultivation, the focus is primarily on the target markets of VP Bank Group, which will also enable the use of synergies in selling its range of services. To augment the sale of the bank’s one-stop-shop offering, the focus is increasingly on collaboration with other management companies for whom fund administration and custodial functions can be taken on for their funds.

Financial targets

The combination of the Group strategy and the local market cultivation plans provides the basis for VP Bank’s financial targets. VP Bank aims to achieve annual net new money growth of over 4 per cent, annual revenue growth of 4 to 6 per cent and a tier 1 ratio that is always above 20 per cent. In addition, the intention is to maintain the cost/income ratio at a competitive level over the long term.


Independence
or partnership
vpbank.com/ar-partnership

03

Financial year 2024

Locations

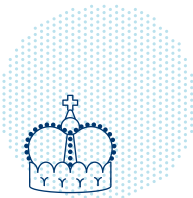
Locally rooted and internationally present – VP Bank is one of the three largest banks in the Liechtenstein financial centre and has offices in other major financial hubs.

VP Bank was founded in 1956 and has been operating in Liechtenstein for almost 70 years. Most of the bank's employees work at either its headquarters in Vaduz or the service centre in Triesen. This underscores the strong commitment VP Bank has to its home market.

VP Bank has also operated at two other strategic locations in Europe since 1988 with its Zurich and Luxembourg branches, where 260 employees handle the affairs of an international clientele.

VP Bank (BVI) Ltd, with its registered office in the British Virgin Islands, was founded in 1995 and remains the only private bank in the country to this day. An international team of around 20 experienced specialists are employed at the bank's BVI location.

In Asia, VP Bank began operating in Hong Kong in 2006 and opened its branch in Singapore in 2008. In 2024, VP Bank decided to withdraw from Hong Kong for economic reasons. The bank has 70 employees in Asia.



Liechtenstein
- founded in 1956
- 673 employees

Zurich
- founded in 1988
- 111 employees

Luxembourg
- founded in 1988
- 149 employees

Singapore
- founded in 2008
- 70 employees

Tortola
- founded in 1995
- 17 employees

Segments

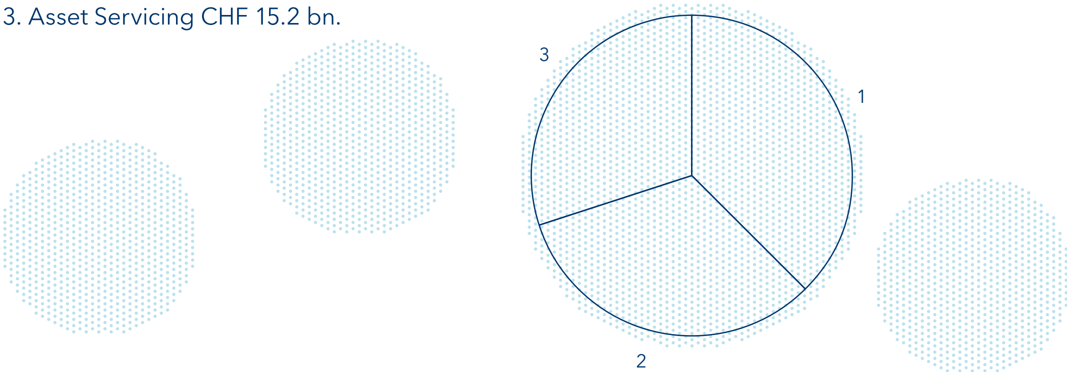
The economic success of VP Bank is broken down into segments and measured based on the range of services offered and the respective market positions.

With CHF 19.1 billion in client assets under management as of the end of 2024, the Liechtenstein & BVI segment is VP Bank's largest business unit. International is the second-largest business unit, with CHF 16.4 billion in client assets under management. In Asset Servicing, client assets under management amounted to CHF 15.2 billion.

Client assets under management by business unit

in CHF billion

1. Liechtenstein & BVI CHF 19.1 bn.
2. International CHF 16.4 bn.
3. Asset Servicing CHF 15.2 bn.



Liechtenstein & BVI

This segment comprises the universal bank in Liechtenstein and the private bank in the British Virgin Islands (BVI).

Liechtenstein

Thanks to its many years of experience in the intermediary business, VP Bank in Liechtenstein occupies a leading position when it comes to doing business with external asset managers and trustees. More than half of assets under management in the segment are attributable to the bank's intermediary business, which underscores its importance. Private clients also benefit from the bank's extensive experience in servicing a sophisticated clientele.

In addition to clients in Liechtenstein, the bank has a steadily growing clientele from abroad, who value the Liechtenstein booking centre with its stable financial hub and strong Swiss franc for diversification reasons. The Principality of Liechtenstein has a rating of "AAA" from Moody's and Standard & Poor's. The country's broadly diversified economy, combined with political continuity and stability, gives it a decisive advantage as a location. Through its membership in the European Economic Area, Liechtenstein has outstanding access to the European market. VP Bank has an EU passport, giving it unrestricted access to its target markets, where it can offer comprehensive services.

Cross-border business is of major importance to the bank in terms of achieving its growth ambitions. Target markets include the countries bordering on Liechtenstein, with clients from Germany and Switzerland in particular already constituting a significant portion of its business.

British Virgin Islands

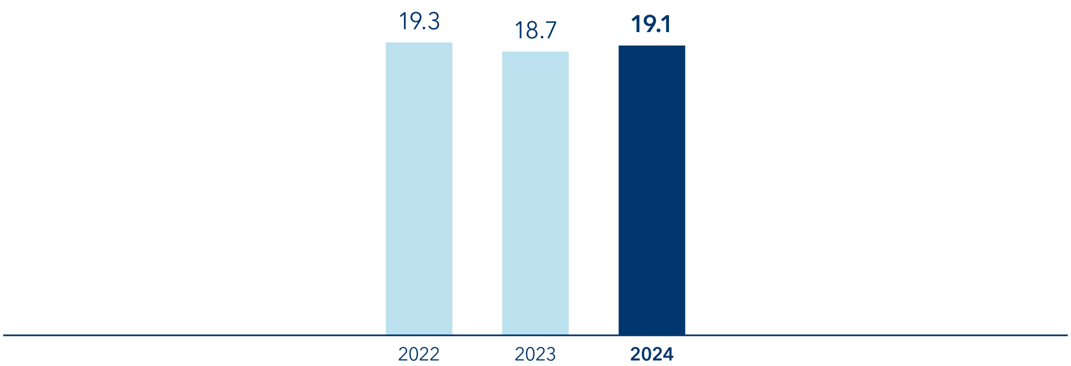
VP Bank (BVI) Ltd holds a local full banking licence for the British Virgin Islands, which enables it to cultivate the market comprehensively with a broad range of products and services. Over the years, the team, which is firmly rooted in the local community, has established the bank as the first port of call for regional private client business.

The economy in the British Virgin Islands is centred around tourism and financial services. VP Bank has positioned itself on the local real estate market as a reliable partner for the financing of first-class real estate for both own use and holiday use. It also finances the development and acquisition of holiday resorts. In addition to financing services, investment solutions and banking services are offered to private clients.

The BVI are also a well-known centre for trustee and corporate services. VP Bank occupies a niche in the area of administration and offers comprehensive wealth management, custody and transaction services to support companies not only in their establishment, expansion and operations but also in the event of their liquidation.

Development of client assets under management: Liechtenstein & BVI

in CHF billion



International

This segment includes the bank’s locations in Switzerland, Luxembourg, Singapore and Hong Kong. The decision was made to close the Hong Kong branch for economic reasons in 2024.

Europe

VP Bank uses its DNA as an intermediary bank and its many years of experience in this segment to offer external asset managers and family offices a modern service platform at its locations in Zurich and Luxembourg. Its expertise in dealing with intermediaries is also made available to European private clients. In addition to Luxembourg and Switzerland, target markets include Germany and the Nordic countries, particularly Sweden and Denmark.

The client base is international. VP Bank provides services to a growing number of external asset managers who are in search of an additional custodian bank at the Switzerland and Luxembourg international financial centres as a complement to their local custodian bank. There is rising demand from European clients looking to diversify their existing currency and booking centres, especially among entrepreneurs and investors whose business activities require international solutions.

VP Bank (Switzerland) Ltd benefits from the opportunities afforded by a simplified exemption in Germany. This exemption allows it to directly and actively attract clients in Germany and to provide them with services on a cross-border basis. In addition, as the largest financial centre for international asset management business, Switzerland is an attractive, stable booking centre.

VP Bank (Luxembourg) SA is in possession of an EU passport for Germany, Sweden, Denmark and other EU markets classified as opportunistic markets. It thus has unrestricted access to its target markets and can offer comprehensive services.

Asia

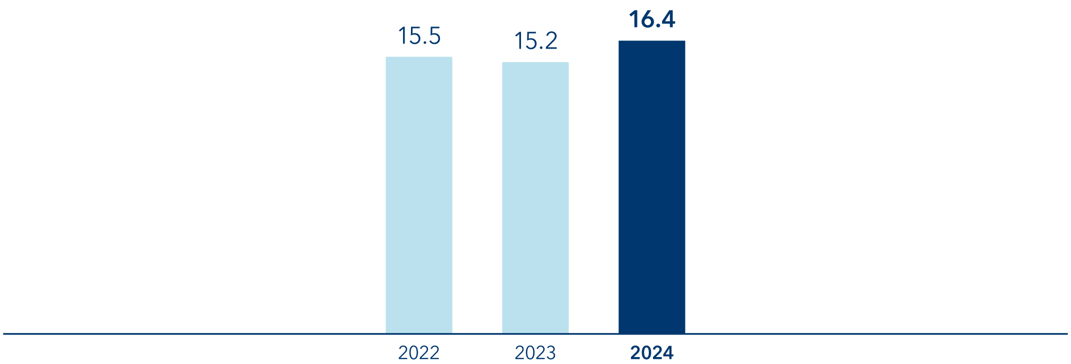
Asia is an important region for VP Bank Group. Following the closure of the bank's Hong Kong branch, growth will be driven by Singapore. The bank is particularly focused on promoting synergies between its intermediary and private client businesses.

Target markets are Northeast Asia, with a focus on the Greater China region (mainland China, Hong Kong and Taiwan) and Southeast Asia, where the focus is on Singapore, Indonesia, Malaysia and Thailand. For the intermediary segment, the natural intermediary domiciles that are managed from Singapore are Singapore, Hong Kong, Dubai (DIFC – UAE), Switzerland and Liechtenstein.

VP Bank's commitment to intermediary business in Asia has been repeatedly underscored with the awarding of "Best Private Bank – Intermediaries".

Development of client assets under management: International

in CHF billion



Asset Servicing

Asset Servicing includes fund management and custodial activities within VP Bank Group. The two fund management companies VP Fund Solutions (Luxembourg) SA and VP Fund Solutions (Liechtenstein) AG handle the fund management activities of VP Bank. They encompass the business with third-party funds, private label funds and proprietary funds. The custodial departments at VP Bank Ltd, Liechtenstein, and VP Bank (Luxembourg) SA take care of custodial activities.

The entire range of services for managing UCITS and AIFs is offered as a one-stop shop. This means a broadly diversified offering, from structuring advice to prospectus preparation and coordination with the regulatory authorities to launching, but also regular fund price calculation, maintenance of the unit register, custody of fund assets and satisfaction of all supervisory requirements (e.g. preparing reports). Clients thus have access to all services in a fund's value chain. Because the approach is modular, it is also possible to make use of only certain parts of it.

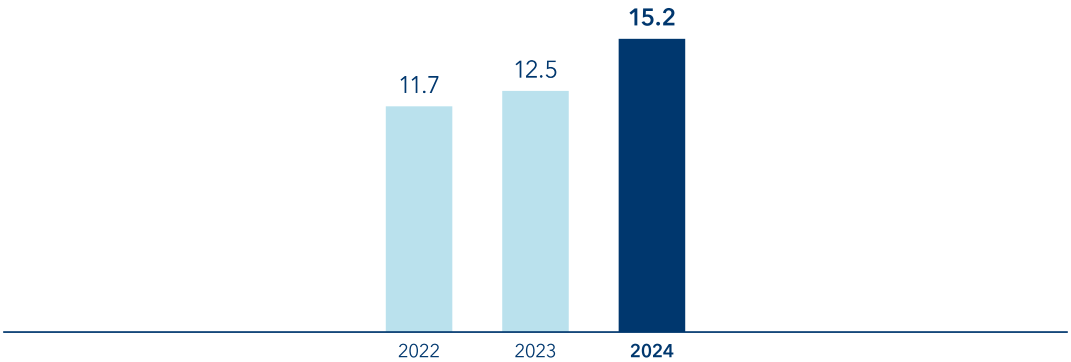
The main clientele include family offices, asset managers, banks, insurance companies and wealthy private clients who, for various reasons, would like to manage their assets in a fund structure but would primarily like to concentrate on portfolio management and distribution.

The main markets of Liechtenstein, Switzerland and Germany account for more than 70 per cent of fund assets under management. Other important markets are Luxembourg, Scandinavia and Singapore. The fund assets managed by the two fund management companies consist largely of private label business with external clients; management of the funds of VP Bank Group accounts for less than 10 per cent of the business volume.

With the focus on the fund domiciles of Liechtenstein and Luxembourg, EU/EEA-conforming fund products can be offered at two locations, which because of their EU passport are optimally suited for distribution in Europe but also on other continents, such as Asia.

Development of client assets under management: Asset Servicing

in CHF billion



Organisation

VP Bank has a functional management model, which – paired with a strong front-office orientation – is able to deal with a high level of complexity and a dynamic, international environment.

VP Bank's Group Executive Management consists of seven experienced managers, who are jointly responsible for the successful development of the bank.

Changes in 2024

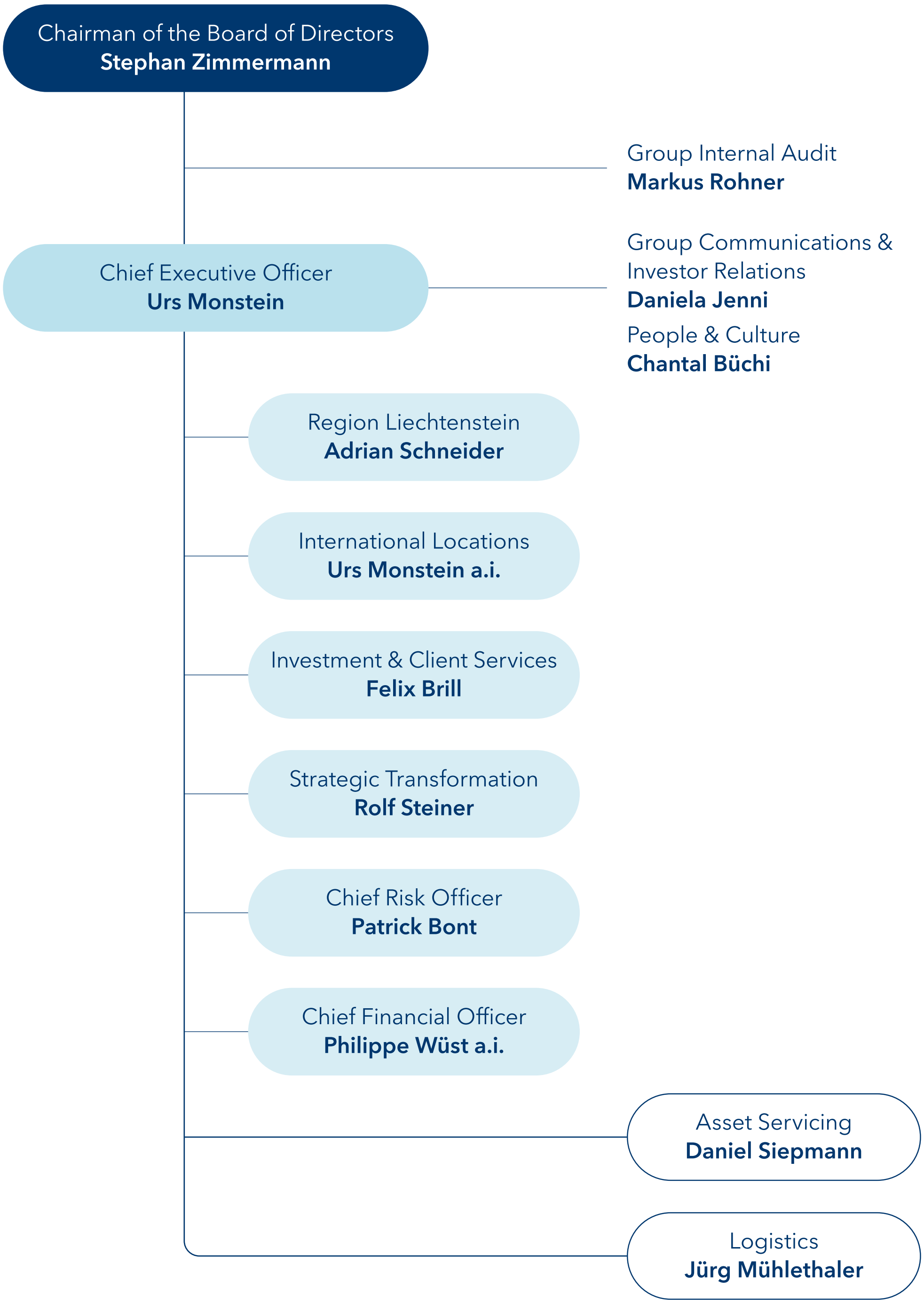
In May, Paul Arni, Group Chief Executive Officer, left VP Bank after around five years. Urs Monstein, who had held the role of Chief Operating Officer since 2018, took over interim management and was then appointed Group CEO by the Board of Directors in November.

At the end of 2024, Roger Barmettler, Chief Financial Officer, and Mara Harvey, CEO of VP Bank (Switzerland) Ltd and Head of Region Europe, stepped down from the Executive Board to take on new challenges outside the bank.

Organisation as of 1 January 2025

The Board of Directors has been embracing the change at Group Executive Management level as an opportunity to align the organisation more consistently with clients and the strategic transformation. As of 1 January 2025, Group Executive Management consists of the client-facing units of Region Liechtenstein, International Locations, Investment & Client Services and Strategic Transformation. The client-facing units are complemented by the Chief Financial Officer and Chief Risk Officer units.

As of 1 January 2025, the organisation is composed as follows:



Group Executive Management

Subject to the approval of the local regulator

Employees

Those working at VP Bank benefit from a modern working environment, attractive employment conditions, remuneration in line with market conditions and flexible working time models.

Recruiting and retaining talent

Attractive employer brand

The lack of skilled professionals is not a new phenomenon; however, the challenge of finding the right talent and qualified staff continues to intensify. That is why VP Bank regularly invests in strengthening its appeal as an employer, using modern recruitment solutions and a multi-stage recruitment process and running targeted multi-channel campaigns.

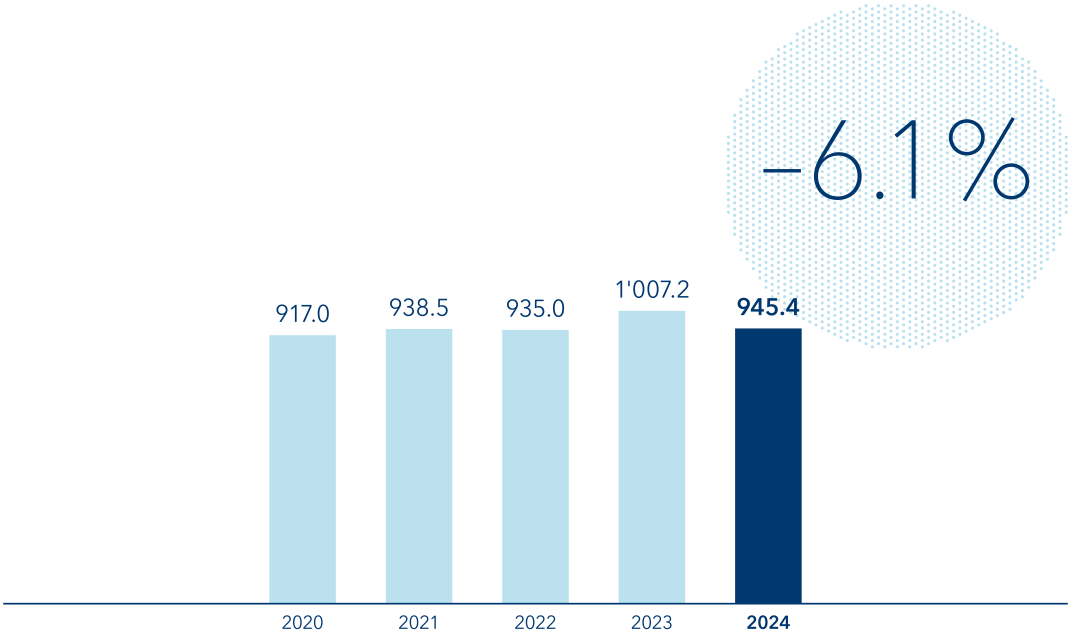
The focus of the bank's employee strategy is not only on recruitment but also the long-term retention of its employees. VP Bank is particularly proud of its long-serving employees. In 2024, five people celebrated their 35th anniversary, and one person celebrated their 40th. The average length of service at the bank is 8.2 years.

VP Bank is committed to paying fair, competitive compensation in line with the market. Fixed compensation varies according to function and related requirements, whereas variable salary components are geared to the success of the business and individual performance. In addition, employees who have been at VP Bank for three years or more can purchase a certain number of VP Bank shares per year at a preferential price. In the reporting year, 369 employees participated in the equity participation programme for employees with a discount of 50 per cent on the share price, which corresponds to a participation rate of 76 per cent.

In addition to financial incentives, employees also receive other attractive benefits depending on the location. These benefits range from sporting and social activities and events to the possibility of purchasing additional days of leave, as well as length of service benefits, offers designed to promote health, subsidised canteen meals and attractive offers in the mobility area.

At the end of 2024, VP Bank employed 1,024 people. The headcount thus fell by 61 employees compared to the previous year. Adjusted to reflect full-time equivalents, this corresponds to a headcount of 945.4, which has fallen by 61.8 positions. This decline is connected with the implementation of a comprehensive package of measures designed to increase efficiency and accelerate growth. It mainly affects roles with no client contact at locations in Liechtenstein and Hong Kong, from which VP Bank withdrew in 2024 for economic reasons.

Total number of employees (full-time equivalents)



Headcount by location

	2024		2023		Change	
as of 31.12.	**Employees**	**Full-time equivalents**	**Employees**	**Full-time equivalents**	**Employees**	**Full-time equivalents**
VP Bank Ltd, Vaduz	638	582.9	652	596.1	–14	–13.2
VP Bank (Switzerland) Ltd	111	102.7	119	111.2	–8	–8.5
VP Bank (Luxembourg) SA	102	94.5	112	105.5	–10	–11.1
VP Fund Solutions (Luxembourg) SA	47	42.7	50	46.1	–3	–3.4
VP Bank (BVI) Ltd	17	16.1	13	13.0	4	3.1
VP Wealth Management (Hong Kong) Ltd	4	4.0	19	19.0	–15	–15.0
VP Bank Ltd Singapore Branch	70	70.0	85	85.0	–15	–15.0
VP Fund Solutions (Liechtenstein) AG	35	32.6	35	31.2	0	1.4
Total	**1,024**	**945.4**	**1,085**	**1,007.2**	**-61**	**-61.8**

Decline in the turnover rate

The turnover rate for 2024 was 7.6 per cent, compared to 11.2 per cent in the previous year. This was unintended turnover, meaning the exits were initiated by the employees. The lower turnover rate was due in particular to a significant reduction in turnover at the bank’s Liechtenstein and Luxembourg locations.

Investing in training and development

Individual training and continuing education

VP Bank fosters the strengths of its employees, offering ongoing development opportunities through both internal and external continuing education programmes.

In the reporting year in Liechtenstein, 22 people (previous year: 17) completed a job-related course of studies with a recognised diploma, while another 56 people (previous year: 48) were participating in external continuing education at the end of 2024. The average amount spent on external continuing education was approximately CHF 10,000.

Talent Academy

Fostering talent across all hierarchical and age levels is an important objective of the Talent Academy. The six-month in-house programme enables VP Bank to empower talented employees to increase their personal influence within the organisation, play their part in shaping the culture of VP Bank and drive strategic thinking and innovation.

The programme was redesigned in 2024, with a strong focus on the strategic and cultural impact of the participants in terms of the corporate values "we achieve", "we explore", and "we care". In 2024, 13 employees from the bank's Liechtenstein, Zurich, Luxembourg, Singapore and BVI locations took part in the Talent Academy.

Trainees

Each year, VP Bank hosts up to seven commercial and IT trainees at its locations in Liechtenstein and Switzerland. During their day-to-day work, they are supervised by certified vocational trainers and switch workplace every six months. This ensures the trainees get a comprehensive insight into the tasks of a bank and are fully prepared for their final apprenticeship examinations. In the dual education system that combines business and vocational school, trainees are able to organise their own projects themselves. In 2024, four trainees completed the commercial apprenticeship.

Secondary school and university graduates

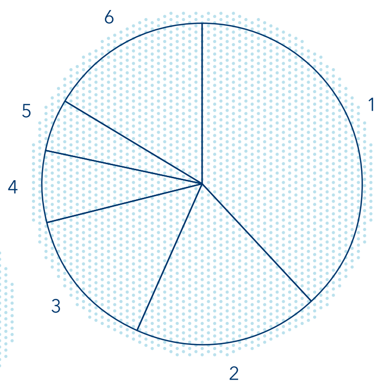
With its graduate programme for university graduates and bank entry programme for secondary school graduates, VP Bank offers attractive opportunities for getting started in the financial sector. The programmes give young, talented individuals the opportunity to further their knowledge in selected areas and participate in specialised and foreign internships in preparation for a defined target function after 18 months and take their first career step. At the end of 2024, three people were enrolled on the graduate programme for university graduates, while two people were enrolled on the development programme "Bank Entry for Secondary School Graduates".

Fostering diversity

Broad cultural diversity

Variety and diversity are an integral part of VP Bank's corporate culture, and this is reflected in the broad cultural diversity of its employees. As of the end of 2024, 1,024 employees from 46 nations worked at VP Bank.

1. Switzerland 38.2%
2. Liechtenstein 18.5%
3. Germany 14.6%
4. Austria 7.3%
5. Singapore 5.2%
6. Rest of the world 16.2%



Proportion of men and women

As of the end of 2024, VP Bank employed 411 women and 613 men. This represents a 40.1 per cent proportion of women, which is high for the sector. The proportion of women in management positions across all management levels was 23 per cent, while the proportion of men was 77 per cent. Of the seven Members of the Board of Directors, two are women.

As a member of the Advance business association for gender equality, VP Bank promotes the exchange of views and information and the professional development of women. Advance's mentoring programme offers a unique opportunity for personal and professional growth by bringing together female mentees with high potential with mentors from member companies. As a member company, VP Bank had two mentees on the programme at the kick-off in 2024. The bank also signed the Luxembourg Women in Finance Charter for 2024.

Employee statistics

as of 31.12.2024	Men	Women	Total
Headcount	613	411	1,024
Percentage share	59.9	40.1	100.0
Average age	44	41	43
Average length of service	8.2	8.2	8.2

Equal pay

In 2023, VP Bank carried out a pay equality analysis at all locations together with an external, qualified partner. This analysis confirmed that VP Bank complies with the requirements for equal pay. The bank received the SGS "Fair-ON-Pay" certificate for its efforts in 2024.

40.1%
women's quota

1,024
employees

Length of service
8.2 years

46
nations

Building a corporate culture

Corporate values in practice

VP Bank places great importance on a culture that promotes collaboration across teams and locations and fully embraces its corporate values: "we achieve", "we explore" and "we care". In 2024, VP Bank launched a new employer branding campaign with stories to make these values more visible and tangible. The heart of the campaign is everyday stories. Each story has a testimonial that refers to one of the three values and is published every month on LinkedIn, Instagram and XING.

We explore

We look beyond the horizon, welcome new ideas and learn from our mistakes.

We care

We make time for each other and value a diversity of opinions, knowing we can achieve more together.

We achieve

We tackle challenges head-on and deliver solid results, preferring even small steps forward to standing still.

Employee satisfaction

For VP Bank, it is essential that employees feel connected to the business. It therefore conducts regular surveys in order to measure employee satisfaction.

The last survey was carried out in 2022 with the support of an independent consultancy firm. The response rate was 85 per cent. Measures have been developed and implemented over the last two years based on the feedback. Corporate culture was identified as a key driving force.

In the summer of 2024, around 150 employees were interviewed in cross-departmental and cross-location focus groups, and around 35 members of key management were interviewed individually, in order to work out together what behaviour and mindset should be practised at VP Bank in the future. A compass was derived from the cultural vision showing the behavioural attributes that are intended to help all employees contribute to an attractive work culture.

In addition, new communication platforms such as the CEO dialogue and cultural workshops were established to strengthen direct dialogue with employees.

Sports and cultural associations

The VP Bank Sport and Culture Association offers an average of 48 sporting and cultural events every year. These include the Business Run Liechtenstein, the Liechtenstein Company Sports Association football tournament, the Snow Weekend, company darts and Jass championships and tennis and yoga courses. The new “Art at Lunchtime” series in collaboration with the VP Bank Art Foundation and the culinary side events at the Vaduz Food Festival are also very popular among employees. All VP Bank Group employees are members of the Sport and Culture Association, which was founded in 1974 and thus celebrated its 50th anniversary in 2024.

Client philosophy

The success of a bank is closely linked to the success of its clients. That is why VP Bank prioritises long-term client relationships and active feedback management.

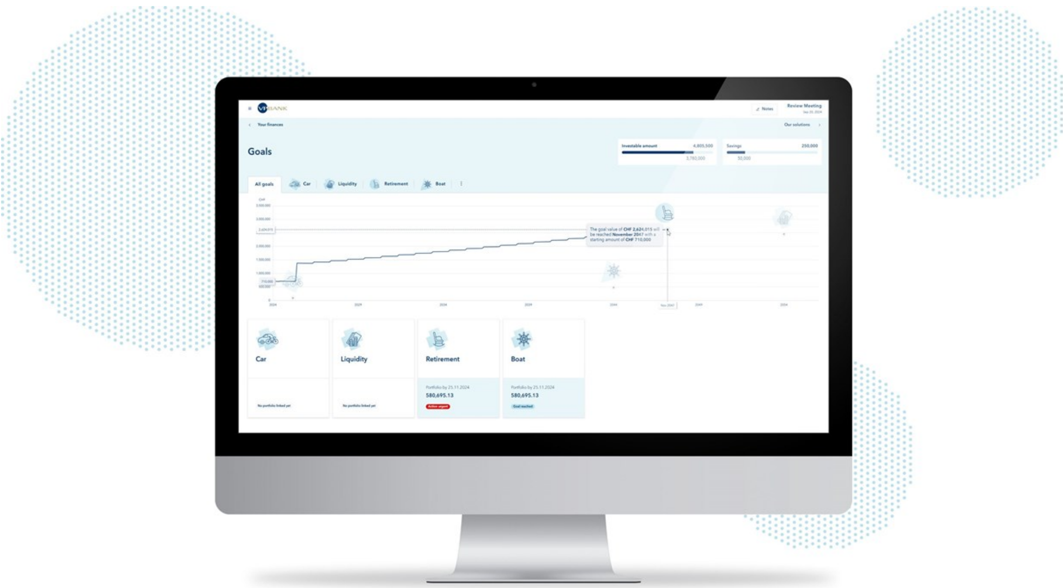
Long-term partnerships

Assets and wealth management are a personal affair. During times of diversity and interchangeability, sound advice and trust are of the utmost importance. VP Bank therefore places great value on personal, long-term client relationships.

In line with its DNA emanating from fiduciary business, VP Bank has proved itself to be an experienced partner for financial intermediaries over the years, ensuring, as their valued partner, they can concentrate entirely on their clients. A modern infrastructure, extensive know-how and a high level of competence in transaction processing give the bank the necessary competitive edge. VP Bank also makes its in-depth expertise, personal advice and its international network available to private clients.

Target-based advice

As an experienced expert in wealth management and investment advisory services, VP Bank supports its clients in achieving their financial goals. A target-based, holistic advisory approach is the main focus here, with personal advice supplemented by the latest technologies.

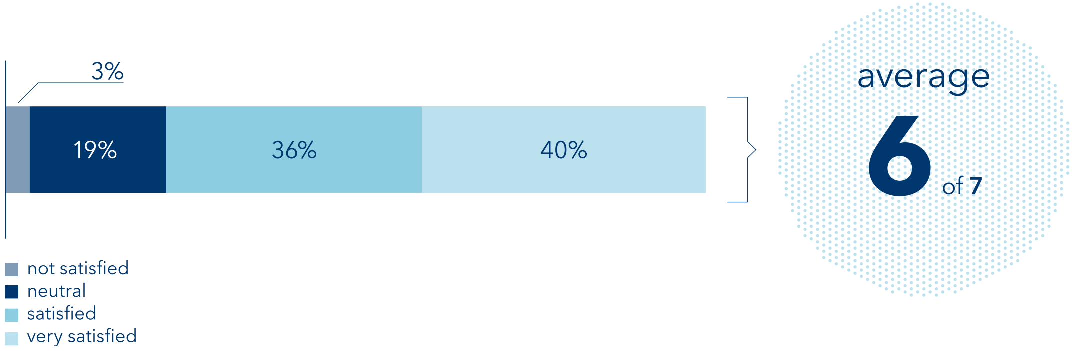


The client's opinion counts

VP Bank measures client satisfaction at regular intervals and takes steps as a result. A survey conducted by an independent institute in the summer of 2024 showed that VP Bank has continued to make progress.

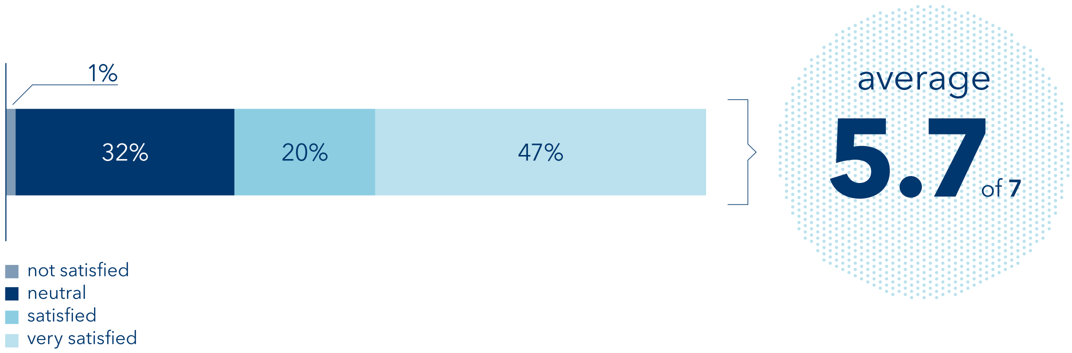
Overall satisfaction of private clients

More than three quarters of private clients who participated in the survey are generally satisfied or very satisfied with VP Bank. This represents an increase of 6 per cent compared to the client survey carried out in 2019. The aspects that achieved the highest level of satisfaction were availability, personal client advice and client service. Three out of four clients are satisfied to very satisfied with the advice and support provided, and almost half the bank's private clients said they would proactively recommend VP Bank. With this value, VP Bank performs very well compared to the industry as a whole.



Overall satisfaction of intermediaries

Of the intermediaries that participated in the survey, more than two thirds said they were satisfied or very satisfied. The analysis shows that good client service has to do with availability, reliability and trustworthiness, and that good conditions are also important. From the point of view of intermediaries, VP Bank stands out in particular due to its personal touch and reliability.



VP Bank also engages in active client feedback management on an ongoing basis. The feedback relating to services and advisory quality that is received and analysed as part of this process is used to continually optimise products and services.

Products and services

VP Bank Group has the necessary expertise and international experience to offer top-notch solutions to a discerning clientele.

The constantly evolving banking business calls for an understanding of clients' goals in holistic terms so that they can be catered to quickly with an optimised range of products and services. VP Bank therefore reviews its value proposition on a regular basis.

Tailor-made solutions and client-focused product development are not empty buzzwords for VP Bank. Clients are closely involved in the product development process based on long-term partnerships rooted in trust.

Business areas	Professional partner for financial intermediaries
	Customised investment and wealth management services for private clients
	Universal bank with retail and commercial banking in Liechtenstein
	Asset servicing with international fund management and custodian bank activities
Client services	Wealth management
	Investment consulting
	Asset and estate planning
	Financing
	Basic services payment and savings
	Fund competence centre

Sustainable solutions

VP Bank is convinced that investments which have a positive impact on the environment and society are compatible with growth, profitability and stability, and the bank is continuously developing its range of sustainable solutions.

The sustainable investment programme "Investing for Change" has been systematically integrated into the bank's investment and advisory process. During the advisory process, each client identifies their sustainability preferences. This information enables the bank to provide the appropriate investment solution. All investments recommended by VP Bank meet a minimum level of sustainability. The Sustainable Plus offering also takes into account a minimum quota for sustainable investments in accordance with the Disclosure Regulation and a share of investments that meet taxonomy rules.

The VP Bank Sustainability Score was developed to make it possible to evaluate financial instruments in terms of sustainability criteria. It measures an investment's degree of sustainability with reference to various criteria and is interpreted more broadly than pure ESG ratings.

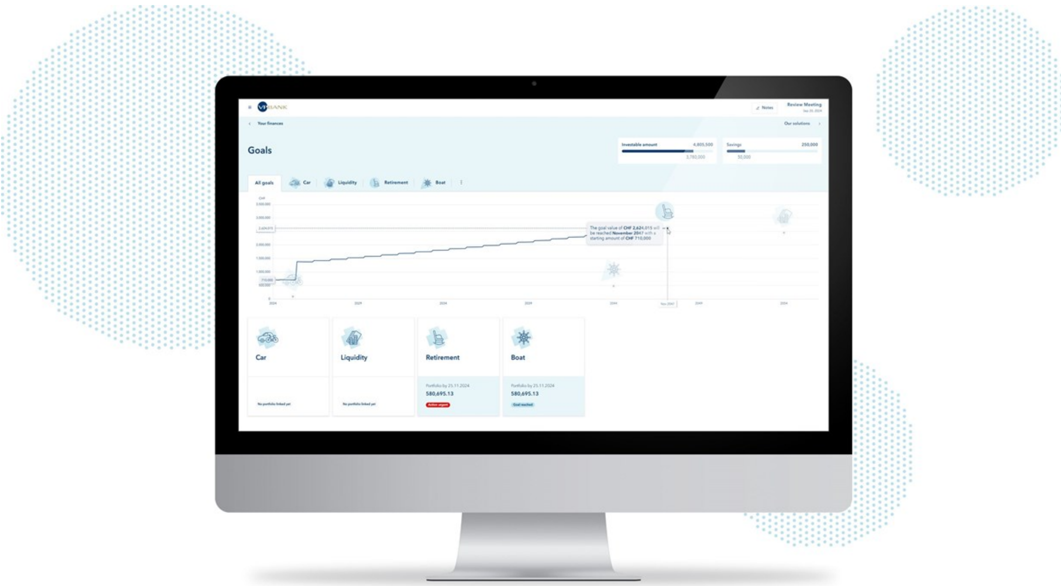
New offerings in 2024

VP Bank regularly reviews its products and services and enhances them in line with client needs. Development often takes place in close cooperation with clients.

Digitally supported advisory process

VP Bank focuses on a hybrid approach when it comes to advisory services, with a combination of personal discussions and digital tools.

In 2024, a new advisory tool was launched to enable the bank to give more personalised advice and offer investment strategies with a greater focus on clients' life goals. This sees clients receive personalised recommendations that are tailored to their individual goals as part of a digitally supported advisory process. A specific timeline for achieving their goals makes it easier for clients to envisage their financial future.



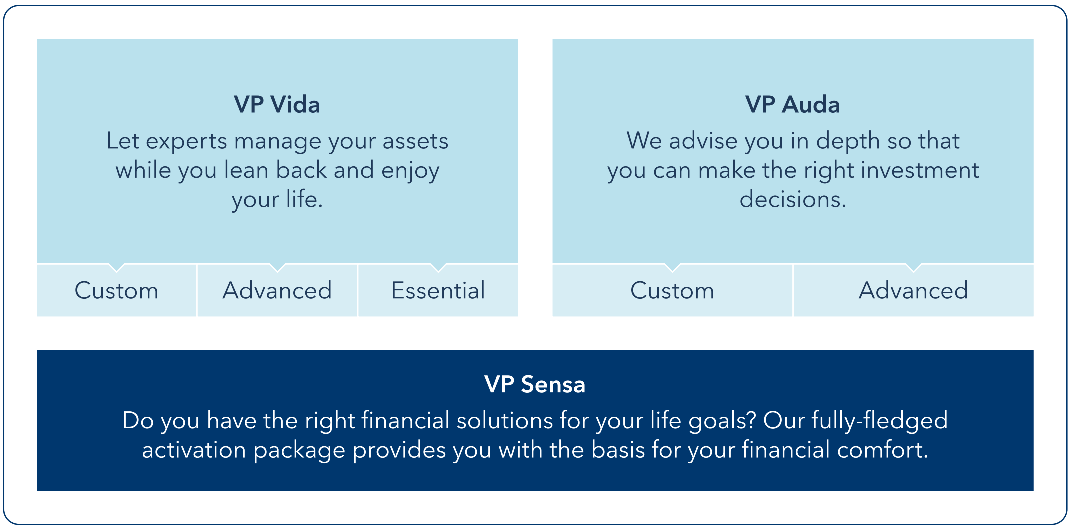
Package solutions

The bank's range of investment products and services was more closely aligned with client needs in 2024 with the launch of three new package solutions. The price structure was also greatly simplified and made more transparent.

The VP Sensa activation package includes all basic services. It also gives clients direct access to their personal client advisor and a comprehensive range of VP Bank investment solutions.

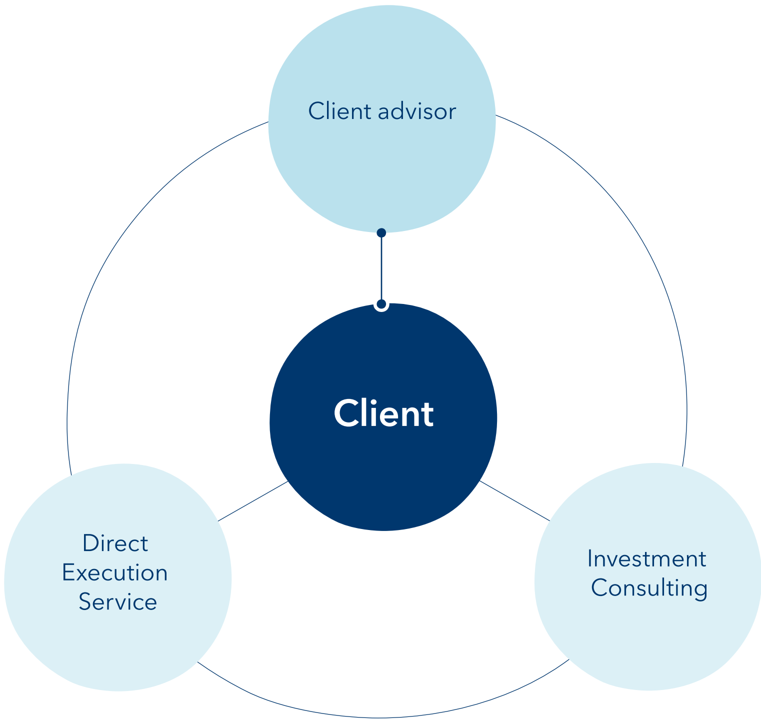
Clients who opt for the VP Vida wealth management package benefit from investment decisions made by VP Bank based on a structured, disciplined investment process. The VP Vida mandate lines are also available as Sustainable Plus mandates. This makes them particularly well suited to anyone wanting to align their investments with ESG and be involved in setting the focus areas.

With the VP Auda investment advisory package, clients receive strategy-based advice in the context of their portfolio. Regular risk monitoring for investments is just as important as the provision of new investment ideas and recommendations based on changed market situations.



Premium trading service and FIX interface

VP Bank has been offering its clients in the intermediary sector direct access to its trading desk for many years now with its direct execution services. Intermediaries can call and get straight through to VP Bank's trading desk and easily arrange stock exchange transactions. In 2024, VP Bank expanded its capacity and is now able to offer this premium service to a broader range of clients.



VP Bank has also implemented the FIX interface as an additional service. Thanks to the FIX interface, orders can now be transmitted directly from the intermediary's portfolio management system to VP Bank's trading desk and executed there. The intermediary then receives confirmation of the execution, which can be processed directly in the system, in the same way.

Innovation management

Innovation is a central component of VP Bank's corporate culture and is reflected in the corporate value "we explore". VP Bank encourages its employees to think beyond their own horizons, venture into new territory and learn from their mistakes. This innovative mindset permeates all hierarchical levels – from the Board of Directors to those just starting out in their career.

In a dynamic world, innovation is key if you want to take advantage of new opportunities, drive technological progress and develop future-proof financial solutions. VP Bank focuses on short market launch time frames and on efficient methods for generating and implementing ideas.

Relevant trends are continuously reviewed and monitored at project level. With minimum viable products, projects can be assessed quickly and developed efficiently, while an interdisciplinary body with representatives from various departments sets priorities and makes decisions on behalf of Group Executive Management.

VP Bank combines innovative methods, modern technologies and agile management to meet the dynamic demands of the financial world. Client orientation, sustainability and rapid implementation lie at the heart of this.

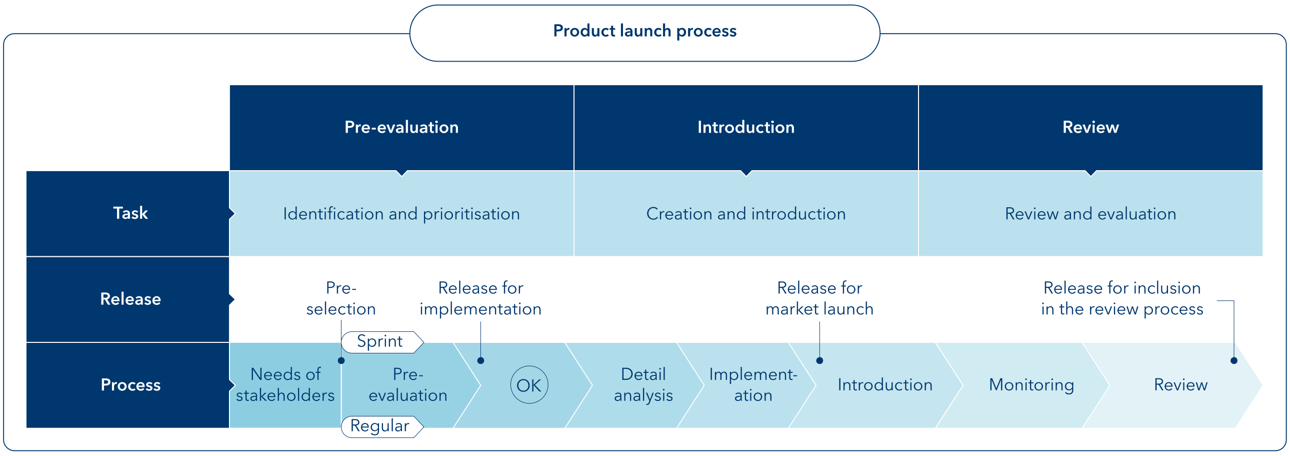
Agile product development and market launch

VP Bank makes quick decisions on product development. Ideas are tested and implemented in short periods of time using the sprint approach, which enables rapid results. The product development process and product life cycle management are embedded in the Group Product & Service Center, where client needs, regulatory requirements and the results from trend screening are collated centrally and coordinated with all the relevant stakeholders. The process is divided into three stages:

1. Preparation of the idea
2. Decision on implementation
3. Product launch followed by a review

Regular product and investment benchmarking

VP Bank reviews and regularly develops its products. Systematic benchmarking is used to compare existing products with current market trends in order to optimally meet client needs and ensure competitiveness. The Group Product & Service Center is responsible for this process and submits planned adjustments to the Product & Pricing Committee for approval. This interdisciplinary committee carefully evaluates the opportunities and risks and ensures informed decisions are made. The benchmarking process is closely integrated into product life cycle management, ensuring the long-term competitiveness of VP Bank in a dynamic market environment.



Sustainable risk management in product development

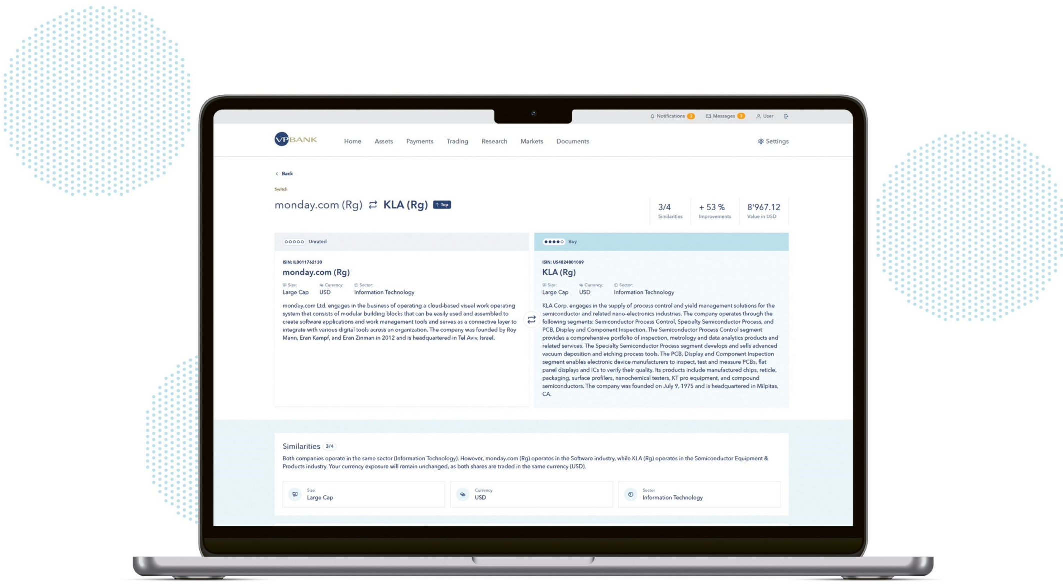
VP Bank strengthens ESG risk management by integrating sustainability criteria into the product development and review process. The assessment is carried out by the Head of Group Sustainability or the CIO as a representative of the Product Control Committee. In the product review process, ESG criteria are integrated as a core component of the scoring model and are continuously reviewed and adapted.

Application of data-driven technologies

Using technologies such as machine learning and artificial intelligence (AI), VP Bank can quickly analyse large amounts of data, identify patterns and develop precise solutions. Examples of AI usage include

- automated KYC analysis using language models (developed in collaboration with ETH Zurich);
- automated investment recommendations through close collaboration with investment experts from VP Bank;
- identification of anomalies in internal audits;
- news screening for risk assessment and mitigation purposes.

The combination of technological precision and human experience guarantees the best possible solutions for VP Bank clients.



Innovation day – platform for new ideas

One concrete example of how innovation is promoted at VP Bank is the annual innovation day. The event provides the Board of Directors, the Executive Board and external experts with a platform to exchange ideas on current trend topics. The results are fed into the relevant project group, ensuring a close link between strategic and operational divisions.

Hackathon – room for creative ideas

VP Bank specifically promotes the development of ideas among its employees using formats such as the hackathon, a module at the Talent Academy. This sees strategic thinking, design thinking and storytelling come together in practical workshops. In the last hackathon, 13 employees from Liechtenstein, Zurich, Luxembourg, Asia and the British Virgin Islands developed innovative solutions together in Zurich. Over the course of two days, the participants identified key problems and presented concrete solutions.

Goals of the VP Bank Talent Academy

Self-confidence

strengthen and increase personal influence

Co-responsibility

for shaping the culture

Strategic innovation

driving and leading

Brand

The prominent symbol in the VP Bank logo is the "unround" circle, which embodies the bank's philosophy and symbolises the focus on individual, tailor-made client experiences.

No two clients are the same. That is why creating individual client experiences is of the utmost importance to VP Bank. This is also reflected in the bank's brand, which is continuously being developed and, with its "unround" circle, is just as unique and individual as the clients are themselves.

Brand structure and protection

VP Bank pursues an enhanced single-brand strategy. Wherever possible, it operates under the name VP Bank. Units that, for legal reasons, are not allowed to operate under the "VP Bank" logo use a separate logo with the "VP" ligature.

VP Bank's brand strategy can thus be broken down into two levels:

Corporate brand
The corporate brand is the name "VP Bank".

Sub-brands
Sub-brands contain at least the letters "VP" within the brand name and are based on the design of the corporate brand.

VP Bank considers its brand to be one of its most valuable assets. This means that professional protection and effective defence are extremely important. Relevant tasks under trademark law include the development of protection strategies, availability checks, trademark applications and renewals, brand monitoring, brand assessments, enforcement of trademark rights and well-conceived domain management.

VP Bank works in partnership with leading trademark lawyers to ensure its brands are protected and monitored in target markets, opportunity markets and other markets, either directly or under the Madrid system.

Constant development of the brand design

The brand design can be summed up in a single word: "clarity". The overall identity is modern and clear. Embodied in both digital and analogue form, it also conveys clarity, simplicity and a focus on the essential. A brand evolves with the needs of clients as well as strategic requirements. VP Bank is therefore committed to constantly reviewing and developing its brand.

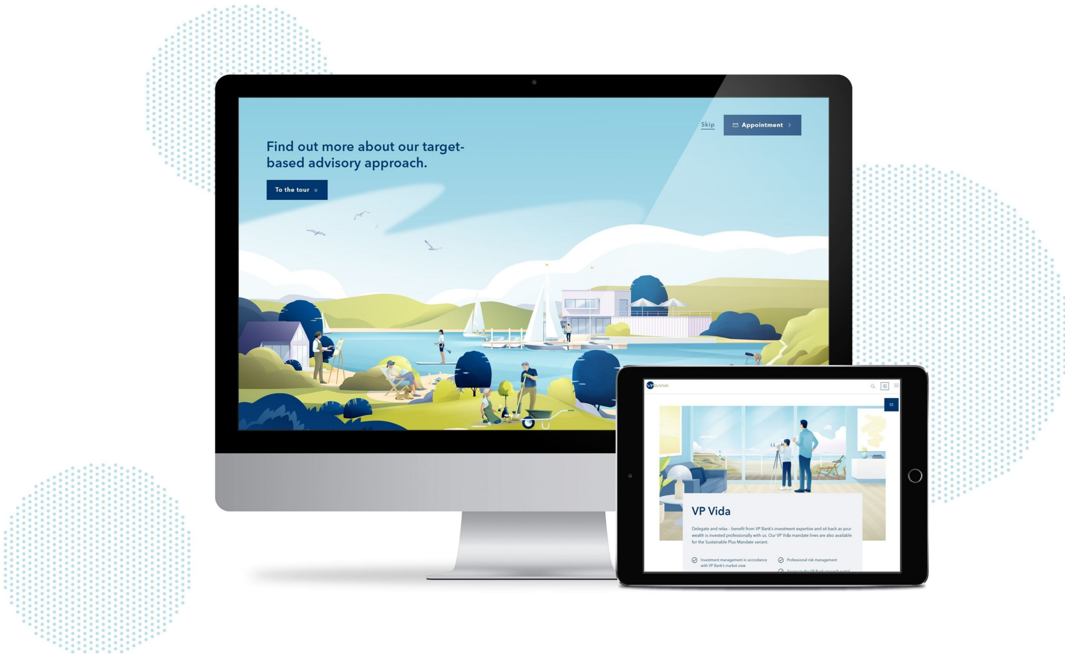
The bank's brand development work is thus carried out according to its own "stay-fresh approach", under which the brand is constantly reinvigorated in small, incremental steps and adjusted in line with the prevailing corporate strategy.

New developments in 2024

Immersive experience

The strategic initiative "Value Proposition Excellence" created the basis for redesigning the client experience. The new product landscape uses names based on sense perceptions and which convey the essence of the services: VP Sensa, VP Auda, VP Vida, and VP Clava. All marketing materials have been redesigned on this basis, including the product pages on the bank's website.

In addition to an immersive experience for users scrolling through content, interactive, personalised content was also integrated in a gamification style. The structure of the information is quite different from that of other providers in the financial sector.



Digital and physical user experience

VP Bank is following a new, target-based advisory approach for its private clients. A tool was developed for this purpose with a user experience and user interface (UX/UI) design that is unique in the industry. As a result, VP Bank's advisory experience differs significantly from that of its competitors. Alongside the tool, the physical experience in the client zone was also enhanced, using measures such as fragrance and sound marketing.

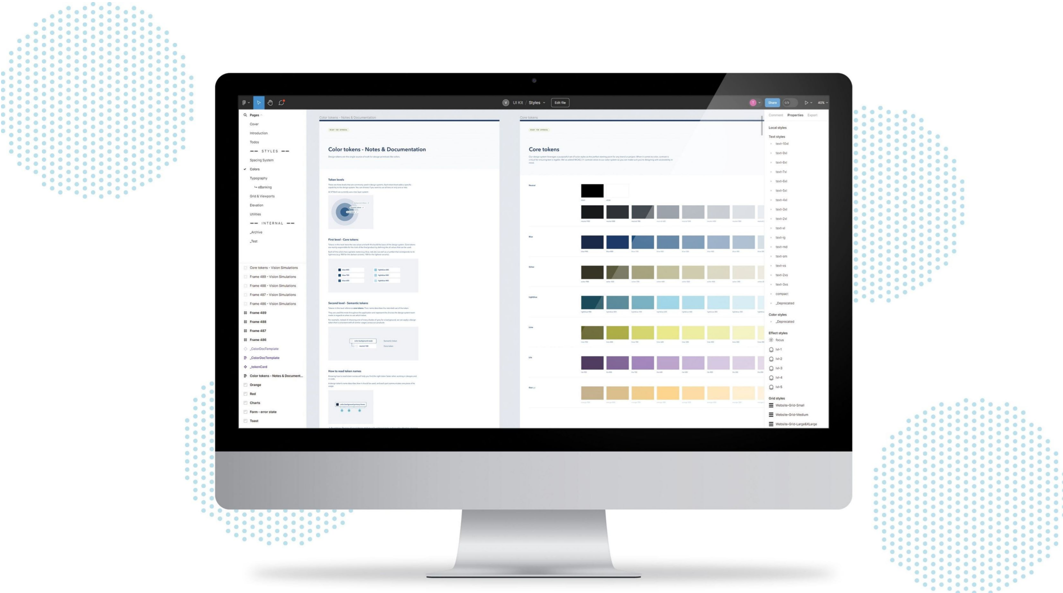
With the Investment Recommender, VP Bank now offers a new feature that makes personalised investment recommendations directly in the client portal. This has been fully integrated into existing e-banking features, providing clients with a seamless, intuitive experience.

A new approach to the annual report

The Semi-annual Report 2024 marked a change in VP Bank's financial reporting with a switch to a digital-first approach. VP Bank is thus doing away with the printing of physical reports and is instead investing in the preparation of digital content. The Annual Report 2024 was also developed on this basis.

Design system

VP Bank introduced a design system at the beginning of 2023, ensuring a uniform design across its digital products and user experience. This system was supplemented in 2024 by technical measures to integrate code components, creating a holistic view of all digital touchpoints and applications to optimise the user experience and strengthen VP Bank’s brand identity.



AI-generated images

VP Bank has been using AI tools to generate brand-compliant images since 2023. For this purpose, brand guidelines were defined in 2024 to serve as input for text-to-image models. Using sophisticated methods, the style of illustrations and studio photography can be applied to AI models. AI-based post-processing tools are available for further optimisation. VP Bank sees AI-generated images as a supplement to existing creation methods rather than a direct replacement. A set of rules has been established for defining the purpose of use. AI-generated images are mainly used in internal communication.

Multi-channel campaigns

A number of different multi-channel campaigns were run throughout 2024. In May, VP Bank launched a regional image campaign in Liechtenstein featuring local employees from front-office areas, with their images acting as testimonials for VP Bank. The aim was to strengthen the bank's reputation, emphasise its regional nature and convey competence in combination with approachability. The second round took place in October, and the campaign has garnered a great deal of attention and resulted in positive feedback for the bank.

In the third quarter, VP Bank funds were promoted using various measures at selected locations. A targeted campaign was also used to publicise the events relating to the bank's flagship sponsorship commitment, the VP Bank Swiss Ladies Open.

Commitments

VP Bank supports the principle of corporate commitment. Numerous social and cultural initiatives and projects have benefited from this commitment over many years. In addition, VP Bank is helping to develop and secure the status of both Liechtenstein and the regions in which it is represented as a business and industrial hub.

VP Bank supports selected sponsorship projects in the fields of sport, culture and the culinary arts. These are projects that are unique and provide a platform for young talent.

Sponsorship projects at a glance

Further information can be found on the VP Bank website at www.vpbank.com/engagements


Needs or
wants
vpbank.com/ar-wants

04

Corporate governance and compensation report

Corporate governance

VP Bank Group constantly strives to earn the trust of all stakeholder groups. Accordingly, it acts with integrity and in a transparent manner at all times and grants insight into its decision-making and control processes.

Corporate governance stands for responsible corporate management and control. The "Swiss Code of Best Practice for Corporate Governance" defines corporate governance as the entirety of principles focussed on the company's sustainable interests which aim for transparency and a healthy balance of management and supervision while maintaining decision-making capability as well as efficiency at the highest level of a company.

Good corporate governance ensures transparent management aimed at sustainable achievement. It is designed to serve not only the company but also external stakeholder groups. The overall framework of corporate governance is determined to a significant degree by the legislator and shareholders; the specific manner in which it is designed is the responsibility of the Board of Directors.

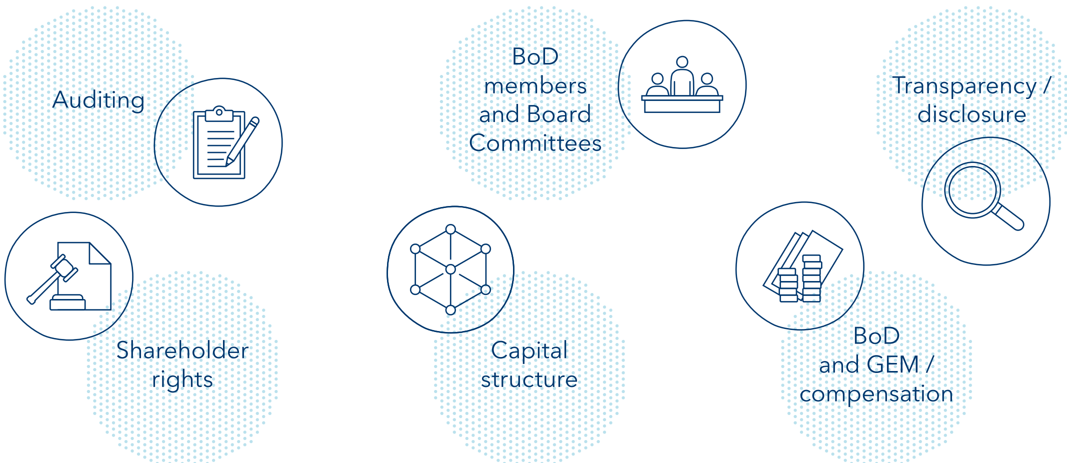
VP Bank Group strives to earn and build on the trust of all stakeholder groups as part of an ongoing process. It therefore acts with integrity and in a fair, transparent manner at all times and grants its stakeholder groups insight into its decision-making and control processes. This is why, for years and of its own accord, it has published information about its strategic objectives as well as its relationships with stakeholders.

This report describes the basic principles underlying the corporate management of VP Bank Ltd, Vaduz, hereinafter referred to as VP Bank, as required by the revised "Directive on Information Relating to Corporate Governance" (DCG) of the Swiss stock exchange SIX Swiss Exchange Ltd dated 29 June 2022 as well as the Liechtenstein legislation.

In its Notification No. 2/2014 issued on 1 September 2014 concerning the revision of the "Directive on Information Relating to Corporate Governance" (DCG), the Regulatory Board stipulated that, in principle, all companies listed on SIX Swiss Exchange Ltd must disclose the same information concerning corporate governance. However, as an issuer that does not have its registered office in Switzerland, VP Bank Ltd is subject to special provisions in certain respects.

Unless otherwise indicated, all details relating to corporate governance are valid as of 31 December 2024.

Functions of corporate governance



1. Group structure and shareholders

1.1 Group structure

1.1.1 Description of operating group structure

As a joint-stock corporation, VP Bank Ltd, Vaduz (hereinafter referred to as VP Bank) is constituted in accordance with Liechtenstein law. It is the parent company (head office) of VP Bank Group. The organisation chart (Organisation chapter) shows the Group's operating structure. Detailed segment reporting is provided in the financial report in the Segment reporting chapter.

The Executive Board (EB) is responsible for the operational management of the head office, whereas Group Executive Management is responsible for the management of VP Bank Group. Group Executive Management (GEM) is in charge of the management of the Group. According to the Organisation and Business Rules, not all Members of GEM are also EB Members. Members of Group Executive Management are represented on the Boards of Directors of the subsidiary companies. As a general rule, a Member of Group Executive Management acts as Chair of the Board of the given subsidiary companies.

1.1.2 Listed companies included in the reporting entity

The registered shares A of VP Bank, Vaduz, are listed on SIX Swiss Exchange Ltd; the registered shares B are unlisted.

	ISIN	Year-end Price CHF	Market value CHF million
Registered shares A (listed)	LI0010737216	77.40	465.6[1]
Registered shares B (unlisted)	LI0010737596	7.70	46.2
Total (market capitalisation of registered shares A plus market value of registered shares B)			**511.8**

1 Market capitalisation of listed registered shares A as of 31 December 2024

No other listed companies are included in the reporting entity.

1.1.3 Unlisted companies included in the reporting entity

The subsidiary companies and material shareholdings included in the scope of the reporting entity are listed in the financial report (Note 38) together with their name, registered office, share capital and percentage of share capital held.

1.2 Significant shareholders (anchor shareholders)

As of 31 December 2024, the following shareholders and shareholder groups have declared that they own more than 10 per cent of the share capital of VP Bank or exercise more than 5 per cent of the voting rights.

Shareholders	Registered shares A	Registered shares B	Votes	Percentage of votes	Percentage of share capital
"Stiftung Fürstl. Kommerzienrat Guido Feger" foundation, Vaduz [1]	1,066,426	4,530,047	5,596,473	46.6%	23.0%
"U.M.M. Hilti-Stiftung" foundation, Schaan	578,270	658,370	1,236,640	10.3%	9.7%
"Marxer Stiftung für Bank- und Unternehmenswerte" foundation, Vaduz	756,885	0	756'885	6.3%	11.4%

1 Including the institutions controlled by the foundation

During the period under review, no further disclosure notifications were received as foreseen by Art. 25 of the Liechtenstein Act of 23 October 2008 on the Disclosure of Information Concerning Issuers of Securities (DA) and by Art. 120 to 124 of the Swiss Financial Market Infrastructure Act (FinMIA). No shareholder agreements exist.

1.3 Cross-shareholdings

VP Bank has entered into no cross-shareholdings with other companies involving share capital or voting rights.

2. Capital structure

2.1 Capital

The share capital of VP Bank amounts to CHF 66,154,167 and is divided into 6,015,000 fully paid-up registered shares A with a par value of CHF 10.00 each, as well as 6,004,167 fully paid-up registered shares B with a par value of CHF 1.00 each.

	Number	Balance on 31.12.2024 Capital in CHF
Registered shares A	6,015,000	60,150,000
Registered shares B	6,004,167	6,004,167
Total	**12,019,167**	**66,154,167**

2.2 Capital band and conditional capital

VP Bank does not have any conditional capital. A capital band is not applicable to VP Bank Ltd as it is a Liechtenstein enterprise.

2.3 Changes in capital

The total shareholders' equity of VP Bank for the past three financial years (as at the respective balance sheet date) changed as follows:

in CHF 1000	31.12.2022	31.12.2023	31.12.2024
Share capital	66,154	66,154	66,154
Capital reserves	47,049	47,049	47,049
Statutory reserves	239,800	239,800	239,800
Other reserves	363,615	366,007	368,193
Provisions for general banking risks	63,150	63,150	63,150
Retained earnings	149,498	145,469	139,456
Total	**929,266**	**927,629**	**923,802**

2.4 Shares and participation certificates

The registered shares A of VP Bank can be traded freely on SIX Swiss Exchange Ltd. The registered shares B are unlisted but are widely held among the regional population.

Both share categories bestow the membership rights provided for in the Liechtenstein Persons and Companies Act (PCA) and the company's Articles of Association.

Each registered share A (par value of CHF 10.00) and each registered share B (par value of CHF 1.00) grants the holder the right to one vote at the annual general meeting of VP Bank, irrespective of the par value of the share.

VP Bank has issued no participation certificates.

2.5 Dividend-right certificates

VP Bank has issued no dividend-right certificates.

2.6 Limitations on transferability and nominee registrations

The registration and transfer of registered shares is regulated in detail in Art. 7 of the Articles of Association. The Articles of Association can be found online at vpbank.com/regulations. Only shareholders entered into the share register are entitled to exercise membership rights vis-à-vis the company.

The Board of Directors can refuse to enter holders of registered shares B into the share register on important grounds (Art. 7a of the Articles of Association). During the reporting year, the Board of Directors did not make use of their powers of authority in this respect.

2.7 Convertible bonds and options

VP Bank has issued neither convertible bonds nor options based on its own shares.

3. Board of Directors

The Board of Directors bears responsibility for the medium- to long-term strategic orientation of VP Bank Group. It is responsible for the overall management, supervision and control of the company.

Liechtenstein legislation provides for a clear separation of the overall management, supervision and control duties performed by the Board of Directors and the duties performed by operational management. Accordingly, the Board of Directors of VP Bank consists exclusively of non-executive Members (i.e. Members not actively involved in management).

3.1 Members of the Board of Directors

The Board of Directors of VP Bank consists of seven Members. No Member of the Board of Directors has belonged to Group Executive Management, the Executive Board of VP Bank or the Executive Board of any subsidiary company during the past three financial years.

As a bank, VP Bank maintains business relationships with numerous domestic and foreign companies. This is also true for the Members of the Board of Directors as well as for individuals or legal persons that are closely related to the Members of the Board of Directors.

The list in table below provides information on the names, ages, positions, joining dates and remaining terms of office of the Members of the Board of Directors.

At the annual general meeting of 26 April 2024, Philipp Elkuch was re-elected for a term of office of three years.

Thomas R. Meier declared that he would not be seeking re-election and resigned as Chairman of the Board of Directors after six years in the post and two terms of office. After the annual general meeting, Stephan Zimmermann was elected by the Board of Directors as its Chairman. Stephan Zimmermann was elected to the Board of Directors of VP Bank in April 2023.

In addition, Dirk Klee was elected to the Board of Directors for a term of office of three years at the annual general meeting held on 26 April 2024. However, Dirk Klee resigned from his position on the Board of Directors of VP Bank with effect from 30 September 2024, having taken on a new professional challenge that was incompatible with his role at VP Bank.

Surname	Year of birth	Position	Joined Board of Directors in	Elected until AGM in	Committee memberships
Stephan Zimmermann	1956	Chairman	2023	2026	Strategy & Digitalisation Committee [1], Nomination & Compensation Committee
Ursula Lang	1967	Vice Chairwoman	2016	2025	Risk Committee [1], Nomination & Compensation Committee, Audit Committee
Dr Mauro Pedrazzini	1965	Vice Chairman	2022	2025	Strategy & Digitalisation Committee, Risk Committee
Stefan Amstad	1970	Member	2023	2026	Audit Committee [1], Risk Committee
Philipp Elkuch	1969	Member	2021	2027	Nomination & Compensation Committee [1], Strategy & Digitalisation Committee
Dr Beat Graf	1964	Member	2014	2026	Nomination & Compensation Committee, Audit Committee
Katja Rosenplänter-Marxer	1981	Member	2020	2026	Risk Committee

[1] Chairperson

Stephan Zimmermann

Born 1956, Citizen of Switzerland

Chairman of the Board of Directors, Chairman of the Strategy & Digitalisation Committee and Member of the Nomination & Compensation Committee

Education

1987
INSEAD Young Managers Programme, Fontainebleau, France

1978
Degree in Information Technology and Business Administration, Swiss Bank Corporation, Switzerland

1975
Commercial Diploma, Basel Business School, Switzerland

Professional background

2019–2023
UBS Business Solutions Inc., Zurich, Switzerland, Chairman of the Board of Directors

1998–2019
UBS Group Inc., Zurich, Switzerland
2016–2019: Vice Chairman Global Wealth Management
2014–2016: Strategy Initiatives & Industry Affairs
2011–2014: COO Global Wealth Management
2010–2011: Head of Group Internal Audit
2009–2010: CEO UBS Deutschland AG
2005–2009: COO Global Wealth Management & Swiss Bank
1998–2009: Member of the Group Managing Board

1975–1997
Swiss Bank Corporation, Basel, Switzerland
1995–1997: Member of the Group Executive Board
1975–1994: various management positions

Other activities and vested interests

- Member of the Supervisory Board of State Street Bank International GmbH, Munich

Ursula Lang

Born 1967, Citizen of Switzerland

Vice Chairwoman of the Board of Directors, Chairwoman of the Risk Committee and Member of the Nomination & Compensation Committee and the Audit Committee

Education

1996
Admission to the Swiss bar

1993
lic. iur. degree, University of Zurich

Professional background

Since 2015
Self-employed attorney-at-law (specialised in Criminal Law, Commercial Criminal Law, Compliance), Owner of the Lang Law Firm, Zurich, Switzerland

1998–2013
Credit Suisse, Zurich, Switzerland
2011–2013: General Counsel for Switzerland and in the Private Banking & Wealth Management segment
2008–2011: Head of Compliance Switzerland and, from 2009, also Co-Head of Global Compliance
2006–2008: Global Head of Anti-Money Laundering Compliance
2000–2006: Compliance employee at Credit Suisse Private Banking and Credit Suisse Financial Services
1998–2000: Employee in the Legal department

1996–1998
Stiffler & Nater Rechtsanwälte, Zurich, Attorney-at-law

1994–1996
District Court of Horgen, Zurich, legal trainee and clerk

Other activities and vested interests

- None

Dr Mauro Pedrazzini

Born 1965, Citizen of Liechtenstein

Vice Chairman of the Board of Directors, Member of the Strategy & Digitalisation Committee and the Risk Committee

Education

1999
Executive MBA, University of St.Gallen

1996
PhD in Physics, Research Centre for Plasma Physics, ETH Lausanne

1991
Undergraduate degree in Physics, Chemistry and Astronomy (lic. phil. nat.), University of Berne, Switzerland

Professional background

Since 2021
Owner of MPCE Mauro Pedrazzini Consulting & Engineering Est., Eschen

2013–2021
Minister in the Government of the Principality of Liechtenstein, Head of the Ministry for Social Affairs (Health, Social Affairs, Family and Equal Opportunities), Member of the Advisory Council on the Management of State Assets

2006–2013
LLB Asset Management AG, Vaduz, Head of Equity Management

2001–2013
Financial analyst and fund manager
2003–2013: LLB Asset Management
2001–2003: Liechtensteinische Landesbank AG (LLB)

1992–2001
Balzers AG (currently Oerlikon Balzers AG), Liechtenstein, Research and Development project manager, Head of Engineering, Head of Research and Development

1990–1991
University of Berne, research assistant in the Laboratory for High-Energy Physics

Other activities and vested interests

- None

Stefan Amstad

Born 1970, Citizen of Switzerland

Member of the Board of Directors
Chairman of the Audit Committee and Member the Risk Committee

Education

1999
Swiss Certified Auditor

1996
lic. oec. publ. degree, University of Zurich, Switzerland

Professional background

2012–2023
SIX Group Ltd, Zurich, Switzerland, Head of Internal Audit

1998–2012
Ernst & Young Ltd, Zurich, Switzerland
Review and advisory services for national and international financial institutions, since 2002 as Lead Auditor of banks and collective investments licensed by FINMA, since 2005 as Partner of Ernst & Young
2008–2011: Country Head Assurance Financial Services and Member of the FS EMEIA Assurance Management Committee as well as Member of the Executive Board of Ernst & Young Switzerland
2005–2008: People Partner Assurance Financial Services Switzerland
2002–2012: Auditor-in-Charge for various large and complex banking audits

1996–1998
UBS Group Inc., Zurich, Switzerland, Internal Auditor

Other activities and vested interests

- Co-founder, Chairman of the Board of Directors and unit holder in Sharkgroup AG, Uster, Switzerland
- Member of the Board of Directors of Immo Invest Partner AG, Glattbrugg, Switzerland

Philipp Elkuch

Born 1969, Citizen of Liechtenstein

Member of the Board of Directors, Chairman of the Nomination & Compensation Committee and Member of the Strategy & Digitalisation Committee

Education

1999
Master of International Economics and Management, Bocconi University, Milan, Italy

1994
Mechanical Engineering degree, ETH, Zurich, Switzerland

Professional background

Since 2023
Primefactor Ltd, Zurich, Founder and Owner

2019–2023
Sulzer, Winterthur, Global Head of Digital Strategy & Transformation

2013–2019
DXC Technology, Zurich, Switzerland
2016–2019: Managing Director, Switzerland
2013–2016: Managing Partner, Digital Consulting, Switzerland, Austria and Germany

2000–2013
AFRY, Switzerland, Finland and Italy
2010–2013: Member of the Board of Directors of the subsidiary companies in Austria, Czech Republic and Hungary
2012–2013: Senior Vice President, Energy Business Group, Switzerland, UAE and UK
2009–2012: Business Area President, Renewable Energies, Eastern Europe, Switzerland, Germany and Austria
2004–2009: CEO, AFRY Italia, Genoa, Italy
2000–2003: Director, Energy Management Consulting, Switzerland, Germany, Finland and Spain

1994–1999
ABB, Baden, Switzerland, Project Manager for power plant construction, Colombia, USA and Malaysia

Other activities and vested interests

- Chairman of the Board of Directors of EVUlution AG, Landquart
- Member of the Board of Initiative digital-liechtenstein.li, Vaduz
- Member of the Board of Directors of Gruner AG, Basel

Dr Beat Graf

Born 1964, Citizen of Switzerland

Member of the Board of Directors, Member of the Audit Committee and the Nomination & Compensation Committee

Education

2023
Renewal of risk manager certification, Swiss Association for Quality, Berne, Switzerland

2014
Programme for Members of the Board, Swiss Board School, IMP–HSG, St. Gallen, Switzerland

2007
Master of Advanced Studies in Risk Management, University of Applied Sciences and Arts, Lucerne, Switzerland

1996
Dr iur. degree, University of Fribourg, Switzerland

1990
lic. iur. degree, University of Fribourg, Switzerland

Professional background

Since 2004
Allgemeines Treuunternehmen (ATU), Vaduz, Liechtenstein
Since 2015: Chairman of the Council of Trustees, Chairman of the Executive Board and Member of the Board of Directors of various ATU subsidiary companies
2012–2015: Member of the Executive Board and responsible for the coordination of all ATU subsidiaries
2007–2012: Member of the Executive Board and Head of Compliance
2004–2007: Head of Compliance

1999–2004
LM Legal Management AG, St. Gallen, Switzerland, Founding Partner and Managing Director

1991–1999
UBS Inc., St. Gallen, Switzerland
1998–1999: Deputy Head of Legal Services Eastern Switzerland
1993–1998: Assistant in the Legal department
1991–1993: Apprenticeship as a corporate client advisor

Other activities and vested interests

- Member of the Board of Trustees of the “Stiftung Fürstl. Kommerzienrat Guido Feger” foundation, Vaduz, Liechtenstein
- Member of the Board of Trustees of the “Privatbank Personalstiftung” foundation, Vaduz, Liechtenstein

Katja Rosenplänter-Marxer

Born 1981, Citizen of Germany

Member of the Board of Directors, Member of the Risk Committee and Sustainability Officer on the Board of Directors

Education

2010
Specialist course in commercial and company law at DeutscheAnwaltAkademie (German Lawyers' Academy)

2010
Admission to the bar in Germany

2009
Second state law exam, Assessor iuris, Germany

2007–2009
Clerkship, Regional Court of Konstanz, Germany

2006–2007
Master of Science in Educational Leadership, Northern Arizona University, Flagstaff, USA

2005–2006
Studies in Public Management, Northern Arizona University, Flagstaff, USA

2005
First state law exam, Magister iuris, Germany

2000–2005
Law degree, University of Konstanz, Germany

Professional background

2012–2017
Law office of Marxer & Partner Rechtsanwälte, Vaduz, Liechtenstein, Legal Associate

2010–2012
Law office of Wagner & Joos, Konstanz, Germany, Attorney-at-law

2009
Law office of Gnann, Thauer & Kollegen, Freiburg, Germany, Articled clerk

2008–2009
City of Konstanz, Germany, Articled clerk

2008
Law office of Baiker & Kollegen, Konstanz, Germany, Articled clerk

2008
Public prosecutor's office, Konstanz, Germany, Articled clerk

2007–2008
District Court of Villingen-Schwenningen, Germany, Articled clerk

2007
HSBC Trinkaus & Burkhardt AG, Düsseldorf, Germany, Trainee

Other activities and vested interests

- Member of the Board of Trustees of the "Lebenswertes Liechtenstein" foundation, Vaduz
- Member of the Board of Directors of Institut für Agrarökologie AG, Aarau

3.2 Other activities and vested interests

The other activities of the Members of the Board of Directors and any interests can be found in the biographies in the previous chapter.

3.3 Number of authorised activities

VP Bank has not issued any statutory rules concerning the number of authorised activities.

3.4 Election and term of office

Details concerning the election and terms of office of the current Members of the Board of Directors can be found in the analysis shown in section 3.1. Pursuant to Art. 16 of the Articles of Association, the Board of Directors must comprise at least five Members who are elected for a term of three years. The Members of the Board of Directors are elected individually (re-election is permitted). The Board of Directors elects the Chairman and Vice Chairman from among its Members for a term of three years (re-election is permitted).

3.5 Internal organisation

The internal organisation and modus operandi of the Board of Directors are set out in the Articles of Association (Art. 17 to 19) and in the Organisation and Business Rules (OBR, sections 2 to 4). The Organisation and Business Rules can be found online at vpbank.com/regulations.

In collaboration with the Executive Board / Group Executive Management, the Board of Directors annually reviews the Group's strategy in keeping with the provisions of the Articles of Association and the OBR and establishes the medium- and long-term objectives as well as the management guidelines of VP Bank Group. The Board of Directors decides on the annual budget proposed by the Executive Board / Group Executive Management for the head office and Group, on strategically important projects, on consolidated and individual company financial statements, as well as on important personnel-related issues.

3.5.1 Division of tasks within Board of Directors

The Chairman – or, in their absence, the Vice Chairman – conducts, in the name of the Board of Directors, the direct supervision and control of the Executive Board and Group Executive Management. To be able to fulfil its duties in an optimum manner, the Board of Directors is supported by four committees: the Nomination & Compensation Committee, the Audit Committee, the Risk Committee and the Strategy & Digitalisation Committee.

3.5.2 Composition, tasks and areas of responsibility of the Board committees

The tasks, powers of authority, rights and obligations of the various committees are laid down in the OBR. In addition, the functions of the committees of the Board of Directors are governed by way of separate business regulations.

Minutes are kept on the meetings and the matters dealt with by the committees at their respective meetings and submitted to the Board of Directors. In addition, the committee chairmen inform the Board of Directors at the following Board meeting about all important matters as part of a standard agenda item.

Nomination & Compensation Committee

The Nomination & Compensation Committee comprises the Members Philipp Elkuch (Chairman), Stephan Zimmermann, Ursula Lang and Beat Graf. Pursuant to section 3.2 OBR, the committee is primarily responsible for the following tasks:

- assisting the Chairman of the Board of Directors in the fulfilment of their management and coordination duties, as well as the entire Board of Directors on matters of corporate governance, organisation (Articles of Association, regulations) and monitoring of business developments;
- defining the criteria for the election of Members of the Board of Directors for the attention of the Board of Directors; performing the evaluation and submitting the related motions to the Board of Directors;
- submitting motions to the Board of Directors on the composition of the committees of the Board of Directors;
- preparing and submitting motions for the appointment/dismissal of the Chief Executive Officer and, in cooperation with the Chief Executive Officer, the other Members of the Executive Board / Group Executive Management and the holders of key functions;
- evaluating the structure, size, composition and performance of the Board of Directors and the Executive Board / Group Executive Management annually and recommending changes if necessary;
- assessing the knowledge, skills and experience of the individual Members of the Board of Directors and the Executive Board / Group Executive Management as well as of the respective governing body as a whole and communicating the assessment to the Board of Directors and the Executive Board / Group Executive Management annually; assessing the knowledge, skills and experience of the holders of key functions annually;
- reviewing the progress of the Board of Directors in the selection and appointment of the Executive Board / Group Executive Management and making recommendations to the Board of Directors;
- ensuring that the decision-making of the Executive Board / Group Executive Management and the Board of Directors is not influenced by any individual or group in a way that is detrimental to the interests of the bank;
- developing the compensation policy regulations;
- submitting motions to the Board with regard to the compensation paid to the Chairman and other Members of the Board of Directors;
- submitting proposals for the Board of Directors to determine the compensation of the Members of the Executive Board / Group Executive Management and the heads of Risk Management and Compliance;
- dealing with fundamental issues concerning personnel policy (such as salary and equity-participation systems, management development and succession planning, leadership principles, management culture and management development, staff welfare benefits and further development of the diversity policy) for the attention of the Board of Directors.

Audit Committee

The Audit Committee comprises Stefan Amstad (Chairman), Beat Graf and Ursula Lang. The Audit Committee assists the Board of Directors in fulfilling the duties assigned to it under the Banking Act with regard to the overall management, supervision and control of the head office and of VP Bank Group. Pursuant to section 3.3 OBR, the Audit Committee is responsible in particular for the following tasks:

- receiving and dealing with the reports of Group Internal Audit and the auditors under banking legislation as well as assessing the appropriateness of the procedures deployed to remedy the pending matters arising from the audit;
- critically assessing financial and sustainability reporting (individual and consolidated accounts, income statement, statement of comprehensive income, balance sheet, changes in shareholders' equity, statement of cash flow, notes and annual report, sustainability declaration, interim financial statement);
- critically assessing the changes to principles of financial statement reporting and discussion thereof with the Chief Financial Officer, the Head of Group Internal Audit and the Group Auditor or, as applicable, the lead auditor from the external auditors under banking legislation;
- deciding whether the individual company and consolidated financial statements can be recommended to the Board of Directors for submission to the annual general meeting;
- critically assessing the annual audit process for sustainability reporting;

- assessing the implementation of the bank's tax strategy;
- assessing the functional capability of the internal control system;
- assessing the measures taken designed to ensure compliance with and observance of legal (e.g. compliance with capital adequacy, liquidity and risk-diversification provisions) and internal provisions (compliance);
- taking note of significant interactions with the respective supervisory authorities and assessing the measures taken to implement the conditions imposed as well as assessing the appropriateness of the procedures implemented to ensure compliance with regulatory conditions imposed and of remedial action taken;
- assessing the methodology and quality (efficacy) of the external auditing firm (external auditors and Group Auditor under banking legislation) as well as cooperation between the internal and external auditors, in particular by examining the reports of the external auditors under banking legislation for the Board of Directors and discussing the planning of the audit by the group auditor and the external auditors under banking legislation;
- monitoring and assessing efficacy, independence and performance, in particular by examining the reports of Group Internal Audit and assessing and approving the audit plan and multi-year planning of Group Internal Audit;
- assessing the performance, fees to and independence of the external auditors, especially in terms of the compatibility of their auditing activities with any advisory mandates they may have;
- advising the Board of Directors on the appointment or dismissal of the external auditors as the auditors under banking legislation, or, depending on the situation, of another independent audit body for auditing sustainability reporting;
- submitting motions to the Board of Directors for the appointment and removal of the Head of Group Internal Audit;
- advising the Board of Directors on the appointment and removal of the Chief Financial Officer.

Risk Committee

Ursula Lang (Chairwoman), Mauro Pedrazzini, Stefan Amstad and Katja Rosenplänter-Marxer belong to the Risk Committee. The Risk Committee assists the Board of Directors in fulfilling the tasks assigned to it under the Banking Act regarding the overall management, supervision and control of the head office and of VP Bank Group. Pursuant to section 3.4 OBR, the Risk Committee is responsible in particular for the following tasks:

- advising the Board of Directors concerning the bank's current and future overall risk appetite and strategy and supporting the Board of Directors in monitoring the implementation of the risk strategy by the Executive Board / Group Executive Management;
- receiving and dealing with the risk reports as well as assessing the appropriateness of procedures deployed to measure, manage and monitor risks;
- assessing significant risks for the bank and discussing them with the Chief Risk Officer and the competent experts;
- assessing the functional capability of risk management and monitoring as well as of the internal control system;
- assessing the functional capability of the measures taken designed to ensure compliance with and observance of legal (e.g. compliance with capital adequacy, liquidity and risk-diversification provisions) and internal provisions (compliance);
- receiving and dealing with reports from the areas and departments answerable to the Chief Risk Officer;
- assessing the quality (effectiveness) of risk governance as well as the cooperation between Risk Management, Risk Monitoring, the Executive Board / Group Executive Management, the Risk Committee and the Board of Directors;
- reviewing whether the pricing of the offered liabilities and assets takes adequate account of the bank's business model and risk strategy and, should this not be the case, requiring a plan with corrective measures;
- evaluating whether the incentives offered as part of the system of compensation take into account the risk, equity, liquidity as well as the probability and timing of revenues;
- advising the Board of Directors on the appointment or removal of the Chief Risk Officer.

Strategy & Digitalisation Committee

Stephan Zimmermann (Chairman), Philipp Elkuch and Mauro Pedrazzini belong to the Strategy & Digitalisation Committee. The Strategy & Digitalisation Committee assists and advises the Board of Directors on strategic issues and projects. Pursuant to section 3.5 OBR, the following tasks, in particular, are incumbent on it:

- preparing strategic issues for the attention of the Board of Directors;
- handling strategic issues on an in-depth basis (e.g. digitisation in banking, sustainability);
- ensuring ongoing steering and management processes in the area of strategy;
- assessing the appropriateness of strategy development, implementation and controlling processes;
- reviewing the bank's vision, mission, corporate objectives and strategy periodically and on an ad hoc basis (strategy review);
- reviewing the implementation of strategic measures using appropriate quantitative and qualitative target values (strategy controlling);
- ensuring that a consistent, effective strategy process is embedded in the bank;
- evaluating the strategic conformity of mergers, acquisitions, collaborations, business cases, etc.;
- critically assessing planning figures and financial implications of strategy plans (including scenario calculations);
- in-depth consideration of relevant client, market and technology developments to ensure the bank's capacity to innovate.

Surname	Board of Directors	Nomination & Compensation Committee	Audit Committee	Risk Committee	Strategy & Digitalisation Committee
Number of meetings	19	10	6	8	8
Stephan Zimmermann	19	6	1		8
Dr. Thomas R. Meier [1]	5	4			3
Stefan Amstad	18		6	8	
Philipp Elkuch	19	10			8
Dr. Beat Graf	17	10	6		
Ursula Lang	19	10	2	8	
Dr. Mauro Pedrazzini	19			8	8
Katja Rosenplänter-Marxer	19			8	
Dr. Dirk Klee [2]	8		3		4

1 President of the Board of Directors since 26 April 2024
2 Member of the Board of Directors from 26 April 2024 until 30 September 2024

3.5.3 Modus operandi of the Board of Directors and its committees

At the invitation of the Chairman, the Board of Directors normally meets seven to ten times per year as well as for one strategy meeting in camera and an innovation day. In principle, the meetings consist of three parts:

- a Board-internal part;
- a consultative part during which Members of the Executive Board and Group Executive Management are also in attendance to present their proposals and exchange information;
- a decision-taking part during which the Board of Directors arrives at its decisions. In order to be informed at first hand, the CEO is also present during the decision-taking part of Board meetings.

Specific topics addressed by the Board of Directors and its committees can require, if needed, that further individuals can be called upon to attend (executives of VP Bank Group, representatives of the auditors under banking legislation, as well as internal or external specialists and advisors). During the financial year 2024, the Board of Directors held eleven ordinary meetings and six extraordinary meetings. In addition, together with the Executive Board / Group Executive Management, the Board of Directors held two all-day workshops concerning strategy and innovation.

The Nomination & Compensation Committee (NCC) usually meets six to ten times per annum. In case of need, the CEO participates in the meetings of the NCC in an advisory capacity. During 2024, the NCC met on ten occasions.

The Audit Committee usually meets on five to eight occasions per annum, with the meeting dates being set to accommodate the needs arising from specific tasks (closing of accounts, financial reporting, auditors' reports, etc.). The CFO, the Chief Risk Officer and the Head of Group Internal Audit attend the meetings. For the purpose of addressing audit-specific topics, representatives of the external auditing firm (as a general rule, the Auditor-in-Charge) attend the meetings. Last year, the Audit Committee convened for six meetings. At one joint meeting with the Risk Committee, an exchange of information took place with the Executive Board / Group Executive Management regarding the quality of the internal control system and other matters.

The Risk Committee usually meets on five to eight occasions per annum. The Chief Risk Officer and the Head of Group Internal Audit attend the meetings. Last year, the Risk Committee convened for eight meetings.

At one joint meeting with the Audit Committee, an exchange of information took place with the Executive Board / Group Executive Management regarding the quality of the internal control system and other matters.

The Strategy & Digitalisation Committee usually meets on six to eight occasions per annum. The CEO and other representatives of the Executive Board / Group Executive Management attend meetings of the Strategy & Digitalisation Committee. During 2024, the Strategy & Digitalisation Committee met on a total of eight occasions.

Chairman Emeritus Dr Heinz Batliner †

Princely Councillor of Commerce Dr Heinz Batliner, Vaduz, died on 20 September 2024. He joined VP Bank as an Authorised Officer in 1960. He then served as Manager / General Manager and Chairman of the Board of Directors, and he was made Chairman Emeritus of VP Bank in 1996. Under his management, the bank became one of the major banks in Liechtenstein. Both clients and employees were at the heart of his overall thinking as a banker. Due to his excellent specialist knowledge and management style, and in particular thanks to his human qualities, he was always a role model who helped shape the bank's identity. The Board of Directors, Executive Board and employees of VP Bank are extremely grateful for his exemplary commitment to the bank's prosperity and will cherish the memory of Dr Heinz Batliner.

3.6 Rules on competences

The Board of Directors is the corporate body in charge of overall management, supervision and control of the Executive Board. It bears ultimate responsibility for the strategic direction of VP Bank Group. The powers and duties of the Board of Directors are laid down in detail in Art. 17 of the Articles of Association as well as in sections 2.2 to 2.4 OBR. The tasks and competencies of the four Board committees are described in section 3 OBR.

The Board of Directors has delegated to the Executive Board / Group Executive Management the responsibility for the operational management of VP Bank Group as well as the overall management, supervision and control of the subsidiary companies of VP Bank Group. The tasks and competencies of the Executive Board / Group Executive Management are laid down in the Articles of Association (Art. 21) and in the OBR. The OBR contains more detailed provisions regarding the Executive Board / Group Executive Management in section 5 thereof.

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

The Board of Directors and its committees have at their disposal various informational and control tools for managing and supervising the activities of the Executive Board / Group Executive Management. Among those instruments are the strategy process, medium-term planning, the budgeting process and reporting.

The Members of the Board of Directors regularly receive various reports: monthly financial reports (individual company and Group basis), risk-controlling reports, as well as periodic reports on the semi-annual and annual financial statements (consolidated and individual company accounts). The latter also contain qualitative information, as well as budget variances, period-specific and multi-year comparisons, key performance indicators and risk analyses, all of which cover the head office, the subsidiaries and the Group in aggregate. These reports enable the Board of Directors at all times to gain a picture of significant developments and the risk situation. Those reports that lie within the scope of tasks of the Audit or Risk Committees are dealt with by the respective committee and corresponding motions are forwarded to the Board of Directors for approval. The most recent reports undergo a comprehensive review at each Board meeting.

The Board of Directors reviews twice a year the implementation of business strategies and strategy controlling on the basis of the reporting by the Executive Board / Group Executive Management.

A further important instrument to assist the Board of Directors in fulfilling its supervisory and control function is Group Internal Audit, which conducts its activities in compliance with the internationally recognised standards of the Institute of Internal Auditing Switzerland (IIAS) and the Institute of Internal Auditors (IIA). The duties and powers of Group Internal Audit are laid down in specific regulations.

As an independent body, it examines in particular the internal control system, management processes and risk management.

The Chairman of the Board of Directors receives all minutes of the Executive Board / Group Executive Management meetings. In addition, this person also exchanges information with the CEO on a weekly basis and on an ad hoc basis with the other Members of the Executive Board / Group Executive Management.

4. Executive Board and Group Executive Management

The Executive Board (EB) is responsible for the operational management of the head office (VP Bank Ltd, Vaduz), whereas Group Executive Management is responsible for the management of VP Bank Group. Group Executive Management (GEM) is in charge of the management of the Group. Its tasks and competencies are specified in the OBR as well as in the functional descriptions for the individual Members of the Executive Board / Group Executive Management. The Chairman of the Executive Board / Group Executive Management (CEO) is responsible for the overall management of the Group and group-wide coordination.

The Members of the Executive Board / Group Executive Management generally meet every two weeks for a session. Additional meetings and workshops are held for the purpose of assessing the strategy and corporate developments as well as for dealing with annual planning, budgeting and other current issues.

4.1 Members of the Executive Board and Group Executive Management

As of 31 December 2024, the Executive Board and Group Executive Management were made up of the following individuals:

Surname	Year of birth	Position	At VP Bank since	Member since
Dr. Urs Monstein	1962	Chief Executive Officer (CEO), Chief Operating Officer (COO)	2018	2018
Roger Barmettler	1972	Chief Financial Officer (CFO), Stellvertreter des CEO	2020	2021
Patrick Bont	1975	Chief Risk Officer (CRO)	2020	2020
Dr. Mara Harvey[1]	1971	Head of Region Europe	2023	2023
Adrian Schneider	1985	Head of Region LI & BVI	2023	2023
Dr. Rolf Steiner	1968	Head of Group Products & Solutions	2019	2023

1 Member of Group Executive Management, although not of the Executive Board of VP Bank Ltd, Vaduz

Paul Arni, Chief Executive Officer of VP Bank Group, left VP Bank by mutual agreement on 8 May 2024. Urs Monstein, Chief Operating Officer, has assumed the role of Chief Executive Officer of VP Bank Group on an interim basis.

The Board of Directors appointed Urs Monstein as Group CEO with effect from 5 November 2024. Urs Monstein joined VP Bank in 2018 as Chief Operating Officer and has many years of experience and comprehensive know-how in the financial sector.

Roger Barmettler, Chief Financial Officer of VP Bank, informed the Board of Directors that he would be seeking a new professional challenge outside VP Bank. Mara Harvey, CEO of VP Bank (Switzerland) Ltd and Head of Region Europe, also decided to leave VP Bank for personal reasons. Roger Barmettler and Mara Harvey remained available as Members of the GEM until the end of 2024 and assisted in the handover.

The Board of Directors has been embracing the change as an opportunity to align the organisation more consistently with clients and the strategic transformation. Since 1 January 2025, Group Executive Management has consisted of the client-facing units of Region Liechtenstein, International Locations, Products, Services & Investments and Strategic Transformation. The client-facing units are complemented by the Chief Financial Officer and Chief Risk Officer units.

Urs Monstein is managing International Locations on an interim basis, and Philippe Wüst, Head of Group Finance, is serving as CFO ad interim. The new Strategic Transformation unit will be led by Rolf Steiner (previously Head of Group Products & Solutions). As the Head of Investment & Client Services, Chief Investment Officer Felix Brill has been appointed as a Member of the Executive Board / Group Executive Management.

As a result, the Executive Board / Group Executive Management of VP Bank has been composed as follows since 1 January 2025:

- Urs Monstein: CEO and Head of International Locations ad interim
- Adrian Schneider: Region Liechtenstein
- Felix Brill: Investment & Client Services
- Rolf Steiner: Strategic Transformation
- Patrick Bont: Chief Risk Officer
- Philippe Wüst: Chief Financial Officer ad interim

4.2 Other activities and vested interests

The other activities of the Members of the Executive Board / Group Executive Management and any interests can be found in the biographies set out below.

Dr Urs Monstein

Born 1962, Citizen of Switzerland

Chief Executive Officer (CEO) and Chief Operating Officer (COO) of VP Bank Group

Education

1996
Swiss Banking School, Zurich, Switzerland

1994
Dr iur., University of St.Gallen, Switzerland

1991
lic. oec., University of St.Gallen, Switzerland

1988
lic. iur., University of St.Gallen, Switzerland

Professional background

Since 2018
VP Bank Ltd, Vaduz, Liechtenstein
Since 11.2024: Chief Executive Officer (CEO)
05–10.2024: Chief Executive Officer ad interim
2018–10.2024: Chief Operating Officer (COO);
02–09.2019: Chief Executive Officer ad interim, Chief Operating Officer

2006–2018
Bank Julius Bär & Co. Ltd, Zurich, Switzerland
2012–2017: Global Head of IT / Chief Information Officer
2010–2011: Head of Strategic Programs
2008–2009: COO International / Program Manager
2006–2007: Program Manager Strategic Initiatives

2004–2006
Bank Ehinger & Armand von Ernst, Zurich, Switzerland, Chief Operating Officer, Member of the Executive Board

1998–2003
UBS Group Inc., Zurich, Switzerland
2001–2003: Head of Strategic Project Management
2000–2001: Head of Private Banking Services Switzerland
1998–1999: Project Manager Migration Private Banking Switzerland

1992–1997
Union Bank of Switzerland, Zurich, Switzerland
1996–1997: Head of the Investment Clients and Securities Administration Unit
1995–1996: Training placement for corporate clients, Geneva
1993–1995: Assistant to the Chairman of the Executive Board, Region Switzerland
1992–1993: Controlling Region Switzerland

1987–1990
University of St.Gallen, Switzerland, research assistant (tax law, public law)

Other activities and vested interests

- Member of the Board of the Liechtenstein Bankers Association, Vaduz
- Member of the Board of the Liechtenstein Chamber of Commerce and Industry (LIHK), Vaduz
- Chairman of the Board of Directors of Data Info Services AG, Vaduz

Roger Barmettler

Born 1972, Citizen of Switzerland

Chief Financial Officer (CFO) and Deputy CEO of VP Bank Group

Education

2001
Swiss Certified Accountant, Treuhandkammer Zurich, Switzerland

1997
Bachelor of Science in Business Administration, University of Lucerne, Switzerland

Professional background

2020–2024
VP Bank Ltd, Vaduz, Liechtenstein
March 2021 to December 2024: Chief Financial Officer
June 2020 to February 2021: Chief Financial Officer ad interim
2020: Head of Group Finance

2018–2019
UBS Inc., Zurich, Group Accounting

2005–2018
Credit Suisse AG, Zurich
2014–2018: Liquidity Measurement & Reporting
2013–2014: Head of Credit Risk Reporting Private Banking
2011–2012: COO of Risk Analytics & Reporting
2006–2011: Group Accounting, Financial Reporting & Consolidation
2005–2006: Audit Manager Financial Audit Team

2004–2005
UBS Investment Bank, Zurich, Switzerland, Senior Auditor, Group Internal Audit

2002–2003
KPMG LLP, Philadelphia (USA), Senior Auditor

1997–2004
KPMG Fides Peat, Zurich, Switzerland, Audit Manager

Other activities and vested interests

- None

Patrick Bont

Born 1975, Citizen of Switzerland

Chief Risk Officer (CRO) of VP Bank Group

Education

2015–2016
EMBA in Digital Transformation, HTW Chur, University of Applied Sciences, Switzerland

2010–2012
LL.M. in Company, Foundations and Trust Law, University of Liechtenstein

1995–2001
lic. iur., University of St.Gallen, Switzerland

Professional background

Since 2020
VP Bank Ltd, Vaduz, Liechtenstein, Chief Risk Officer

2009–2020
Financial Market Authority (FMA) Liechtenstein, Vaduz
2016–2020: Member of the Executive Board, Division Manager Banking
2013–2015: Member of the Executive Board, Division Manager Other Financial Intermediaries
2010–2013: Head of Legal and International Affairs
2009–2010: Lawyer, Executive Board staff

2001–2009
UBS Inc., Zurich/Hong Kong
2005–2009: Director, Head of Business Management, Group General Counsel Area, UBS Corporate Center, Zurich
2007–2008: Director, Head of Business Management, Legal & Compliance, UBS Investment Bank, Hong Kong
2003–2005: Business Analyst, Operational Risk, UBS, Corporate Center, Zurich
2001–2003: Junior Client Advisor, UBS Wealth Management, Zurich

Other activities and vested interests

- University of Liechtenstein, Lecturer for the Compliance certificate course

Dr Mara Harvey

Born 1971, Citizen of Switzerland and the UK

Chief Executive Officer (CEO) VP Bank (Switzerland) Ltd and Head of Region Europe

Education

2018–2019
Senior Leadership Program, IMD, Lausanne, Switzerland

2014
Strategies for Leadership, IMD, Lausanne, Switzerland

2012
Leadership in Financial Services, Harvard Business School

1999
PhD in Economics, University of Fribourg, Switzerland

1994
Degree in Economics, University of Fribourg, Switzerland

1990
Business School (Scuola Cantonale di Commercio), Bellinzona, Switzerland

Professional background

2023–2024
VP Bank (Switzerland) Ltd, Chief Executive Officer (CEO), Head of Region Europe

2021–2022
Marty's Smart Way GmbH, Kreuzlingen, Switzerland, Founder and CEO

2010–2021
UBS Inc. and UBS Switzerland AG, Zurich, Switzerland
2020–2021: Head of Global Wealth Management Client Services and Vice Chairwoman GFO
2016–2020: Head of Global UHNW Germany, Austria and Italy
2018–2020: Head of Global UHNW UK and Northern Europe
2014–2018: Founder and Head of UBS Unique
2015–2016: Head UHNW & Global Family Offices Europe International and Head of Global UHNW Client Engineering
2012–2015: Head of UHNW Europe Client & Business Development
2010–2012: Chief of Staff Global Wealth Management

2002–2010
UBS Deutschland AG, Frankfurt am Main, Germany
2009–2010: Senior Client Advisor for UHNW and Single Family Offices
2007–2009: Head of Human Resources & Education for Northern, Eastern &Central Europe; Deputy Head of Human Resources & Education for Wealth Management Global (excluding Americas). Promotion to Managing Director
2002–2007: Strategy & Business Development, Wealth Management DE

2000–2002
UBS Inc., Zurich, Switzerland
2001–2002: Business Management, Private Banking, business divisions Germany / Benelux / Tourism and previously business division Europe
2000–2001: Analyst, Large and Structured Transactions, Risk Transformation and Capital Management, Private and Corporate Clients

Other activities and vested interests

- Marty's Smart Way GmbH, founder and CEO

Adrian Schneider

Born 1985, Citizen of Switzerland

Head of Region Liechtenstein & BVI

Education

2022
Oxford Advanced Management & Leadership Programme (OAMLP), Saïd Business School, University of Oxford, United Kingdom

2022
Certificate in ESG Investing, CFA Institute, Charlottesville, USA

2019
Chartered Alternative Investment Analyst (CAIA), Chartered Alternative Investment Analyst Association

2018
Financial Risk Manager (FRM), Global Association of Risk Professionals

2015
Chartered Financial Analyst (CFA) Charterholder, CFA Institute, Charlottesville, USA

2012
Master of Science in Banking and Financial Management (MSc), University of Liechtenstein, Vaduz, Liechtenstein

2010
Bachelor of Science in Business Administration (BSc), University of Liechtenstein, Vaduz, Liechtenstein

2005
Federal Vocational Baccalaureate, VET School Chur, Switzerland

2005
Computer Scientist (Federal Diploma of Vocational Education and Training, VET School Chur and Hamilton Bonaduz AG, Switzerland)

Professional background

Since 2023
VP Bank Ltd, Vaduz, Head of Region Liechtenstein & BVI

2022–2023
BZ Bank Limited, Wilen, Switzerland, Chief Executive Officer

2019–2022
Graubündner Kantonalbank, Chur, Switzerland, Head of the Investment Center / Chief Investment Officer, Member of the Management Board

2011–2019
Kaiser Partner Privatbank AG, Vaduz, Liechtenstein
2014–2019: Head of Investment Solutions, Deputy Executive Officer
2011–2014: Portfolio Manager, Member of the Management

2009
Financial Market Authority (FMA) Liechtenstein, Vaduz, Liechtenstein, Trainee

2006–2007
Graubünden Cantonal Administration, Chur, Switzerland, ICT Support

2005–2006
Hamilton Bonaduz AG, Bonaduz, Switzerland, Application Developer

Other activities and vested interests

- Member of the CFA Society Liechtenstein, Vaduz

Dr Rolf Steiner

Born 1968, Citizen of Switzerland

Head of Group Products & Solutions

Education

2008
CFA Charterholder

1998
Postgraduate diploma in Management and Manufacturing Science, ETH Zurich, Switzerland

1997
Doctorate (Dr sc. techn.) at the Institute for Signal and Information Processing, ETH Zurich, Switzerland

1994
Postgraduate diploma in Information Technology, ETH Zurich, Switzerland

1993
Electrotechnology Studies Dipl. El. Ing., ETH Zurich, Switzerland

Professional background

Since 2019
VP Bank Ltd, Vaduz, Liechtenstein
2023–2024: Head of Group Products & Solutions
2019–2022: Group Chief of Staff

2018–2019
Deutsche Bank (Switzerland) Ltd, Zurich, Switzerland, Head of Strategic Transformation EMEA, Wealth Management

2016–2018
Bank Vontobel Ltd, Zurich, Switzerland
2017–2018: Head of Advisory Process & Client Interface, Wealth Management
2016–2017: Head of Sales & Business Management, Wealth Management

2005–2016
Credit Suisse AG, Zurich, Switzerland, 2016: COO of Swiss Universal Bank Finance; 2012–2015: Head of Market & Segment Management Premium Clients Switzerland & Global External Asset Managers
2011–2012: Head of Center of Competence Region Zurich, Private Banking Switzerland
2009–2010: Head of Business Support Region Zurich, Private Banking Switzerland
2006–2009: Head of Business Development for Private Banking Switzerland
2005: Head of Private Banking Program Office of OneBank reorganisation

2003–2005
UBS Inc., Zurich, Switzerland, Head of Product Management Client Reporting, Wealth Management & Business Banking

1999–2003
McKinsey & Company, Zurich, Switzerland, Engagement Manager

Other activities and vested interests

- Member of the CFA Institute and the CFA Society Switzerland
- Foundation Council of AXA Foundation for Occupational Benefits, Principality of Liechtenstein

4.3 Number of authorised activities

VP Bank has not issued any statutory rules concerning the number of authorised activities.

4.4 Management contracts

VP Bank has no management contracts with third parties that involve the delegation of management functions.

5. Compensation, shareholdings and loans

5.1 Content and method of determining compensation and equity-participation programmes

The content and method of determining the compensation and the equity-participation programmes of the Board of Directors and Executive Board / Group Executive Management are described in the compensation report.

5.2 Transparency of compensation, shareholdings and loans from foreign-domiciled issuers

As an issuer domiciled outside Switzerland, VP Bank discloses information on compensation, shareholdings and loans as provided for in section 5.3 of the Appendix to the Directive on Information Relating to Corporate Governance (DCG) dated 29 June 2022. The details can be found in the compensation report.

6. Shareholders’ participation rights

6.1 Voting right restrictions and proxies

Each registered share grants the holder the right to one vote at the annual general meeting of VP Bank, irrespective of the par value of the shares. Each shareholder may either attend in person or be represented by another shareholder by means of a written proxy. There are no restrictions on voting rights or statutory group clauses.

6.2 Statutory quorums

Amendments to the Articles of Association regarding a change in the ratio of the registered shares A to registered shares B (Articles of Association, Art. 4 (2)) as well as to the provisions governing the restriction on registration of registered shares B (Articles of Association, Art. 7a (1)) require the approval of at least a two-thirds’ majority of all shares issued by VP Bank (Articles of Association, Art. 14 (4)).

6.3 Convocation of the annual general meeting

Convocation of the annual general meeting is made in accordance with the provisions of law and the Articles of Association (Art. 11).

6.4 Agenda

The agenda for the annual general meeting is based upon the provisions of law and those of the Articles of Association (Arts. 11 to 14).

6.5 Entries in the share register / invitation to the annual general meeting

Registered shares are entered into the share register with the name, citizenship, address and date of birth of the owner. Only registered shareholders are entitled to exercise membership rights vis-à-vis the company.

Registered shareholders who have been entered into the share register receive an invitation to the annual general meeting, including the agenda, sent to the address known to VP Bank. Upon successful registration, shareholders receive an entry pass together with the relevant voting material.

The invitation to the annual general meeting is also published in the Liechtenstein newspapers, in the Swiss financial press and online.

7. Change of control and defensive measures

As VP Bank Ltd is a licensed bank domiciled in Liechtenstein whose shares are listed on SIX Swiss Exchange Ltd, it also must observe several Swiss regulations in addition to those of Liechtenstein. The former include, in particular, the provisions regarding the disclosure of significant shareholders which are included in the Financial Market Infrastructure Act (FinMIA) and the related Financial Market Infrastructure Ordinance (FinMIO). Consequently, shareholders are to make ad hoc notification to both SIX Swiss Exchange Ltd and VP Bank Ltd whenever the defined thresholds are crossed.

The Articles of Association of VP Bank contain no comparable regulations as to "opting out" and "opting in" as reflected in the Swiss provisions. Neither do any change of control clauses exist in favour of the Members of the Board of Directors or the Executive Board or Group Executive Management.

The provisions of the Liechtenstein Act on Takeovers (TOA) apply.

7a. Transparency in relation to non-financial matters

Information concerning non-financial matters can be found in the Sustainability statement 2024 of VP Bank Group.

8. Auditor

8.1 Duration of mandate and term of office of the lead auditor

For reasons of corporate governance, and with a view to the introduction of a mandatory rotation principle, PricewaterhouseCoopers AG, Zurich, were appointed as Group and statutory auditors, starting with the 2020 financial year, following the proposal of the Board of Directors at the annual general meeting of 26 April 2019. At the annual general meeting of 26 April 2024, PricewaterhouseCoopers AG were reappointed as Group and statutory auditors for the 2024 financial year.

Roman Berlinger has been the lead auditor since 2023.

8.2 Audit fee[1]

in CHF 1000	2024	2023
Audit of annual financial statements	780	673
Other audit-related and certification services	1,445	872
Total	**2,225**	**1,545**

[1] Professional fees are reported exclusive of VAT and expenses.

The costs for the financial, supervisory and special statutory audits of the companies of VP Bank Group amounted to CHF 2,225,151 for the 2024 financial year (2023: CHF 1,544,703).

8.3 Additional professional fees[1]

in CHF 1000	2024	2023
Tax-advisory services	52	64
Other services	228	426
of which audit-related services	12	
of which legal services		
of which other advisory services	216	426
Total	**280**	**490**

[1] Professional fees are reported exclusive of VAT and expenses.

In the 2024 financial year, PricewaterhouseCoopers billed CHF 279,846 (2023: CHF 490,477) for additional services rendered.

In assigning additional tasks to the auditors, the bank ensures that these services are commensurate with their activities as external auditors and lead to no conflicts of interest.

8.4 Supervisory and control instruments in relation to the external audit

The Audit Committee reviews the multi-year audit planning as well as the planned annual auditing activities and, in a specific agenda item, discusses these with the Auditor-in-Charge from the external auditing firm as well as the Head of Group Internal Audit. The Audit Committee attaches particular importance to a risk-oriented approach in the planning and conduct of the audit, as well as appropriate coordination of the auditing activities of the external auditors with those of Internal Audit.

All reports by the external auditors are reviewed at the meetings of the Audit Committee. In 2024, the external auditors were present at all meetings of the Audit Committee in which external audit-related items were on the agenda. In addition, the Auditor-in-Charge was in attendance at the Board of Directors' meeting to present and deal with the auditors' report prescribed under the Banking Act.

Each year, the Audit Committee examines and evaluates the effectiveness and independence of the external auditors. In doing so, it relies on documents generated by the external auditors, such as the auditors' report prescribed under the Banking Act, management letters, as well as oral and written statements of position on individual issues and technical questions in connection with financial-statement reporting and the audit. Furthermore, a systematic annual assessment is made with reference to checklists and professional fee comparisons within the auditing industry. Based on this evaluation, a motion is submitted to the Board of Directors for the attention of the annual general meeting as regards the election of the external auditors and the Group Auditor.

9. Information policy

All announcements of VP Bank required by law are made in a legally binding manner in the official Liechtenstein publication media or, where the law permits electronic announcements, via an electronic means of communication determined by VP Bank (Articles of Association, Art. 25(1)).

VP Bank informs shareholders and capital market participants in an open, comprehensive and timely manner. Its information policy is based on the principle of equal treatment of all capital market participants. VP Bank informs shareholders and capital market participants by means of detailed annual and semi-annual reports, which are drawn up for VP Bank Group in accordance with International Financial Reporting Standards (IFRS), as well as via media releases concerning the latest changes and developments.

As a company listed on SIX Swiss Exchange Ltd, VP Bank is also subject in particular to the obligation to immediately publicise any price-sensitive events (ad hoc publicity obligation).

10. Trading lock-up periods

A general lock-up period for trading of VP Bank financial instruments (shares, bonds, money market papers) and derivatives of these applies for all employees of the Group one working day prior to and on the actual date of publication of the annual and semi-annual results.

Because of their position or role, Members of the Board of Directors, the Executive Board / Group Executive Management, management level two as well as Group Finance and Group Internal Audit are categorised as insiders for the purposes of VP Bank financial instruments or derivatives of these. In addition, regular reviews are carried out to establish which additional persons and areas may potentially have access to material unpublished information about VP Bank Group. These persons and areas are recorded in an insider list for VP Bank financial instruments.

These persons (including related parties) and areas are subject to lock-up periods, in particular during the following periods: between 1 June and the time at which the semi-annual results are published, and between 1 December and the time at which the annual results are published, no transactions may be executed with VP Bank financial instruments or derivatives of these.

The lock-up periods are not deemed lifted by any ad hoc disclosures in line with the SIX Swiss Exchange Directive on ad hoc publicity. If orders subject to restrictions are executed during the lock-up periods, this will also be considered a violation of the Group Standard.

In consultation with the Chief Risk Officer, the Chairman of the Board of Directors or the Chief Executive Officer may at any time order further trading restrictions, such as in the case of M&A transactions.

Allocations of shares as part of stock-ownership and other incentivisation plans are not considered to be a purchase, and the corresponding allocation date is therefore not relevant for adherence to the retention periods.

Compensation report

The compensation report sets out the principles applicable to and the components of compensation, equity-participation programmes and allocations comprising the compensation of the Board of Directors and the Members of Group Executive Management (GEM). It also contains information concerning compensation schemes and compensation paid to Members of the Board of Directors and GEM for the 2024 financial year.

Regulatory framework

The basis of the compensation policy of VP Bank is the implementation of the Regulation (EU) No. 575/2013 with reference to Directive 2013/36/EU (CRD V), which, among other things, regulates the risks associated with compensation policies and practices.

On the one hand, Liechtenstein has implemented this Regulation in the Banks and Finance Companies Act (Banking Act, BankA), in particular in Art. 7a(6) and 7(c) thereof. Furthermore, relevant content is set out in specific terms in Annex 4.4 of the Liechtenstein Ordinance on Banks and Finance Companies (Banking Ordinance, BankO).

The Directive on Information Relating to Corporate Governance (DCG) and the DCG Guidelines dated 1 January 2023 set out the specific requirements governing the disclosure of compensation paid to Members of the Board of Directors and Group Executive Management for companies listed on SIX Swiss Exchange Ltd. In issuing this compensation report, VP Bank complies with this obligation.

Compensation policy

Acting on the basis of regulatory requirements, the Board of Directors has issued compensation policy regulations for VP Bank Group, which are reviewed annually in order to ensure that they are up to date, compliant and reasonable.

For a number of years, the compensation policy of VP Bank Group has corresponded to the size of VP Bank, its internal organisation and the scope and complexity of its business model. This primarily encompasses the offering of banking services for financial intermediaries and private clients in the disclosed target markets, in Liechtenstein and at the international locations. In addition, the Group has an international fund competence centre. Details of the business model can be found in the Strategy and targets chapter.

Principles of compensation

Compensation plays a central role in the recruitment and retention of employees. VP Bank subscribes to fair, performance-oriented and balanced practices in terms of compensation which are in keeping with the long-term interests of shareholders, employees and clients alike.

The principles applied are laid down in the compensation policy.

- The compensation policy and practices of VP Bank Group are simple, transparent and sustainability-oriented – especially with regard to environmental, social and governance aspects. They are in line with the Group's business strategy, objectives and values, as well as its long-term overall success, and take its equity situation into account.
- Performance orientation and performance differentiation are substantive components of the compensation policy and ensure the interlinking of variable compensation with the achievement of the strategic goals of the business.
- The compensation policy is compatible with and helps foster robust and effective risk management. It makes sure that compensation-based conflicts of interests of the functions or persons involved are avoided. The assumption of excessive risks by employees to increase compensation in the short term should be prevented where possible by setting appropriate incentives.
- The compensation policy renders possible fair and attractive compensation in line with the market to enable VP Bank Group to attract, motivate and retain qualified and talented employees. Conformity with market conditions is reviewed regularly.
- The compensation system is not founded on a purely formula-based approach and therefore possesses sufficient flexibility to take account of the business performance of VP Bank Group or its subsidiary companies.
- Compensation practices follow the principle of equal treatment. The level of fixed compensation depends on the function. The level of variable compensation reflects Group performance, the performance of the segment or team and/or individual performance.
- The compensation policy is subject to regular review. Relevant legal provisions are applied and implemented in compensation practices. Prescriptions specific to functions, in particular those relating to identified employees (risk takers), are taken into account.

Principles of remuneration

Fixed salary
Recruitment and retention of committed, capable employees

Variable compensation
Encouragement of effective, personal performance management

Stock-ownership models
Orientation towards sustainable financial results through the reasonable and controllable assumption of risk

Fringe benefits
Market-consistent ancillary benefits for all employees

Components of compensation

The total compensation of the employees of VP Bank Group comprises a fixed compensation component, an additional variable salary, an equity-participation programme, as well as additional perquisites (fringe benefits). In laying down the structure of compensation, an appropriate relationship between the fixed components and variable compensation as well as a function-specific compensation component is taken into account. In particular, risk takers, which include Group Executive Management (GEM), receive a maximum variable compensation component which complies with the legal ratio to the annual salary (maximum of 1:2). Limitation of the ratio of fixed to variable compensation at VP Bank to a maximum of 1:2 was approved by the shareholders at the 53rd annual general meeting on 29 April 2016.

Fixed compensation

The annual salary set out in the individual employment contract and payable in cash in monthly instalments forms the basis of compensation. The level thereof varies in accordance with the function exercised and the demands and responsibilities deriving therefrom which are assessed based on objective criteria. This enables internal comparability as well as equal treatment in compensation matters and also permits a comparison with market data. VP Bank considers the fixed compensation component to be compensation for the employee’s activities performed in an orderly manner. The fixed salary is reviewed annually for ongoing appropriateness within the scope of the salary and wage round negotiations and, where necessary, adjusted.

Variable compensation

The variable compensation component can consist of a directly paid-out portion as well as of deferred compensation instruments.

- **Immediately payable variable compensation (bonus):** The bonus is the part of the variable compensation component settled annually in cash as compensation for the contribution made to earnings in the previous financial year. Should the bonus be particularly high in relation to overall compensation, a part of the payment thereof can be withheld. Where it appears sensible and appropriate, such withheld portion can also be settled in the form of deferred compensation instruments or in the form of equity shares which may not be disposed of during a limited period.
- **Deferred compensation instruments:** Using deferred compensation instruments, the long-term alignment of the interests of shareholders and employees is to be achieved by a participation of the employees in the growth in the value of the Group. VP Bank Group deploys both risk-exposed equity-share- and index-based plans as well as cash plans as deferred compensation instruments. Entitlement to deferred compensation instruments is dependent on the function exercised and the individual. A Performance Share Plan (PSP) exists for the Members of GEM and selected key managers. The PSP is a long-term, variable management equity-participation programme in the form of registered shares A of VP Bank. 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 registered shares A of VP Bank. Once the equity shares have been transferred, they remain blocked for one year. In addition, a Cash Deferral Plan exists for the Members of GEM and selected key managers. Cash distributions made are distributed in a linear fashion over five years. The Restricted Share Plan (RSP) may be used for risk takers in order to comply with regulatory requirements and also, in individual justified cases, to compensate for any postponed variable salary components, to implement special retention measures or to compensate for loss of benefits at previous employers or for any severance payments. The RSP will be paid out annually in fifths over a scheduled duration of five years in the form of registered shares A of VP Bank. Once the equity shares have been transferred, they remain blocked for one year.

Through the deployment of deferred compensation instruments, VP Bank Group complies with the legal regulations concerning payment schemes for risk takers, i.e. as a general rule, a minimum of 40 per cent of the variable compensation is granted in the form of deferred compensation instruments which are linked to a possible malus and/or claw-back rule and accordingly can be forfeited. The rules on deferred compensation instruments are set out in separate plan regulations.

VP Bank, under certain conditions, may withhold, reduce or cancel variable compensation components awarded to an employee (malus) or reclaim amounts which have already been paid (claw-back). This applies in particular in the event that employees are subsequently found to have been at fault or if disproportionately high risk is taken in order to increase corporate earnings. On leaving VP Bank, the relevant rules laid down by the Board of Directors in the regulations governing the compensation instruments apply.

The variable compensation component constitutes an additional voluntary benefit payable by VP Bank Group to which no legal entitlement exists, not even after repeated, unconditional payment thereof.

Equity-participation programme

Every year, employees are offered the chance to purchase VP Bank registered shares A on preferential terms. The number thereof depends in equal shares on the level of the fixed salary and the period of employment as of the measurement date, 1 May. The shares are subject to a sales restriction period of three years.

Fringe benefits

Fringe benefits are ancillary benefits which VP Bank offers its employees on a voluntary basis, often as a result of practices which are customary in the given location or business segment. In principle, the benefits are only of a minor amount. They are settled and reported in accordance with local regulations.

They include the following benefits in particular:

- Insurance benefits in excess of statutory provisions
- Retirement-benefit-related amounts, in particular voluntary employer contributions
- Preferential conditions for employees in the case of banking transactions, such as reduced-rate mortgages for an individual’s own home
- Further fringe benefits which are customary in the given location

Governance

Responsibilities

The Board of Directors of VP Bank is responsible for managing and structuring the compensation policy. Any change or adjustment to the compensation policy must be approved by the Board of Directors.

The Nomination & Compensation Committee (NCC) supports the Board of Directors with regard to all aspects relating to the compensation policy. In addition, each year, the NCC reviews the compensation policy regulations in order to ensure that they are up to date, compliant and appropriate. It also reviews the class of risk takers and monitors their remuneration. The NCC comprises the Members Philipp Elkuch (Chairman), Beat Graf, Ursula Lang and Stephan Zimmermann (see the Corporate governance chapter, section 3.5.2).

GEM is responsible for all aspects involving the implementation of compensation processes within the scope of the policy and lays down the framework thereof for the individual companies. It specifies the fixed and variable compensation of key managers, including the managers in charge of subsidiary companies. Furthermore, it issues annual implementing regulations to the companies and/or supervisors for the fixing of individual variable compensation.

The individual supervisors agree tasks and goals as part of the management by objectives (MbO) process and evaluate the achievement of goals at the end of the period. In addition to performance, particular attention is paid to the observance of all relevant regulatory provisions.

	Group Executive Management	Chief Executive Officer	Nomination & Compensation Committee	Board of Directors
Compensation policy	Proposal		Review/request	Approval
Compensation of the Chairman of the Board of Directors			Request	Approval
Compensation of the other Members of the Board of Directors			Request	Approval
Total amount of variable compensation at VP Bank Group	Proposal		Review/request	Approval
Compensation of the Chief Executive Officer			Request	Approval
Compensation of the other Members of the Executive Board		Proposal	Review/request	Approval
Compensation of the heads of Risk Management and Compliance	Proposal		Review/request	Approval
Compensation of other designated employees	Review/request		Approval	
Compensation of other employees	Approval			

Content and method of determining fixed and variable compensation

The compensation policy regulations as well as the risk policy regulations of VP Bank stipulate that the bank's compensation systems and human resources management are to be designed in a manner that minimises personal conflicts of interest and behavioural risks.

With the budget, the Board of Directors approves the framework for the fixed compensation and, at the end of the year, decides on the level of provisions for variable salary components – taking the annual results into account.

The total amount of variable compensation is determined within a range known as the "value share" and is based primarily on the net profit of VP Bank Group. The Board of Directors conducts a facts-based assessment of the total amount of variable compensation and can adapt the amount. In times of adverse operating conditions, the overall amount of variable compensation is reduced accordingly based on the value share approach and can even amount to zero. This takes into consideration the multi-annual, risk-adjusted profitability of VP Bank Group (cf. graph below), which takes account of the sustainable level of profitability, capital costs and thus current and future risks.

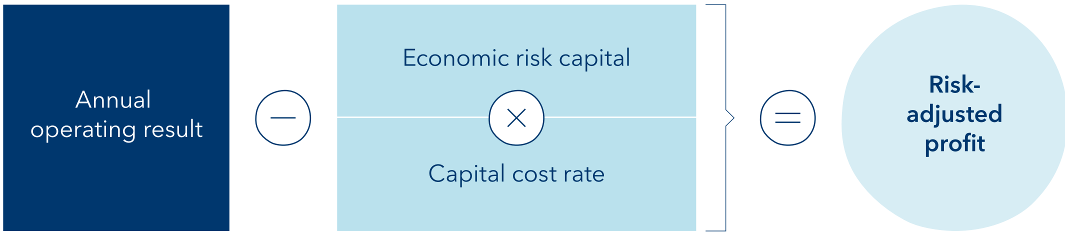
The sum of provisions for variable compensation must be affordable in the aggregate. This should never result in VP Bank Group or any individual subsidiary company falling into financial difficulties. The impact on the Group's equity situation is taken into consideration in this process.

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)

		Remuneration [1, 2]						Total remuneration	
		Fixed		thereof in registered shares A (market value)		Retirement Benefit plans			
in CHF 1000		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 if 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)

	Shareholdings in VP Bank				Loans and credits	
	Number of Shares (including related parties, excluding qualifying participants)					
in CHF 1000	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**

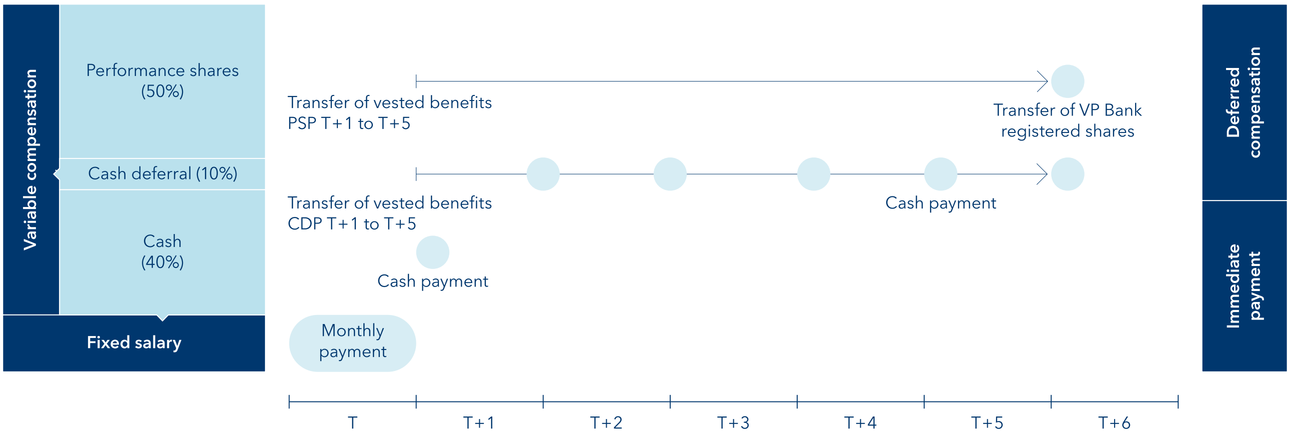
[A] Chair of the Board of Directors until 26 April 2024.
[B] Member of the Board of Directors from 26 April 2024 until 30 Sepbember 2024.

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)

	Remuneration [1, 2]										Total remuneration	
	Fixes basic salary		Short Term Incentive (STI)		Cash Deferral Plan (CDP)		Performance and Restricted Share Plan (PSP/RSP)		Retirement Benefit plans			
in CHF 1000	**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 shares		Shares (vesting)	
Performance Share Plan	**Vesting date**	**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

	Vesting date		Value on vesting date	Value	
Cash Deferral Plan	**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)

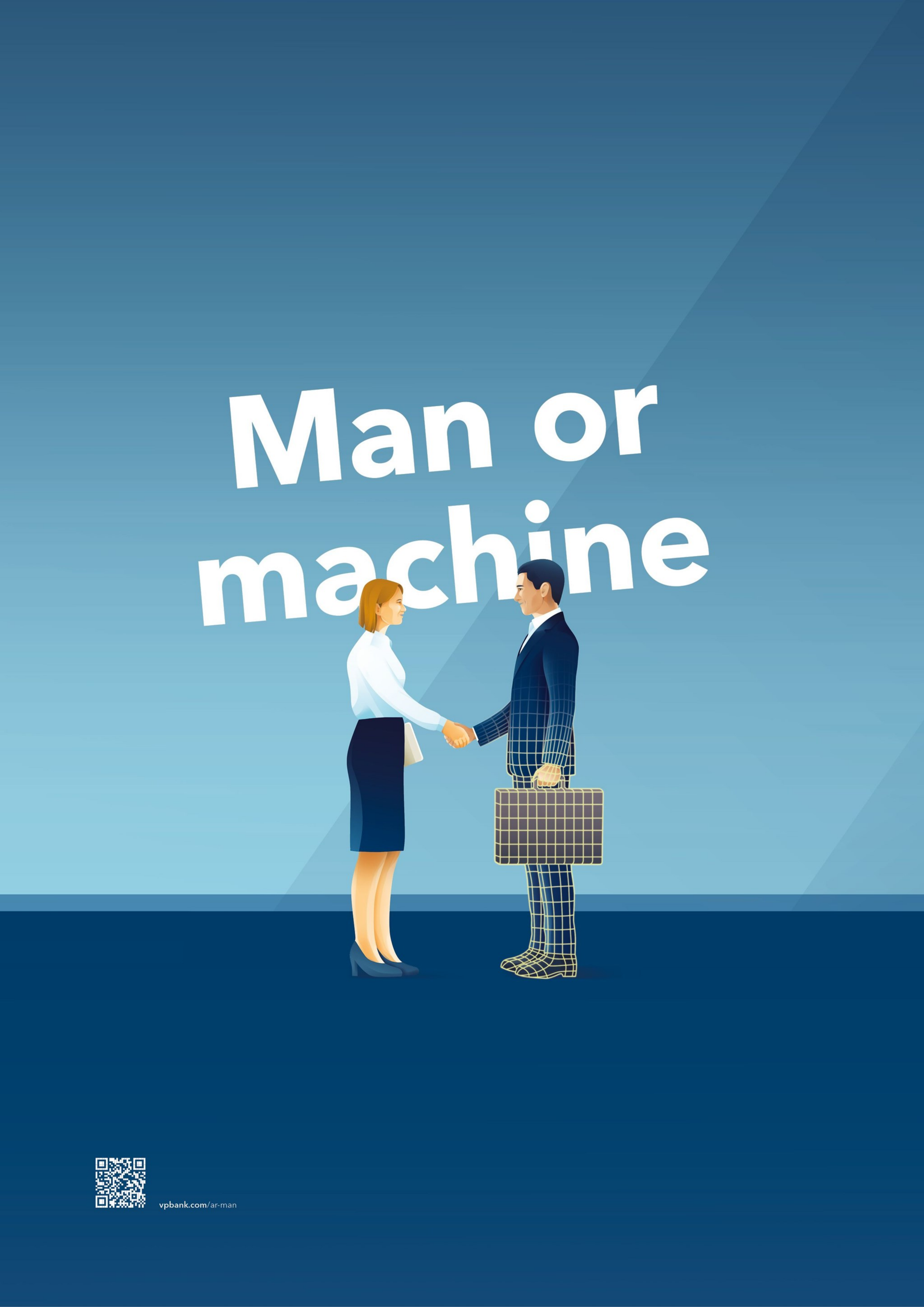
Audited section

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

	Shareholdings in VP Bank				Loans and credits	
	Number of Shares (including related parties, excluding qualifying participants)					
	Registered shares A		Registered shares B			
in CHF 1000	**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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05

Financial Report 2024 of VP Bank Group

Consolidated annual report of VP Bank Group

Consolidated results

In what is still a challenging environment, VP Bank generated group net income of CHF 18.5 million. This represents a decline of 58.2 per cent compared to 2023. Following the significant decline due to a sharp drop in interest income, VP Bank published an interim statement in May 2024 and announced a package of measures to increase efficiency. During the second half of the year, restructuring costs and a one-off pension fund expense also acted as a drag on earnings.

Client assets

As of 31 December 2024, client assets under management amounted to CHF 50.7 billion, 9.5 per cent higher than at the end of 2023.

This growth was largely due to positive market trends in the first half of the year, although net new money growth was also a factor. New money inflows in 2023 just about compensated for forced outflows due to broad adjustments made to the client portfolio, which were initiated by the strategic withdrawal from business with Russian clients and the review of client documentation. Net new money improved in 2024 to CHF 0.5 billion, representing growth of 1.0 per cent. This was in spite of the fact that further forced outflows were recorded and the remaining portfolio with future forced outflows (exit portfolio) was reclassified from client assets to custody assets in November 2024. Excluding the forced outflows of CHF 0.7 billion and the reclassification of the exit portfolio of CHF 0.5 billion, net new money amounted to CHF 1.7 billion, representing growth of 3.6 per cent.

As of the end of 2024, custody assets amounted to CHF 5.6 billion, an increase of 20.0 per cent. Total client assets amounted to CHF 56.4 billion.

Income statement

Operating income

VP Bank generated operating income of CHF 330.5 million in 2024, which was 9.3 per cent lower than in 2023. The decline was mainly due to lower net interest income. Higher interest rates and the resulting shifts from current account balances to fixed interest deposits and securities increased interest expenses by 11.9 per cent, while at the same time, interest income fell by 3.1 per cent. Overall, net interest income was CHF 102.3 million, which was 23.5 per cent lower than in the previous year.

Net income from commission business and services amounted to CHF 137.1 million. Compared to the previous year, this represents a reduction of 0.6 per cent. Average margins were lower, as the scalable but lower-margin fund business grew faster than other segments.

Income from trading activities amounted to CHF 81.4 million, 4.6 per cent lower than in the previous year, which benefited from very good transaction-based income.

Income from financial investments made a positive contribution of CHF 5.1 million, as did other income, totalling CHF 4.8 million.

Operating expenses

Operating expenses fell by CHF 5.3 million to CHF 308.3 million, despite additional expenses for the measures designed to increase efficiency communicated in the summer of 2024. Restructuring costs amounted to CHF 7.3 million. Of this amount, CHF 5.0 million related to personnel costs, CHF 0.4 million to general and administrative expenses and CHF 1.9 million to depreciation and amortisation. In addition, one-off contributions to pension funds amounted to CHF 3.9 million due to changes in the pension fund regulations. Excluding these one-off expenses, operating expenses fell by CHF 16.5 million.

Personnel expenses rose to CHF 183.3 million due to restructuring costs of CHF 5.0 million and the additional one-off pension fund expense of CHF 3.9 million. Without these two one-off expenses, personnel expenses amounted to CHF 174.5 million and were thus slightly lower despite an inflation adjustment. This was helped by Group Executive Management waiving a bonus and by the generally lower variable compensation.

General and administrative expenses increased by 1.2 per cent to CHF 85.5 million or, without restructuring costs, to CHF 85.1 million.

Depreciation and amortisation expenses fell to CHF 37.0 million as planned. Without restructuring costs, depreciation and amortisation totalled CHF 35.1 million. Valuation adjustments, provisions and losses amounted to CHF 2.4 million.

Balance sheet

Total assets fell by 7.1 per cent compared to the previous year to CHF 10.6 billion.

Assets

As of the end of December 2024, current assets amounted to CHF 1.9 billion, of which CHF 0.9 billion were held as deposits at the Swiss National Bank (SNB). A further CHF 1.0 billion was attributable to receivables from banks or money market papers, both with terms of up to a year. Both items totalling CHF 1.9 billion covered 21.5 per cent of client deposits.

As of the end of December 2024, VP Bank had CHF 5.9 billion in outstanding loans to clients, of which the share of mortgage loans was CHF 3.7 billion. Credit volume increased by 8.7 per cent, with mortgage loans up 13.3 per cent and other loans by 1.7 per cent.

Liabilities

As of the end of 2024, client deposits stood at CHF 8.9 billion, thus decreasing by 5.9 per cent compared to the previous year. Among other things, this reflects the shift in current account balances to securities occasioned by the interest rate environment. In October 2024, VP Bank repaid a debt security issued amounting to CHF 100 million.

Equity capital and liquidity

VP Bank Group has a very strong capital base and good liquidity. As of 31 December 2024, the CET1/tier 1 ratio was 25.9 per cent, and the liquidity coverage ratio (LCR) was 165.3 per cent. The CET1 ratio is thus higher than the average for other banks, and the LCR exceeds the regulatory requirement of 100 per cent.

Sustainability statement

Information concerning non-financial matters can be found in the Sustainability statement 2024 of VP Bank Group.

Consolidated income statement

in CHF 1,000	Note	2024	2023	Variance absolute	Variance in %
Interest income from financial instruments at amortised cost		262,445	268,855	–6,410	–2.4
Other interest income		43,885	47,201	–3,316	–7.0
Interest expense using the effective interest method		204,071	182,417	21,654	11.9
Total net interest income	**1 / 32**	**102,259**	**133,639**	**–31,380**	**–23.5**
Commission income		158,970	181,733	–22,763	–12.5
Commission expenses		21,881	43,837	–21,956	–50.1
Total net income from commission business and services	**2**	**137,089**	**137,896**	**–807**	**–0.6**
Income from trading activities	3	81,356	85,251	–3,895	–4.6
Income from financial instruments	4	5,068	6,038	–970	–16.1
Other income	5	4,762	1,607	3,155	196.3
Total operating income		**330,534**	**364,431**	**–33,897**	**–9.3**
Personnel expenses	6	183,334	175,771	7,563	4.3
General and administrative expenses	7	85,548	84,529	1,019	1.2
Depreciation of property, equipment and intangible assets	8	36,958	45,908	–8,950	–19.5
Credit loss expenses	9	724	4,951	–4,227	–85.4
Provisions and losses	9	1,702	2,369	–667	–28.2
Operating expenses		**308,266**	**313,528**	**–5,262**	**–1.7**
Earnings before income tax		**22,268**	**50,903**	**–28,635**	**–56.3**
Taxes on income	10a	3,797	6,694	–2,897	–43.3
Group net income		**18,471**	**44,209**	**–25,738**	**–58.2**
Share information					
Undiluted group net income per registered share A	11	2.98	7.19		
Undiluted group net income per registered share B	11	0.30	0.72		
Diluted group net income per registered share A	11	2.97	7.16		
Diluted group net income per registered share B	11	0.30	0.72		

Consolidated statement of comprehensive income

in CHF 1,000	2024	2023	Variance absolute	Variance in %
Group net income	**18,471**	**44,209**	**–25,738**	**–58.2**
Other comprehensive income, net of tax				
Other comprehensive income which will be transferred to the income statement upon realisation				
Changes in foreign-currency translation differences	5,575	–6,962	12,537	180.1
Total other comprehensive income which will be transferred to the income statement upon realisation	**5,575**	**–6,962**	**12,537**	**180.1**
Other comprehensive income which will not be transferred subsequent to the income statement				
Changes in value of FVTOCI financial instruments	11,013	2,724	8,289	304.3
Actuarial gains/losses from defined-benefit pension plans	2,308	–8,783	11,091	126.3
Tax effects (note 10d)	–363	976	–1,339	–137.2
Total other comprehensive income which will not be transferred subsequent to the income statement	**12,958**	**–5,083**	**18,041**	**354.9**
Total comprehensive income in shareholders' equity	**18,533**	**–12,045**	**30,578**	**253.9**
Total comprehensive income in income statement and shareholders' equity	**37,004**	**32,164**	**4,840**	**15.0**

Consolidated balance sheet

Assets

in CHF 1,000	Note	31.12.2024	31.12.2023	Variance absolute	Variance in %
Cash and cash equivalents	13	905,199	1,610,959	–705,760	–43.8
Receivables arising from money market papers	14	171,749	170,894	855	0.5
Due from banks	15 / 16	850,681	1,353,783	–503,102	–37.2
Due from customers	15 / 16	5,941,252	5,467,518	473,734	8.7
Trading portfolios	17	372	213	159	74.6
Derivative financial instruments	18	86,848	41,960	44,888	107.0
Financial instruments at fair value	19	192,990	182,584	10,406	5.7
Financial instruments measured at amortised cost	20	2,227,254	2,371,683	–144,429	–6.1
Joint venture companies	21	22	23	–1	–4.3
Property and equipment	22 / 32	66,509	78,457	–11,948	–15.2
Goodwill and other intangible assets	23 / 32	69,640	78,186	–8,546	–10.9
Tax receivables	10c	157	31	126	406.5
Deferred tax assets	10b	14,915	11,832	3,083	26.1
Accrued receivables and prepaid expenses		41,883	57,282	–15,399	–26.9
Other assets	24	66,126	24,488	41,638	170.0
Total assets		**10,635,597**	**11,449,893**	**–814,296**	**–7.1**

Liabilities and shareholders' equity

in CHF 1,000	Note	31.12.2024	31.12.2023	Variance absolute	Variance in %
Due to banks		176,852	293,243	–116,391	–39.7
Due to customers – savings and deposits		380,210	422,295	–42,085	–10.0
Due to customers – other liabilities		8,568,284	9,082,770	–514,486	–5.7
Derivative financial instruments	18	18,715	104,288	–85,573	–82.1
Medium-term notes	25	49,491	53,005	–3,514	–6.6
Debentures issued	26	154,987	255,028	–100,041	–39.2
Tax liabilities	10c	5,251	5,424	–173	–3.2
Deferred tax liabilities	10b	2,323	1,502	821	54.7
Accrued liabilities and deferred items		43,197	57,189	–13,992	–24.5
Other liabilities	27 / 32	112,552	65,618	46,934	71.5
Provisions	28	6,941	2,379	4,562	191.8
Total liabilities		**9,518,803**	**10,342,741**	**–823,938**	**–8.0**
Share capital	29	66,154	66,154	0	0.0
Less: treasury shares	30	–44,909	–49,224	4,315	8.8
Capital reserves		22,067	22,854	–787	–3.4
Retained earnings		1,144,832	1,157,251	–12,419	–1.1
Actuarial gains/losses from defined-benefit pension plans		–31,630	–33,502	1,872	5.6
Unrealised gains/losses on FVTOCI financial instruments		–11,049	–22,135	11,086	50.1
Foreign-currency translation differences		–28,671	–34,246	5,575	16.3
Total shareholders' equity		**1,116,794**	**1,107,152**	**9,642**	**0.9**
Total liabilities and shareholders' equity		**10,635,597**	**11,449,893**	**–814,296**	**–7.1**

Consolidated changes in shareholders' equity

in CHF 1,000	Share capital	Treasury shares	Capital reserves	Retained earnings	Actuarial gains/losses from defined-benefit pension plans	Unrealised gains/losses on FVTOCI financial instruments	Foreign-currency translation differences	Total share-holders' equity
Total shareholders' equity 01.01.2024	**66,154**	**–49,224**	**22,854**	**1,157,251**	**–33,502**	**–22,135**	**–34,246**	**1,107,152**
Other comprehensive income, after income tax					1,872	11,086	5,575	18,533
Group net income				18,471				18,471
Total reported result 31.12.2024	**0**	**0**	**0**	**18,471**	**1,872**	**11,086**	**5,575**	**37,004**
Appropriation of profit 2023				–30,890				–30,890
Management equity participation plan			–360					–360
Movement in treasury shares [1]		4,315	–427					3,888
Total shareholders' equity 31.12.2024	**66,154**	**–44,909**	**22,067**	**1,144,832**	**–31,630**	**–11,049**	**–28,671**	**1,116,794**
Total shareholders' equity 01.01.2023	**66,154**	**–53,220**	**23,305**	**1,143,724**	**–25,797**	**–24,757**	**–27,284**	**1,102,125**
Other comprehensive income, after income tax					–7,705	2,622	–6,962	–12,045
Group net income				44,209				44,209
Total reported result 31.12.2023	**0**	**0**	**0**	**44,209**	**–7,705**	**2,622**	**–6,962**	**32,164**
Appropriation of profit 2022				–30,682				–30,682
Management equity participation plan			–549					–549
Movement in treasury shares [1]		3,996	98					4,094
Total shareholders' equity 31.12.2023	**66,154**	**–49,224**	**22,854**	**1,157,251**	**–33,502**	**–22,135**	**–34,246**	**1,107,152**

[1] Details on transactions with treasury shares can be found in note 30.

Consolidated statement of cash flow

in CHF 1,000	Note	2024	2023
Cash flow from operating activities			
Group net income		18,471	44,209
Reconciliation to cash flow from operating activities			
Non-cash-related positions in Group results			
Depreciation of property, equipment and intangible assets	22 / 23	36,958	45,908
Creation/dissolution of retirement pension provisions		2,878	–2,558
Creation/dissolution of other provisions and valuation allowances		9,063	–1,016
Non-cash-related income from capitalisation of assets		–2,515	–3,133
Unrealised gains on financial instruments measured at fair value		2,011	52
Unrealised gains on financial instruments measured at amortised cost		0	0
Deferred income taxes		–2,625	–2,358
Net increase/reduction in banking			
Amounts due from/to banks, net		232,064	384,406
Trading portfolios incl. replacement values, net		–130,621	31,281
Amounts due from/to clients		–1,222,623	–806,147
Accrued receivables and other assets		–26,366	–13,977
Accruals and other liabilities		43,662	9,388
Income taxes paid	10a	–6,630	–8,949
Used provisions and valuation allowances		–1,566	–112
Foreign-currency impact on intragroup transactions		46,073	–46,772
Net cash flow from operating activities		**–1,001,766**	**–369,778**
Cash flow from investment activities			
Purchase of financial instruments measured at fair value		–10,456	–15,526
Proceeds from sale of/maturing financial instruments measured at fair value		7,579	11,692
Purchase of financial instruments measured at amortised cost		–509,524	–723,305
Proceeds from sale of/maturing financial instruments measured at amortised cost		750,629	660,417
Acquisition of property and equipment and intangible assets		–12,635	–18,864
Sale of property and equipment and intangible assets		0	0
Net cash flow from investment activities		**225,593**	**–85,586**
Cash flow from financing activities			
Purchase of treasury shares	30	–8	–13
Sale of treasury shares		1,534	1,310
Payment of lease liabilities		–4,832	–5,561
Dividend distributions		–30,890	–30,682
Issuance of medium-term bonds		1,192	23,691
Redemption of medium-term bonds		–4,895	–11,499
Redemption of debentures	26	–100,000	0
Net cash flow from financing activities		**–137,899**	**–22,754**
Foreign-currency translation impact		53,602	–45,867
Net increase/reduction in cash and cash equivalents		**–860,470**	**–523,985**
Cash and cash equivalents at the beginning of the financial year		2,160,582	2,684,567
Cash and cash equivalents at the end of the financial year		1,300,112	2,160,582
Net increase/reduction in cash and cash equivalents		**–860,470**	**–523,985**
Cash and cash equivalents are represented by			
Cash	13	905,218	1,610,983
Receivables arising from money market paper		0	0
Due from banks – at-sight balances	15	394,894	549,599
Total cash and cash equivalents		**1,300,112**	**2,160,582**

in CHF 1,000	Note	2024	2023
Consolidated statement of cash flow (summarised)			
Cash and cash equivalents at beginning of accounting period		**2,160,582**	**2,684,567**
Cash flow from operating activities, net of taxes		–1,001,766	–369,778
Cash flow from investing activities		225,593	–85,586
Cash flow from financing activities		–137,899	–22,754
Foreign-currency translation impact		53,602	–45,867
Cash and cash equivalents at end of accounting period		**1,300,112**	**2,160,582**
Cash flow from operating activities from interest and dividends			
Interest paid		–207,163	–172,260
Interest received		311,290	305,240
Dividends received		9,160	7,084

At-sight balances due from banks bear interest at daily rates or are invested in interest-bearing short-term money market deposits for between one day and three months, depending upon the liquidity requirements of VP Bank Group. Interest rates are based upon equivalent market rates. The fair value of cash and cash equivalents amounts to CHF 1,300.1 million (previous year: CHF 2,160.6 million).

Reconciliation between cash flow from financing activities and the balance sheet items:

in CHF 1,000	Note	31.12.2024	31.12.2023	Variance absolute	Variance from cash flows	Changes in fair values	Effect of changes in foreign exchange rates	Additions right of use assets	Other variances
Medium-term notes	25	49,491	53,005	–3,514	–3,703	189		0	0
Debentures issued	26	154,987	255,028	–100,041	–100,000	–41		0	0
Lease liabilities	32	14,188	17,692	–3,504	–4,832	0	109	945	274
Total variance				**–107,059**	**–108,535**	**148**	**109**	**945**	**274**

in CHF 1,000	Note	31.12.2023	31.12.2022	Variance absolute	Variance from cash flows	Changes in fair values	Effect of changes in foreign exchange rates	Additions right of use assets	Other variances
Medium-term notes	25	53,005	41,180	11,825	12,192	–367			0
Debentures issued	26	255,028	255,081	–53		–53			0
Lease liabilities	32	17,692	19,868	–2,176	–5,561	0	–393	6,210	–2,432
Total variance				**9,596**	**6,631**	**–420**	**–393**	**6,210**	**–2,432**

Principles underlying financial statement reporting and notes

1. Fundamental principles underlying financial statement reporting

VP Bank Ltd, which has its registered office in Vaduz, Liechtenstein, was established in 1956 and is one of the three largest banks in Liechtenstein. Today, VP Bank Group owns subsidiary companies in Zurich, Luxembourg and the British Virgin Islands (BVI) and a branch in Singapore. As of 31 December 2024, VP Bank Group employed 945.4 persons, expressed as full-time equivalents (as of the end of the previous year: 1,007.2 persons).

Wealth management and investment advisory services for private and institutional investors, as well as lending, constitute VP Bank Group's core activities.

Values disclosed in the financial statements are expressed in thousands of Swiss francs. The 2024 financial statements were drawn up in accordance with the International Financial Reporting Standards applicable in the European Union (EU IFRS) and with Liechtenstein law.

Post-balance-sheet-date events

There were no post-balance-sheet-date events that materially affect the balance sheet and income statement for 2024.

The Board of Directors reviewed and approved the consolidated financial statements in its meeting of 10 March 2025. These consolidated financial statements will be submitted for approval to the annual general meeting of 25 April 2025.

2. Assumptions and uncertainties in estimates

The Board of Directors is responsible for issuing accounting directives. The IFRS Accounting Standards® (hereinafter IFRS) contain provisions requiring the management of VP Bank Group to make assumptions and estimates in drawing up the consolidated financial statements. The significant accounting principles are described in this part to show how their application affects the reported income and expenses, assets and liabilities and disclosure of contingent liabilities. The assumptions and estimates are reviewed regularly and are based upon historical experience and other factors, including anticipated developments arising from probable future events. Actual future results may differ from these estimates.

Changes in estimates

As part of the annual review of depreciation and amortisation methods and useful lives carried out at the end of 2023, it was established that the estimated useful life (3 to 7 years) could be extended for various pieces of IT system equipment over this period. The adjustments were made at the start of 2024. The residual carrying value of the equipment concerned as of 31 December 2023 was depreciated accordingly over the new residual term. This resulted in a decline in depreciation and amortisation expense in 2024 by CHF 8.1 million. Further remarks about estimates can be found in the corresponding tables in the notes (expected credit losses, goodwill, intangible assets, legal cases, provisions, share-based remuneration, income taxes, pension plans).

3. Summary of the main accounting policies

3.1 Consolidation policies

Fully consolidated companies

The consolidated financial statements encompass the financial statements of VP Bank Ltd, Vaduz, as well as those of its subsidiary companies, which are all presented as a single economic unit. Subsidiary companies which are directly or indirectly controlled by VP Bank Group are consolidated. Subsidiary companies are consolidated as of the date on which control is transferred and are deconsolidated as of the date control ends.

Method of capital consolidation

Capital consolidation is undertaken in accordance with the purchase method, whereby the shareholders' equity of the consolidated company is netted against the carrying value of the shareholding in the parent company as of the date of acquisition or the date of establishment.

After initial consolidation, changes arising from business activities, which are reflected in the current results of the accounting period in the consolidated financial statements, are allocated to income reserves. The effects of intra-group transactions are eliminated when the consolidated financial statements are drawn up.

3.2. General policies

Trade versus settlement date

The trade-date method of recording purchases or sales of financial assets and liabilities is applied. This means that transactions are recorded in the balance sheet as of the date when the trade is entered into and not on the date when trade is subsequently settled.

Revenue recognition

Revenues from services are recorded when the related service is rendered. Portfolio management fees, securities account fees and similar revenues are recorded on a pro-rata basis over the period during which the service is rendered. Interest is recorded in the period during which it accrues. Dividends are recorded as and when they are received.

Foreign-currency translation

Functional currency and reporting currency:

The consolidated financial statements are expressed in Swiss francs (CHF).

For the purpose of drawing up the consolidated financial statements, balance sheets of Group companies denominated in a foreign currency are translated into CHF at the year-end exchange rate. Average exchange rates for the reporting period are applied for the translation of items of the income statement, the statement of comprehensive income and the statement of cash flows. Foreign-currency translation differences resulting from exchange rate changes between the beginning and end of the year and the difference in annual results at average and closing exchange rates are recognised in other comprehensive income.

Domestic versus foreign

The term "domestic" also includes Switzerland.

3.3 Financial instruments

General

VP Bank Group subdivides the financial instruments, to which traditional financial assets and liabilities as well as equity instruments also belong, as follows:

- Financial instruments to be recorded via the income statement ("fair value through profit or loss" [FVTPL]) – "trading portfolios" and "financial instruments measured at fair value"
- Financial instruments measured at amortised cost
- Financial instruments at fair value, with changes in value and impairment losses recorded in the statement of other comprehensive income ("fair value through other comprehensive income" [FVTOCI])

The allocation of the financial instruments is made at the time of their initial recognition in accordance with the criteria of IFRS 9.

Trading portfolios

Financial assets held for trading purposes are measured at fair value. Short items in securities are disclosed as liabilities arising from trading portfolios. Realised and unrealised gains and losses are recorded in income from trading activities after deduction of related transaction costs. Interest and dividends from trading activities are recorded under trading income.

Fair values are based on quoted market prices if an active market exists. Should no active market exist, the fair value is determined by reference to traders' quotes or external pricing models.

Financial instruments measured at amortised cost

Investments where the objective consists of holding the financial asset in order to realise the contractual payment flows therefrom and which are made up solely of interest as well as the redemption of parts of the nominal value are recognised at amortised cost using the effective interest method.

A financial asset recognised at amortised cost is subject to the process for credit loss expenses described below. If an impairment has occurred, the carrying value is reduced to the recoverable amount to be recognised in the income statement through the item "Credit loss expenses".

Interest is recognised in the period when it accrues using the effective interest method and is reported in interest income under "Interest income from financial instruments measured at amortised cost".

Financial instruments measured at fair value (FVTPL)

Financial instruments not meeting the aforementioned criteria are recognised at fair value. The ensuing gain/loss is reported in "Income from financial investments" under the item "Income from financial instruments measured at fair value".

Insofar as the criteria of IFRS 9 are met, a financial instrument may be designated and recorded under this category upon initial recognition. Liquid equity instruments that are managed on a benchmark basis with a medium-term investment horizon are measured at fair value through profit or loss (FVTPL).

Interest and dividend income are recorded in "Income from financial investments" under the items "Interest income from FVTPL financial instruments" and "Dividend income from FVTPL financial instruments".

Financial instruments at fair value with changes in value and impairment losses recorded in the statement of other comprehensive income (FVTOCI)

Investments in equity instruments are recognised in the balance sheet at fair value. Changes in value are recognised in the income statement, except in those cases for which VP Bank Group has decided that they are to be recognised at fair value through other comprehensive income (FVTOCI).

For illiquid equity instruments (private equity) as well as investments in high-dividend individual shares, the OCI option is applied, which results in measurement at fair value (FVTOCI). The focus of these investments is on long-term value generation.

Dividends are reported in "Income from financial investments" under the item "Dividends from FVTOCI financial instruments".

Bank and client loans

At the time of their initial recognition, loans to banks and clients are measured at their effective cost, which corresponds to the fair value at the time the loans are granted. Subsequent measurement thereof is made at amortised cost, with the effective interest method being applied. Interest on non-overdue loans is accounted for using the accrual method and reported under interest income using the effective interest method.

The carrying value of receivables for which micro fair-value hedge accounting is applied is adjusted by the changes in fair value attributable to the hedged risk.

Credit loss expenses in accordance with IFRS 9 Impairment

Bases for modelling expected credit losses

According to IFRS 9 Financial Instruments, all items on the assets side that are subject to potential credit risk and are not already recognised at fair value through profit or loss are allocated to one of these three stages:

- Stage 1 (Performing)
- Stage 2 (Under-performing)
- Stage 3 (Non-performing)

Upon settlement or purchase, the financial instruments in question are initially classified as "Performing" (stage 1). Should the credit risk of the financial instrument increase significantly during its term, the item is considered to be "Under-performing" (stage 2). Should a counterparty be in default or a further payment appear improbable, the asset is to be classified as "Non-performing" (stage 3).

For stage 1, the expected credit loss is to be computed and recognised based on credit occurrences expected over 12 months, for stages 2 and 3, on the other hand, over the remaining term of the instrument.

The expected credit loss in accordance with IFRS 9 must represent an undistorted probability-weighted amount which was determined through the evaluation of a series of possible scenarios as well as taking the present value into consideration. Furthermore, all available information on past events and current conditions are to be appropriately taken into account.

Implementation of IFRS 9 Impairment at VP Bank Group

All asset items exposed to a potential credit risk and not already measured at fair value are covered. These include, in particular, amounts due from banks and clients, financial investments measured at amortised cost, money market receivables, and cash and cash equivalents. Also affected are off-balance sheet items, such as credit and performance guarantees and irrevocable loan commitments.

At VP Bank Group, the modelling of expected credit losses is undertaken according to specific balance sheet segments. During the process of segmentation, a distinction is made whether an external or internal rating exists.

In the case of items with an external rating by Moody's or Standard & Poor's, this is used as the principal criterion for the allocation to a particular stage. In accordance with internal guidelines, items considered as investment grade are allocated to stage 1. Should a rating move outside the investment-grade segment or should it be in non-compliance with the requirements for deposits with banks or financial investments, after a review has been carried out, stage 2 applies. Should external rating agencies issue a default rating, the instrument drops to stage 3.

In the case of items with an internal rating of VP Bank Group, the allocation is made on the basis of whether the debtor is in default of payment regarding interest and/or amortisation of capital. From the moment a payment is overdue for 31 days or more, the item falls into stage 2, and if it is more than 90 days overdue to stage 3. In addition, a deterioration of the internal rating or a classification as a credit with an enhanced risk of default is used for the stage allocation.

In the case of items which are not internally or externally rated, primarily overdrafts, a possible default by the debtor regarding payment of interest and principal in excess of 30 or 90 days, respectively, or the classification as a loan with elevated risk serve as the criteria for the stage allocation (where required, inclusion on the watch list). In addition, any collateral shortfalls for these items are taken into account.

In the case of items for which financial collateral or a guarantee from an externally rated third party exist, the credit risk of the debtor is substituted by that of the guarantor or third party (substitution approach).

At VP Bank Group, the modelling of expected credit losses (ECL) is generally performed on the level of individual transactions and on the basis of various risk parameters (especially probability of default, the loss given default, the amount receivable and the discount rate).

Wherever possible, reference is made to external data to determine the default probabilities. This is particularly the case whenever an external rating exists. Internal ratings reproduce, to an approximate extent, external ratings. The estimation of the loss given default focusses on the value of the collateral securing the credit. In the case of unsecured receivables with an external rating, assumptions based upon market-related considerations are made.

As an alternative to a separate determination of the default probability and loss given default, a loss rate approach to compute the ECL can be applied for individual portfolios. This concerns primarily lombard loans. In such cases, VP Bank Group uses a combined loss rate.

In addition to the use of past and current information to estimate the ECL, VP Bank Group also takes into account prospective information, in particular forecasts of future economic developments.

For externally rated items, the ECL is initially estimated on the basis of cyclical parameters. The use of prospective information is based on existing early-warning systems and modifications to default probabilities. In addition, rating outlooks are taken into consideration.

For items with an internal rating, the ECL is also estimated on the basis of prospective, cyclical parameters. In the case of mortgage loans and related contingent liabilities, for example, this concerns primarily the loss given default. In this manner, possible movements in real-estate prices are depicted.

The computation of the ECL is based upon one base and two alternative scenarios which map macroeconomic conditions that differ. The base scenario reflects the future economic development which is estimated to be the most probable while an up and down scenario represents a relative improvement or deterioration, respectively, of the macroeconomic situation. The assumed probabilities of occurrence of the up and down scenario are identical.

Amounts due to banks and clients

Amounts due to banks and clients are accounted for at amortised cost using the effective interest method. Interest is accounted for using the accrual method and reported under interest income using the effective interest method. Whenever micro fair-value hedge accounting is applied, secured liabilities are adjusted by the changes in fair value attributable to the hedged risk.

Derivative financial instruments

Derivative financial instruments are measured at fair value and presented in the balance sheet. The fair value is determined on the basis of stock exchange quotations or option pricing models. Realised and unrealised gains and losses are taken to income.

Hedge accounting

In accordance with the risk policy of the Group, VP Bank Group deploys certain derivatives for hedging purposes. From an economic point of view, the opposing measurement effects resulting from the underlying and hedging transactions offset each other. As these transactions do not, however, correspond to the strict and specific IFRS provisions, an asymmetrical representation, in bookkeeping terms, of the changes in value of the underlying transaction and the hedge ensues. Fair-value changes of such derivatives are reported in trading and interest income, respectively, in the appropriate period.

The rules of hedge accounting can be applied voluntarily. Under certain conditions, the use of hedge accounting enables the risk-management activities of a company to be represented in the annual financial statements. This occurs through the juxtaposition of expenses and income from hedging instruments with those from the designated underlying transactions with regard to certain risks.

A hedging relationship qualifies for hedge accounting if all of the following qualitative attributes are fulfilled:

- The hedging relationship consists of eligible hedging instruments and eligible underlying transactions.
- At the inception of the hedging relationship, a formal designation and documentation of the hedging relationship is at hand which makes reference to the company’s risk-management strategy and objective for this hedge.
- The hedging relationship meets the effectiveness requirements.

The hedging relationship must be documented at inception. The documentation must encompass, in particular, the identification of the hedging instrument and of the hedged underlying transaction as well as designating the hedged risk and the method to determine the effectiveness of the hedging relationship. In order to qualify for hedge accounting, the hedging relationship must satisfy the following effectiveness requirements at the inception of each hedging period:

- There must exist an economic relationship between the underlying transaction and the hedging instrument.
- Default risk does not dominate the changes in value resulting from the economic hedge.
- The hedge ratio accurately reflects the amount of the underlying transaction used for the actual economic hedge as well as the amount of the hedging instrument.

Fair-value hedge accounting

IFRS 9 provides for the use of fair-value hedge accounting to avoid one-sided resultant effects for derivatives which serve to hedge the fair value of on-balance-sheet assets or liabilities against one or several defined risks. Exposed to market risk and/or interest rate risk, in particular, are the Group's credit transactions and its portfolio of securities insofar as they relate to fixed interest-bearing papers. Interest rate swaps are used primarily to hedge these risks. In accordance with fair-value hedge-accounting rules, the derivative financial instruments at fair value deployed for hedging purposes are recorded as market values from derivative hedging instruments. For the hedged asset and/or hedged liability, the opposing changes in fair value resulting from the hedged risk are also to be recognised in the balance sheet. The opposing valuation changes from the hedging instruments as well as from the hedged underlying items are recognised in the income statement as gains/losses from hedge accounting. That portion of the changes in fair value which is not related to the hedged risk is dealt with in accordance with the rules pertaining to the respective valuation category.

Cash-flow hedge accounting as well as portfolio fair-value hedges were used neither in the current financial year nor the previous year.

Debt securities issued

Medium-term notes are recorded at their issuance price (fair value) and measured subsequently at amortised cost.

Bonds are recorded at fair value plus transaction costs upon initial recognition. Fair value corresponds to the consideration received. They are subsequently accounted for at amortised cost. In this connection, the effective interest method is employed in order to amortise the difference between the issue price and redemption amount over the duration of the debt instrument.

Treasury shares

Shares in VP Bank Ltd, Vaduz, held by VP Bank Group are recognised in shareholders' equity as treasury shares and deducted at cost. Changes in fair value are not recognised. The difference between sales proceeds of treasury shares and the related acquisition cost is shown under capital reserves.

3.4 Other policies

Provisions

Provisions are recognised in the balance sheet only if VP Bank Group has a liability to a third party which is attributable to an occurrence in the past, if the outflow of resources with economic benefit to fulfil this liability is probable, and if this liability can be reliably estimated. If an outflow of funds is unlikely to occur or the amount of the liability cannot be reliably estimated, a contingent liability is shown.

Impairment in the value of non-current assets

The recoverability of property, plant and equipment is always reviewed whenever the carrying value appears to be overvalued because of occurrences or changed circumstances. If the carrying value exceeds the realisable value, a valuation adjustment is recorded. Any subsequent recovery in value is recognised in the income statement. If the review of the recoverability of an item of property, plant and equipment reveals a changed useful life, the residual carrying value is depreciated on a scheduled basis over the redefined useful life.

The recoverability of goodwill is reviewed at least once a year. If the carrying value exceeds the realisable value, an extraordinary write-down takes place.

Property, plant and equipment

Property, plant and equipment comprises bank premises, other real estate, furniture and equipment, leasing, as well as IT systems. Property, plant and equipment is measured at acquisition cost less operationally necessary depreciation and amortisation as well as impairments.

Property, plant and equipment are capitalised provided their acquisition or production cost can be reliably determined, they exceed the capitalisation threshold and they provide a future economic benefit.

Depreciation and amortisation are charged on a straight-line basis over the estimated useful lives:

Depreciation and amortisation	Estimated useful life
Bank premises and other real estate	25 years
Fixtures	10 to 15 years
Land	No depreciation
Furniture and equipment	5 to 9 years
IT systems	3 to 7 years

The depreciation and amortisation methods and useful lives are subject to review at each year-end.

Minor purchases are charged directly to general and administrative expenses. Maintenance and renovation expenses are generally recorded under general and administrative expenses. If the expense is substantial and results in a significant increase in value, the amounts are capitalised. These are depreciated or amortised over their useful lives.

Goodwill

If, in the case of a takeover, the acquisition costs are greater than the net assets acquired, as valued in accordance with uniform Group guidelines (including identifiable and capitalisable intangible assets), the remaining amount constitutes the acquired goodwill. Goodwill is capitalised and subject to an annual review for any required valuation adjustments. The recognition of goodwill is made in the functional currency and is translated on the balance sheet date at rates prevailing at year-end.

Intangible assets

Purchased software is capitalised and amortised over three to seven years. Minor purchases are charged directly to general and administrative expenses.

Internally generated intangible assets such as software are capitalised insofar as the prerequisites for capitalisation set forth in IAS 38 are met, that is, it is probable that the Group will derive a future economic benefit from the asset and the costs of the asset can be both identified and measured in a reliable manner. Internally produced software meeting these criteria and purchased software are recognised in the balance sheet under software. The amounts capitalised in this manner are amortised on a straight-line basis over their useful lives. The period of amortisation is three to seven years.

Other intangible assets include separately identifiable intangible assets arising from business combinations, as well as certain purchased client-related assets and the like, and are amortised on a straight-line basis over an estimated useful life of five to ten years. Other intangible assets are capitalised in the balance sheet at cost at the time of acquisition.

Leasing

The Group rents various office and warehouse buildings, as well as vehicles. Rental agreements are usually concluded for fixed periods of two to eight years, but options to extend may be included.

Leasing relationships are recognised as rights of use and corresponding lease liabilities are recognised at net current value. The discounting is carried out at the marginal debt capital interest rate, which corresponds to the interest rate that VP Bank Group would have to pay if it were to borrow the funds in order to acquire an asset with a comparable value and comparable conditions in a comparable economic environment. Each lease payment is divided into repayment and financing expenses. Financing expenses are recognised in interest income over the term of the leasing relationship so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right of use is depreciated on a straight-line basis over the lease term or the economic useful life, whichever is shorter, through the income statement item "Depreciation of property, plant and equipment". In the balance sheet, the rights of use are capitalised under property, plant and equipment, and the lease liabilities are reported under other liabilities.

Current and deferred taxes

Current income taxes are computed based on the applicable taxation laws in the individual countries and are booked as expenses in the accounting period in which the related profits arise. They are shown as tax liabilities in the balance sheet.

The taxation effects of temporary differences between the values attributed to the assets and liabilities as reported in the consolidated balance sheet and their values reported for tax reporting purposes are recorded as deferred tax assets or deferred tax liabilities. Deferred tax assets arising from temporary differences or from the utilisation of tax loss carryforwards are only recognised if it is probable that sufficient taxable profits will be available against which these temporary differences or tax loss carryforwards can be offset.

Deferred tax assets and tax liabilities are computed using the rates of taxation which are expected to apply in the accounting period in which these tax assets will be realised or tax liabilities will be settled.

Tax assets and tax liabilities are netted if they relate to the same taxable entity, concern the same taxing jurisdiction and an enforceable right of offset exists.

Deferred taxes are credited or charged to shareholders' equity if the tax relates to items which are directly credited or debited to shareholders' equity in the same or another period.

The tax savings anticipated from the utilisation of estimated future realisable loss carryforwards are capitalised. The probability of realising expected taxation benefits is considered when valuing a capitalised asset for future taxation relief. Tax assets arising from future taxation relief encompass deferred taxes on temporary differences between the carrying values of assets and liabilities in the consolidated balance sheet and those used for taxation purposes as well as tax savings from future estimated realisable loss carryforwards. Deferred taxation receivables in one sovereign taxation jurisdiction are offset against deferred taxation liabilities of the same jurisdiction if the enterprise has a right of offset of actual taxation liabilities and taxation receivables and the taxes are levied by the same taxing authorities.

Retirement pension plans

VP Bank Group maintains several retirement pension plans for employees domestically and abroad, among which there are both defined-benefit and defined-contribution plans. In addition, there are schemes for service anniversaries which qualify as other long-term employee benefits.

The computation of accrued amounts and amounts due to these pension funds is based on statistical and actuarial calculations of experts.

For defined-benefit pension plans, pension costs are determined on the basis of various economic and demographic assumptions using the projected unit credit method. The insurance years completed up to the valuation date are taken into account. The computational assumptions taken into account by the Group include the expected future rate of salary increases, long-term interest earned on retirement assets, retirement patterns and life expectancy. The valuations are carried out annually by independent actuaries. Plan assets are remeasured annually at fair values.

Pension costs comprise three components:

- Service costs, which are recognised in the income statement
- Net interest expense, which is also recognised in the income statement
- Revaluation components, which are recognised in the statement of comprehensive income

Service costs encompass current service costs, past service costs and gains and losses from non-routine plan settlements. Gains and losses from plan curtailments are deemed to equate to past service costs.

Employee contributions and contributions from third parties reduce service cost expense and are deducted therefrom provided that these derive from pension plan rules or a de facto obligation.

Net interest expense corresponds to the amount derived from multiplying the discount rate with the pension liability or plan assets at the beginning of the year. In the process, capital flows of less than one year and movements thereof are taken into account on a weighted basis.

Revaluation components encompass actuarial gains and losses from the movement in the present value of pension obligations and plan assets. Actuarial gains and losses result from changes in assumptions and experience adjustments. Gains and losses on plan assets equate to the income from plan assets minus the amounts contained in net interest expense. Revaluation components also encompass movements in unrecognised assets less the effects contained in net interest expense. Revaluation components are recognised in the statement of comprehensive income and cannot be reclassified to income in future periods (recycling). The amounts recognised in the statement of comprehensive income can be reclassified within shareholders' equity. Service costs and net interest expense are recorded in the consolidated financial statements under personnel expense. Revaluation components are recognised in the statement of comprehensive income.

The pension liabilities or plan assets recognised in the consolidated financial statements correspond to the deficit or excess of funding of defined-benefit pension plans, respectively. The recognised pension assets are limited to the present value of the economic benefit of the Group arising from the future reduction in contributions or repayments.

For other long-term benefits, the present value of the acquired commitment is recorded as of the balance sheet date. Movements in present values are recorded directly in the income statement as personnel expense.

Employer contributions to defined-contribution pension plans are recognised in personnel expense on the date when the employee becomes entitled thereto.

4. Amendments in accounting principles and comparability

New and revised International Financial Reporting Standards (IFRS)

Since 1 January 2024, the following new and revised standards and interpretations have taken effect and have no material impact on the consolidated financial statements of VP Bank Group:

- Amendments to IAS 1 Presentation of Financial Statements: disclosure of material accounting policy information rather than significant accounting policies.
- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates.
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction.

The following future amendments do not have a material impact on the consolidated financial statements of VP Bank Group

There are currently no new or amended IFRS or interpretations that have a material impact on VP Bank Group.

5. Management of equity resources

The focus of value-oriented risk management is to achieve a sustainable return on the capital invested and one which, from the shareholders' perspective, is commensurate with the risks involved. To achieve this goal, VP Bank Group supports a rigorous dovetailing of profitability and risk within the scope of the management of its own equity resources; it consciously abandons the goal of gaining short-term interest advantages at the expense of the security of capital. VP Bank Group manages all risks within the risk budget approved by the Board of Directors. In managing the equity resources, VP Bank Group measures both the equity required (minimum amount of equity to cover the bank's risks in accordance with the requirements of applicable supervisory law) and the available eligible equity (VP Bank Group's equity is computed in accordance with the criteria of the supervisory authorities) and projects their future development. Equity resources which VP Bank Group does not need for its growth or business activities are returned through dividend payments according to its long-term policy. Thus, through active management, VP Bank Group is able to maintain its robust capitalisation as well as its credit rating and continues to create sustainable value for the shareholders.

Capital indicators

The determination of the required capital and tier capital pursuant to Basel III is undertaken based on the IFRS consolidated financial statements, with unrealised gains being deducted from core capital. Total capital (core capital and supplementary capital) must amount to a minimum of 12.5 per cent of the risk-weighted assets.

Risk-weighted assets as of 31 December 2024 amounted to CHF 4.1 billion as compared with CHF 4.2 billion in the previous year. Core capital as of 31 December 2024 was CHF 1,066.2 million as compared with CHF 1,057.7 million in the previous year. The overall equity ratio increased by 1.0 per cent, from 24.9 per cent on 31 December 2023 to 25.9 per cent on 31 December 2024. As of both 31 December 2024 and 31 December 2023, VP Bank Group was adequately capitalised in accordance with the respective guidelines of the FMA currently in force. In 2024, VP Bank Group used no hybrid capital under eligible equity and, in accordance with International Financial Reporting Standards (IFRS), netted no assets against liabilities (balance sheet reduction).

Risk management of VP Bank Group

1. Overview

Effective capital, liquidity and risk management is an elementary prerequisite for the success and stability of a bank. VP Bank understands this to mean the systematic process of identifying, evaluating, managing and monitoring relevant risks as well as the steering of capital resources and liquidity necessary to assume risks and to guarantee risk-bearing capacity. The binding framework for action in this context is provided by the regulations defined by the Board of Directors of VP Bank Group, consisting of the Risk Appetite Statement, risk policy and risk strategies.

The Risk Appetite Statement defines the overall risk tolerance along the risk taxonomy, forming the basis for operationalising limits and targets in the risk policy. As an overall framework, the risk policy, together with the risk strategies per risk group (strategic and business risks, financial risks as well as non-financial risks), regulates the specific objectives and principles, organisational structures and processes, methods and tools of risk management.

In Liechtenstein, the regulatory requirements governing risk management are set out primarily in the Banking Act (BankA) and the Banking Ordinance (BankO). In addition, the Capital Requirements Regulation (CRR) together with the Capital Requirements Directive (CRD) apply in Liechtenstein. In Liechtenstein, the CRD was enacted in the BankA and in the BankO. VP Bank was classified as a locally systemically relevant banking institution by the Financial Market Authority Liechtenstein and must hold in aggregate equity amounting to at least 12.5 per cent of its risk-weighted assets. Thanks to its solid equity basis, balance sheet structure and comfortable liquidity position, VP Bank constantly outperformed the minimum regulatory requirements over the course of 2024.

Capital and balance sheet structure management

The minimum capital ratio of VP Bank of 12.5 per cent of risk-weighted assets consists of the regulatory minimum requirement of 8 per cent, a capital conservation buffer of 2.5 per cent and a buffer for other system-relevant banks of 2 per cent. Basel III also provides for an anti-cyclical capital buffer that was set at 0 per cent for 2024 by the Financial Market Authority Liechtenstein.

VP Bank complied with the minimum capital requirements for 2024 at all times. Thanks to an exceedingly robust tier 1 ratio of 25.9 per cent as of the end of 2024, it continues to guarantee sufficient room for manoeuvre. This enables VP Bank to continue to assume risks associated with the conduct of banking operations.

As of the end of 2024, the leverage ratio of VP Bank was 9.9 per cent. VP Bank has published further information as to the leverage ratio in the disclosure report.

As part of the management of equity resources and the balance sheet structure, compliance with regulatory requirements and the coverage of its business needs are monitored on an ongoing basis. Using an internal process to assess the adequacy of capital and liquidity resources (the Internal Capital or Internal Liquidity Adequacy Assessment Process / ICAAP and ILAAP), possible adverse effects on the equity and liquidity position under stress situations are simulated and analysed. With the ICAAP, the Financial Market Authority Liechtenstein imposes specific requirements regarding the internal strategies and procedures for determining, managing and monitoring capital risks, which were again surveyed and assessed by the Financial Market Authority Liechtenstein in 2024 using an ICAAP questionnaire.

Liquidity risk management

In compliance with statutory liquidity requirements and provisions contained in the BankO, CRR and CRD, VP Bank monitors and manages liquidity risks using internal directives and limits regarding interbank business and credit-granting activities. Maintaining liquidity within VP Bank Group has the highest priority at all times. This is assured with large cash and cash-equivalent holdings as well as high-quality liquid assets (HQLA). VP Bank observed the minimum regulatory liquidity requirements at all times during 2024.

In this context, compliance with the liquidity coverage ratio (LCR) of 100 per cent is required by law, which was clearly exceeded with a value of 165 per cent thanks to a comfortable liquidity situation. The net stable funding ratio (NSFR) at 144 per cent as of the end of 2024 significantly exceeded the regulatory requirement of 100 per cent.

With the Internal Liquidity Adequacy Assessment Process (ILAAP), the Financial Market Authority Liechtenstein imposes specific requirements regarding the internal strategies and procedures for determining, managing and monitoring liquidity risks, which were again surveyed and assessed by the Financial Market Authority Liechtenstein in 2024 using an ILAAP questionnaire.

As part of its liquidity management process, VP Bank has drawn up an emergency liquidity plan which ensures that VP Bank possesses adequate liquidity in the event of liquidity crises. Early-warning indicators are regularly reviewed to monitor and identify, on a timely basis, any deterioration in the liquidity situation.

As part of liquidity management, compliance with regulatory requirements and the coverage of business needs is subjected to ongoing monitoring. Using stress tests, possible adverse scenarios are simulated and the impact on liquidity in stress situations is analysed.

Credit risk

The management and monitoring of credit risk plays a central role, particularly due to the importance of client loans (CHF 5.9 billion as of 31 December 2024 or 56 per cent of total assets). In addition to the lending business, credit risks arising from the securities portfolio held for liquidity purposes in the banking book (predominantly high-quality liquid assets) as well as from interbank investments at banks with good credit ratings are also of relevance to VP Bank.

Credit regulations govern credit risk management in the client loan business. In 2024, the volume of client loans increased significantly by CHF 474 million. The growth was mainly due to the mortgage lending business.

At CHF 851 million, the volume of receivables from banks was around CHF 500 million lower than in the previous year. In order to strengthen the interest income, free liquid assets continue to be invested with banks with good credit ratings, predominantly cantonal and regional banks in Switzerland.

The securities portfolio consists mainly of investment-grade securities and had a nominal value of approximately CHF 2.2 billion as of 31 December 2024. Detailed guidelines (including volume and risk limits, duration ranges) for the management of securities have been established in the risk management process.

Market risk

Market risk is made up of interest rate, credit-spread, currency and equity price risks to which VP Bank Group is exposed. Given the importance of the interest bearing business, management and monitoring of market risk on the balance sheet takes on particular importance. After interest rate hikes in all three major currencies (CHF, EUR and USD) in 2023, interest rates fell in 2024, with longer-term expectations fluctuating greatly over the course of the year. The inversion of the yield curves, where long-term interest rates are lower than short-term interest rates, has significantly reduced in 2024.

Operational risk

VP Bank defines operational risk as potential losses or loss of profit that may occur as a consequence of the inappropriateness or failure of internal processes, individuals or systems or as a result of external events. Possible risk scenarios are identified, described and assessed using top-down and bottom-up risk assessments. The identified risks are limited or mitigated by controls as specified in the risk appetite. The controls are an integral part of the business processes and are documented in the internal control system. Controls are periodically assessed for adequacy and effectiveness. The current non-financial risk situation is reported to the Executive Board and the Board of Directors on a quarterly basis.

The geopolitical situation had a major impact on the assessment of the risks arising from sanctions and embargoes. As a result, processes for the early identification and prevention of potential compliance breaches were further strengthened and relevant business policy decisions were implemented. At the same time, the level of regulation in the financial sector continued to increase.

In 2024, VP Bank took comprehensive measures to comply with the requirements of the EU Regulation "Digital Operational Resilience Act" (DORA). This entered into force on 17 January 2025 with the aim of strengthening the digital resilience of financial service providers and ensuring the stability of the financial system. It sets new standards for protecting critical IT systems and tackling cyber attacks in the financial sector.

VP Bank has taken measures to further improve its IT risk management, IT processes, cyber resilience and monitoring of external service providers.

In doing so, VP Bank is underscoring its efforts to ensure the long-term protection of its clients and their assets, the security of its services and the stability of its business processes.

Further risks

In addition to the aforementioned risks, risk management of VP Bank Group covers strategic and business risks, compliance risk and reputational risk. These risks are systematically analysed and continuously evaluated based on the business model and the range of services offered by VP Bank.

The topic of sustainability is becoming increasingly important in risk management with the implementation of the Corporate Sustainability Reporting Directive (CSRD). Detailed reporting based on the double materiality analysis can be found in the sustainability declaration.

ESG stands for environmental, social and governance. ESG risks can occur along VP Bank's entire value chain and result primarily from the bank's commitment to its clients and counterparties as well as from invested assets and the lending business. ESG risks are understood to mean risk drivers and can materialise in both financial and non-financial risks. They could potentially have a negative impact on the bank's earnings situation and financial stability. VP Bank focuses on ESG risks that were identified as material as part of the double materiality analysis.

2. Principles underlying the risk policy

Risk management at VP Bank Group is predicated on the following principles:

Harmonisation of risk-bearing capacity and risk tolerance

The concept of risk-bearing capacity is intended to enable a bank to continue its business operations or to fully meet the claims of depositors and creditors despite losses from risks that become effective. Risk tolerance indicates the potential loss which the bank is prepared to bear without jeopardising the bank's ability to continue as a going concern. As a strategic success factor, risk-bearing capacity is to be maintained and enhanced at all times by employing a suitable process to ensure an appropriate capital and liquidity base.

Clearly defined powers of authority and responsibilities

Risk tolerance is operationalised using a comprehensive limit system and implemented effectively with a clear definition of the duties, powers of authority and responsibilities of all bodies, organisational units and committees involved in the risk and capital management process.

Conscientious handling of risks

Strategic and operational decisions are taken based on risk-return calculations and, in this way, aligned with the interests of the stakeholders.

Subject to compliance with statutory and regulatory requirements as well as corporate policy and ethical principles, VP Bank consciously assumes risks provided that the extent of these are known, the system requirements for recording them are in place and the bank will be adequately compensated for them. Transactions with an imbalanced risk-return ratio are avoided, as are major risks and extreme risk concentrations, which could endanger the risk-bearing capacity and therefore also the future existence of the Group.

Segregation of functions

Units that report to the Chief Risk Officer (CRO) and that are independent of the bodies that actively manage the risks are responsible for monitoring and reporting risks to Group Executive Management (GEM) and the Board of Directors.

Transparency

Comprehensive, objective, timely and transparent disclosure of risks to Group Executive Management (GEM) and the Board of Directors forms the basis for risk monitoring.

3. Organisation of capital, liquidity and risk management

Risk taxonomy

The prerequisite for risk management and the management of equity resources of VP Bank is the identification of all significant risks and their aggregation to an overall bank risk exposure.

Significant risks are identified based on the business model and related offerings of financial products and services of VP Bank.

The following chart provides an overview of the risks to which VP Bank is exposed in the context of its business activities. These are allocated to the risk groups of strategic and business risks, financial risks, non-financial risks (operational risks, compliance risks and information security risks) and reputational risks.

Risk groups

Strategic and business risks	Financial risks	Operational risks	Compliance risks	Information security risks (incl. cyber)
· Locations · Business segments · Products · Target markets · Macroeconomic risk · Excessive leverage	**Risk category** Risk type **Liquidity risk** Market liquidity risk, Idiosyncratic liquidity risk **Market risk** Interest-rate risk, Equity risk, Currency risk, Credit Spread risk, Participation risk, Volatility risk **Credit risk** Default risk, Concentration risk, Counterparty risk, Country risk, Idiosyncratic credit risk **Non traditional assets risk**	· Employee risk · Internal and external fraud · Business Continuity · Transaction processing and execution · Legal risk & regulatory risk · Third-party risk · Regulatory reporting and taxes	· Conduct · Cross Border · Financial Crime · Tax Compliance · Investment Compliance	· Information security (incl. cyber) · Data management · Technology · Physical security

ESG risk and climate-related financial risks

Reputational risks

Strategic and business risks encompass the risk of a potential decline in profitability as a result of an inadequate corporate orientation in relation to the market environment (political, economic, social, technological, ecological, legal) and can arise from unsuitable strategic positioning or the absence of effective countermeasures in case of changes. This includes the risk that the attractiveness of location-related factors recedes or the significance and/or weighting of individual business areas undergo change by virtue of external framework conditions. It also includes the risk that the launch of new products, the distribution of existing products, market access or the conduct of business will be rendered difficult or impossible by regulations or will entail disproportionately high costs or be unprofitable. Finally, adverse developments may arise in connection with target markets as a result of political or geopolitical influences.

Financial risks (liquidity risk, market risk, non-traditional asset risk and credit risk) are deliberately entered into in order to generate income or to safeguard business policy interests.

Liquidity risks comprise market liquidity risk and idiosyncratic liquidity risk. In the case of market liquidity risk, the risk lies in the fact that the bank may be unable to procure the required liquidity due to market distortions on the money or capital markets or can do so only on inadequate terms and conditions. For example, the market for securities, which can normally be sold at market value, might not be sufficiently liquid, or the interbank market might not be available, or only to a limited extent, for short-term liquidity procurement. Idiosyncratic liquidity risk, on the other hand, represents the risk that the bank may not be able to procure liquidity for VP Bank-specific reasons or can do so only on inadequate terms and conditions.

Market risk refers to the risk of potential present value losses in the banking and trading book that emerge due to unfavourable changes in market prices (interest rates, foreign exchange rates, share prices, commodities, credit spreads) or other price-influencing parameters such as volatility.

Credit risk includes default/creditworthiness, liquidation, counterparty, country and idiosyncratic risks. Default risk refers to the risk of a financial loss which may occur following the default of a debtor or loan collateral. Liquidation risks include potential losses incurred by the bank not due to the debtors themselves, but due to a lack of opportunities to liquidate collateral. Counterparty risk refers to the risk of financial loss resulting from the default of a counterparty in a derivative transaction or from non-performance by a counterparty (settlement risk). Country risk is a result of uncertain political, economic or social conditions as well as payment transaction restrictions in the risk domicile (so-called transfer risks). Idiosyncratic risks include potential losses incurred by the bank from a lack of diversification in the loan portfolio (concentrations in debtors and/or collateral).

Non-traditional asset risks result from alternative investments that cannot be allocated to traditional asset classes, such as equities, bonds or money market products, and are subject to other risk drivers. This category includes, for example, investments in private debt, private equity, real estate (securitised), infrastructure projects and other investment opportunities outside the traditional investment spectrum.

Operational risk is the risk of incurring losses or loss of profit arising from the inappropriateness or failure of internal procedures, individuals or systems, or as a result of external events. These are to be avoided by appropriate controls and measures before they materialise or, if that is not possible, be reduced to a level set by the bank. Operational risk can also arise in all organisational units of the bank, whereas financial risk can only arise in risk-taking units.

Compliance risk is understood to be breaches of statutory and regulatory provisions that can cause significant damage to VP Bank's reputation or result in sanctions, fines or even in the bank's licence being withdrawn. The compliance risk of VP Bank consists in particular in the possibility that VP Bank does not or does not sufficiently recognise financial crime risks of its clients and counterparties – such as money laundering, financing of terrorism, violations of sanctions and embargoes, fraud and corruption activities – and has not established appropriate surveillance and monitoring processes for identification, management and limitation of cross-border compliance risks as well as tax and investment compliance risks.

Information security risk (including cyber risk) refers to the circumstances in which inappropriate infrastructure design or infrastructure failure results in losses, or to the risk, in an information technology context, of sophisticated and targeted attacks that are difficult to detect and defend against. From the perspective of data security, there is a risk for VP Bank that failure to adhere to national and international data protection requirements will result in financial and reputational losses, as well as having legal consequences.

ESG and climate-related financial risks represent the risk of adverse economic impacts on VP Bank that may arise from environmental, social or governance factors. Climate-related financial risk is a sub-set of environmental risk and arises due to the effects of climate change and the measures taken to decarbonise the economy.

Reputational risk describes the risk that the confidence of employees, clients, shareholders, regulatory authorities or the public is weakened and the public image and/or reputation of the bank is impaired as a result of other types of risk or through various events. It can exhibit itself in the bank suffering monetary losses, a decline in earnings or, in the worst-case scenario, liquidity shortages.

Duties, powers and responsibilities

The chart (→ above graphic) shows the key duties, powers and responsibilities of the bodies, organisational units and committees involved in the risk management process. The roles and structures of risk steering and risk monitoring are separated, which avoids conflicts of interest between the risk-taking and monitoring units. Management, monitoring and verification of risks takes place over three lines of defence:

1. First line of defence: risk steering
2. Second line of defence: risk monitoring
3. Third line of defence: internal audit

The **Board of Directors** bears overall responsibility for capital, liquidity and risk management within the Group. Its remit is to establish and maintain an appropriate structure of business processes and organisation as well as an internal control system (ICS) for an effective and efficient management of capital, liquidity and risk, thereby ensuring the risk-bearing capacity of the bank on a sustainable basis. The Board of Directors defines and approves the risk tolerance, the risk policy and the risk strategies. It monitors their implementation, sets the risk tolerance at Group level and establishes the target values and limits for the management of equity resources, liquidity and risk. In assuming these tasks, the Board of Directors is assisted by the **Risk Committee**.

In addition, the Board of Directors receives reports from the internal auditors and the external auditors on all exceptional and material incidents, including significant losses or serious disciplinary errors. In assuming this task, the Board of Directors is supported by the **Audit Committee**.

Group Internal Audit is responsible for the internal audit function within VP Bank Group. Organisationally, it forms an autonomous organisational unit which is independent of operations and is responsible for the periodic audit of structures and processes of relevance in connection with the risk policy as well as compliance with applicable requirements.

Group Executive Management (GEM) is responsible for the implementation of and compliance with the risk policy approved by the Board of Directors. One of its central tasks is to ensure the functional capability of the risk management process and the internal control system (ICS). Furthermore, it is responsible for the composition and assignment of duties, responsibilities and competencies of the Asset & Liability Committee, the allocation of objectives and limits set by the Board of Directors to the individual subsidiary companies as well as the group-wide management of strategy, business, financial, compliance, operational and reputational risk.

In its function as the **Group Risk Committee (GRC)**, Group Executive Management assumes responsibility for implementing the risk strategy within the limits and targets defined by the Board of Directors and Group Executive Management as well as dealing with overarching issues.

The **Asset Liability Committee (ALCO)** is responsible for risk- and return-oriented balance sheet management as well as for the management of financial risks in compliance with the relevant statutory and regulatory provisions. It assesses the Group's situation with respect to financial risks and initiates remedial steering measures whenever necessary.

The **Group Operational Risk Committee (ORC)** manages all operational risks and information security risks (including cyber risks). The ORC is responsible for the identification, assessment, management, monitoring and reporting of operational risks and information security risks (including cyber risks) of VP Bank Group.

The **Group Credit Committee (GCC)** is responsible for the management of credit risks. This includes in particular the handling of credit applications within the scope of delegated competences.

The **Group Business Risk Committee (BRMC)** proactively manages compliance risks, identifies primary risks, and ensures that risk-mitigating controls are implemented and adhered to.

The **Group Reputational Risk Committee (GRRC)** decides on client relationships which could represent a material reputational risk for VP Bank Group.

Group Treasury & Execution (GTR) bears the responsibility for the steering and management of financial risks within the objectives and limits laid down by the Board of Directors and Group Executive Management. This is done while also taking into account the Group's risk-bearing capacity, as well as its compliance with statutory and regulatory provisions.

Group Credit Consulting (CRQ), as the first line of defence, is responsible for credit risk structuring and assessment of all credit applications at group level, as well as for the monitoring process of credit exposure on the individual loan level with regard to cover and limits. CRQ is represented by units in all Group locations. For non-standard credit applications, Group Credit Risk (CCC) carries out a review of the risk analysis, which was prepared by CRQ in the first instance. In addition, CRQ approves loans on its own authority or submits them to the corresponding competence centres for assessment.

The Chief Risk Officer (CRO) heads the risk management function. Within Group Executive Management, the CRO is responsible for independent risk monitoring of VP Bank Group and the individual subsidiary companies. The CRO assures compliance with the existing statutory, legal supervisory and internal bank provisions regarding risk management as well as the implementation of new risk management provisions.

Group Credit Risk (CCC) is the second line of defence, which is responsible for credit risk assessment of the largest individual credit risks of the Group. This concerns all credit exposures that go beyond CRQ's own area of authority and trigger an additional credit assessment by the second line of defence on the basis of defined risk criteria. In addition, CCC is responsible for all material credit risk standards of VP Bank Group as well as their IT implementation. These include all guidelines, risk concepts, the lending methodology and the underlying lending parameters. Furthermore, CCC regularly prepares portfolio credit risk reports in close cooperation with Group Financial Risk (GFR) for the attention of Group Executive Management and of the Board of Directors. CRQ and CCC also initiate and support all development projects related to the credit business of VP Bank Group, including regulatory projects.

Group Financial Risk (GFR) is responsible for the independent monitoring of financial risks (market risks, non-traditional asset risks, liquidity risks and credit risks from a portfolio perspective) as the second line of defence. It is responsible for defining and assessing the risk methods and models for financial risks as well as reporting on such risks and monitoring the economic risk-bearing capacity.

Group Compliance & Operational Risk is responsible for the independent monitoring of operational and compliance risks as the second line of defence. In addition, it is responsible for the risk inventory and the related risk reporting.

Group Information Security (ISE) is responsible for the independent monitoring of cyber and information security risks as the second line of defence. Its responsibilities include establishing security guidelines, carrying out IT risk analyses, monitoring IT and cyber security incidents and risk reporting within its area of responsibility.

The responsible bodies are regularly informed by the CRO division about the risk situation, developments and compliance with limits through risk reporting.

Process monitoring / Group Internal Audit

Definition of risk strategy and determination of risk appetite
· Board of Directors / Risk Committee
· Group Executive Management / Group Risk Commitee

Risk identification (risk inventory)
· Group Compliance & Group Operational Risk Committee
· Group Financial Risk

Risk measurement and risk-bearing capacity
· Group Financial Risk
· Group Compliance & Group Operational Risk Committee
· Group Credit Risk
· Group Financial Management & Reporting

Independent risk monitoring
· Chief Risk Officer (CRO)

Risk steering
· Group Treasury & Execution
· Intermediaries & Private Banking
· Asset & Liability Committee (ALCO)
· Group Credit Committee (GCC)
· Group Operational Risk Committee (ORC)
· Business Risk Committee (BRMC)
· Reputational Risk Committee (GRRC)

Process to ensure risk-bearing capacity

The primary objective of the ICAAP and ILAAP is to comply with the regulatory requirements in order to assure continuation of the bank as a going concern. The risks of banking operations are to be borne by the available risk coverage potential. The components of the risk management process established at VP Bank for all material risks are explained below:

- **Determination of the risk strategies:** The risk strategies for each risk group (strategic and business risks, financial risk, operational and compliance risks) are derived from the business strategy of VP Bank and provide the framework conditions for risk management of the respective types of risk. The risk policy represents the basic framework for the individual risk strategies.
- **Determining the risk coverage potential and setting the risk tolerance:** In the risk-bearing capacity calculation, a distinction must be made between a regulatory and a value-oriented perspective. The findings from each of the two perspectives are used in turn to validate and supplement one another. With both perspectives, the identification of the risk-bearing capacity is based on consideration of appropriate risk buffers. On the basis of the risk-bearing capacity calculation, the Board of Directors determines the limits and objectives for a rolling risk horizon of one year. All significant risks and the available risk coverage potential are compared with each other (risk-bearing capacity).
- **Risk identification (risk inventory):** With the annual risk inventory to be undertaken as part of the review of the framework and risk strategies, it is ensured that all significant risks of the Group (quantifiable, not quantifiable or difficult to quantify) are identified. The analysis is carried out on a top-down and/or bottom-up basis using both quantitative and qualitative criteria. Significant risks are integrated fully into the risk management process and backed by risk capital. Insignificant risks are reviewed and monitored at least annually within the scope of the risk inventory. As part of the risk inventory, potential risk concentrations in all significant risk types are evaluated.
- **Risk measurement:** Eligible equity as well as the regulatory level of committed capital are relevant for the assessment of risk-bearing capacity from a regulatory viewpoint. From a value-oriented point of view, the risk-bearing capacity results from the net present value of equity after deducting operating costs, a buffer for other risks and the economic capital requirement. For the purpose of determining the economic capital requirement, all risk types of VP Bank which are classified as material as part of the annual risk inventory are taken into account and possible unexpected losses are considered. The economic risk assessment also includes risk types which are not covered by the regulatory capital-adequacy requirements for the bank. To determine the economically required capital, all significant risks are aggregated to form an overall assessment.
- **Assessment of risk-bearing capacity:** Risk-bearing capacity exists when the available risk coverage potential is greater than the risks taken at any time. In this process, early-warning stages permit a timely change of direction in order not to endanger the continuation of the bank as a going concern.
- **Risk steering** encompasses all measures on all organisational levels to actively influence the bank's risks identified as being significant. In this respect, the objective is the optimisation of the risk return ratio within the limits and objectives set by the Board of Directors and Group Executive Management to ensure the risk-bearing capacity of the Group while also complying with statutory and legal supervisory provisions. Risk management is performed at strategic as well as operating levels. Based upon the juxtaposition of risks and limits on the one hand, as well as of regulatory and economically required capital and risk coverage potential on the other, countermeasures are taken in case of a negative variance.

- **Independent risk monitoring (control and reporting to GEM and the Board of Directors):** Risk steering is accompanied by comprehensive risk monitoring, which is functionally and organisationally independent of risk steering. Risk monitoring covers control and reporting. As part of the monitoring of financial risks, steering impulses can be derived from a routine target-to-actual comparison. The target is derived from the limits and objectives set, as well as from legal and supervisory-law provisions. For review of the extent to which limits are used (actual), early-warning stages are also deployed in order to take timely steering measures for any risks before they materialise.

As operational risks may arise as a result of internal control failures during current business activities, audits for key controls in relation to material risks are undertaken by the respective executive management in all organisational units of VP Bank.

From a risk-monitoring perspective, risk-based checks for compliance and operational risks are carried out on an ongoing basis by Group Compliance & Operational Risk, while the respective business units are responsible for management of compliance and operational risks.

Reputational risks can result from financial, operational, compliance, information security (including cyber) and ESG risks as well as from strategic and business risks. The strategic and business risks as well as any reputational risks are handled by Group Executive Management.

As part of reporting, results of monitoring are set forth in a regular, understandable and transparent manner. Reporting is made ex ante as an input for decisions and ex post for control purposes – in particular to analyse any deviation from budgeted values – as well as ad hoc in case of suddenly and unexpectedly materializing risks.

The process of ensuring the risk-bearing capacity of VP Bank Group is presented in the figure on the previous page.

4. Own funds disclosure

The required qualitative and quantitative information on capital adequacy requirements, on the strategies and procedures for risk management and on the risk situation of VP Bank are set forth in the risk report and the commentary on the consolidated financial statements. Over and above this, VP Bank Group has drawn up a disclosure report for the 2024 financial year. On this basis, the bank fulfils the regulatory requirements of the Banking Ordinance (BankO) and the Banking Act (BankA) as well as the Capital Requirements Regulation (CRR) and the Capital Requirements Directive (CRD), which represent the implementation of the Basel III Accord currently in force in the European Union.

VP Bank computes its required equity in accordance with the provisions of the CRR. In this connection, the following approaches are applied:

- Standardised approach for credit risk under Part 3, Title II, Chapter 2 of the CRR
- Basic-indicator approach for operational risk under Part 3, Title III, Chapter 2 of the CRR
- Standardised procedure for market risk under Part 3, Title IV, Chapters 2 to 4 of the CRR
- Standard method for credit valuation adjustment (CVA) risks in accordance with Art. 384 CRR
- Comprehensive method for CRR risks to take account of financial collateral in accordance with Art. 223 CRR

In regard to strategy, business and reputational risk, no explicit regulatory capital adequacy requirements are stipulated in the CRR.

The following table shows the capital adequacy situation of the Group as of 31 December 2024.

Capital adequacy computation (Basel III)

in CHF 1,000	31.12.2024	31.12.2023
Core capital		
Share capital	66,154	66,154
Deduction for treasury shares	–44,909	–49,224
Capital reserves	22,067	22,854
of which premium for capital instruments	47,505	47,505
Retained earnings	1,144,832	1,157,251
of which group net income	18,471	44,209
Actuarial gains/losses from defined-benefit pension plans	–31,630	–33,502
Unrealised gains/losses on Fair Value Through OCI (FVTOCI) financial instruments	–11,049	–22,135
Foreign-currency translation differences	–28,671	–34,246
Total shareholders' equity	**1,116,794**	**1,107,152**
Deduction for dividends as per proposal of Board of Directors	–26,462	–33,077
Deduction for equity instruments as per art. 28 CRR	0	0
Deduction for actuarial gains/losses from IAS19	31,630	33,502
Deduction deferred taxes on IAS 19	–3,954	–4,188
Deduction for goodwill and intangible assets	–45,863	–41,140
Other regulatory adjustments (deferred tax, securisation positions, prudential filter)	–5,973	–4,512
Eligible core capital (CET1 = Tier 1)[1]	**1,066,172**	**1,057,737**
Eligible core capital (adjusted)	**1,066,172**	**1,057,737**
Credit risk (in accordance with Liechtenstein standard approach)	272,078	283,639
thereof price risk regarding equity securities in the banking book	6,094	9,454
Market risk (in accordance with Liechtenstein standard approach)	3,861	3,501
Operational risk (in accordance with basic indicator approach)	52,044	51,626
Credit Value Adjustment (CVA)	1,761	654
Total required equity	**329,744**	**339,420**
Capital buffer	191,418	197,285
Total required equity including capital buffer	**521,162**	**536,705**
CET1 equity ratio	25.9%	24.9%
Tier 1 ratio	25.9%	24.9%
Overall equity ratio	25.9%	24.9%
Total risk-weighted assets	**4,121,797**	**4,242,745**
Return on investment (net income / average balance sheet total)	0.2%	0.4%

[1] The CET1 ratio is equal to the core capital ratio (tier 1) and the total capital ratio of VP Bank Group.

5. Financial risks

While engaged in complying with the relevant statutory and regulatory provisions, the monitoring and management of financial risks is based on internal bank objectives and limits relating to volumes, sensitivities and risk metrics. Scenario analyses and stress tests also demonstrate the effect of events which can not or not sufficiently be taken into consideration within the scope of ordinary risk evaluation. In this respect, the Board of Directors sets strategic guard rails within which risk management is undertaken.

Group Executive Management is responsible for the implementation and observance of the risk strategy for financial risks as approved by the Board of Directors. At operational level, the identification, assessment and monitoring of all relevant risks is carried out by the CRO functions, which are independent of the risk management units. The risk management units are responsible for risk management and first-instance compliance with the targets and limits relevant to them.

Market risks

Market risks arise from taking positions in financial assets (debt instruments, equities and other securities), foreign currencies, precious metals and corresponding derivatives, as well as from client business, interbank business and from consolidated subsidiary companies whose functional currency is a foreign currency.

Interest rate risk is a significant component of market risk. It arises mainly due to divergent maturities between positions on the asset and liability sides of the balance sheet. The table on the maturity structure shows the assets and liabilities of VP Bank broken down into positions at sight, callable positions and positions with specific maturities (→ cf. note 35).

Asset and liability positions of VP Bank denominated in foreign currencies are of importance to determine the currency risk. An overview, analysed by currency, is to be found in note 34 (→ cf. balance sheet by currencies).

The bank employs a comprehensive set of methods and key figures for the monitoring and management of market risks. In this respect, the value-at-risk (VaR) approach has established itself as the standard method to measure market risk. The VaR for market risks quantifies the potential loss in market value of all market risk positions on the evaluation date, expressed in CHF. The value-at-risk is computed on a Group-wide basis with the aid of historic simulation. In this process, the historical movements in market data over a period of at least five years are used in order to evaluate all positions subject to market risk.

The projected loss refers to an investment horizon of 250 trading days and will not be exceeded with a probability of 99 per cent. The calculation of interest rate risk generally takes into account the contractual fixing period of interest-bearing positions. For non-maturing positions, an internal replication model is applied.

The market VaR (99 per cent / 250 days) of VP Bank Group as of 31 December 2024 amounted to CHF 118 million (previous year: CHF 135 million). In addition to interest rate, currency and equity risks, credit-spread risks of the bond portfolio are also recognised in market risk. During 2024, the market VaR fluctuated between CHF 105 million and CHF 126 million, which was mainly due to fluctuations in interest rate positioning. The observable contraction in the market VaR over 2024 was essentially determined by the interest rate risk, while other risk factors had no significant impact. There were no material changes in the credit-spread and equity risk factors.

The following table shows the VaR analysed by types of risk and the total market VaR.

Market value-at-risk (end-of-month values)

in CHF million	Total	Interest-rate risk	Credit-spread-risk	Equity and commodity risk	Currency risk
2024					
Year-end	118.4	117.5	45.5	51.9	23.0
Average	117.0	116.7	50.4	50.1	17.2
Highest value	125.7	126.4	53.9	52.1	23.0
Lowest value	105.0	103.4	45.5	47.1	11.8
2023					
Year-end	134.8	135.6	53.5	47.0	16.0
Average	131.9	133.2	55.1	50.2	10.9
Highest value	138.1	140.9	56.2	53.2	16.0
Lowest value	125.4	125.1	53.5	47.0	6.1

As the maximum losses arising from extreme market situations cannot be determined with the VaR approach, the market risk analysis is supplemented by stress tests that allow an assessment of the effects of extreme market fluctuations on the present value of equity and on net interest income. In this manner, the fluctuations in net present value of all balance sheet items and derivatives in the area of market risks are computed with the aid of sensitivity indicators based on simulated market movements (parallel shift, rotation or inclination of interest rate curves, exchange rate fluctuations by a multiple of their implicit volatility, slump in equity share prices). In addition, the development of interest income is simulated for selected market scenarios (rising interest rates, falling interest rates, falling exchange rates).

The following table exemplifies the results of the key rate duration. For this, first of all, the present values of all asset and liability items as well as derivative financial instruments are calculated. Then, the interest rates of the relevant interest rate curves are increased by 1 basis point and the resulting change of present value is scaled to 1 per cent (100 basis points) in each maturity band and per currency. The respective movements represent the gain or loss of the net present value resulting from the shift in the interest rate curve. Negative values point to an excess of assets, while positive values indicate an excess of liabilities over the relevant term.

Key rate duration profile per 100 basis points increase

in CHF 1,000	within 1 month	1 to 3 months	3 to 12 months	1 to 5 years	over 5 years	Total
31.12.2024						
CHF	169	2,105	–6,177	–18,783	3,946	–18,740
EUR	229	39	–1,547	–10,735	535	–11,479
USD	258	–901	–1,219	–14,669	1,995	–14,536
Other currencies	–152	214	133	862	0	1,057
Total	**504**	**1,457**	**–8,810**	**–43,325**	**6,476**	**–43,698**
31.12.2023						
CHF	395	1,550	–868	–20,827	–247	–19,997
EUR	267	54	–1,683	–6,867	–8,286	–16,515
USD	47	–27	–435	–14,628	–5,466	–20,509
Other currencies	–34	–117	–82	1,145	0	912
Total	**675**	**1,460**	**–3,068**	**–41,177**	**–13,999**	**–56,109**

The following table sets out the effects of a negative movement in the principal foreign currencies on group net income and shareholders' equity. The implicit volatility as of 31 December 2024 and 31 December 2023 is responsible for the underlying fluctuation of the CHF against the EUR and the USD , respectively.

Movement in significant foreign currencies

Currency	Variance in %	Effect on net income in CHF 1,000	Effect on equity in CHF 1,000
2024			
EUR	–6	–3,232	0
USD	–8	–4,507	–5,710
2023			
EUR	–6	–3,616	0
USD	–8	–4,530	–5,712

The following table illustrates the impact of a possible downturn in equity markets of 10, 20 and 30 per cent, respectively, on group net income and equity capital.

Movement in relevant equity share markets

Variance	Effect on net income in CHF 1,000	Effect on equity in CHF 1,000
2024		
–10 %	–5,224	–14,056
–20 %	–10,449	–28,111
–30 %	–15,673	–42,167
2023		
–10 %	–4,899	–12,922
–20 %	–9,797	–25,844
–30 %	–14,696	–38,767

For risk management purposes, derivative financial instruments are entered into exclusively in the banking book and serve to hedge equity price, interest rate and currency risks as well as to manage the banking book. The risk policy defines the derivatives approved for this purpose.

VP Bank refinances its medium- and long-term client loans and its nostro positions in interest-bearing debt securities primarily with short-term client deposits and is therefore subject to an interest rate risk. Rising interest rates have an adverse impact on the net present value of fixed income business activities, and they also increase refinancing costs. As part of VP Bank's asset and liability management, interest rate swaps measured at fair value are deployed to hedge this risk. VP Bank applies fair-value hedge accounting under IFRS in order to record the offsetting effect of changes in the value of the hedged item on the balance sheet. For this purpose, a portion of the underlying transactions (fixed interest loans) are linked to the hedging transactions (payer swaps) through hedging relationships. In the event of fair-value changes caused by interest rate changes, the carrying values of the underlying transactions concerned are adjusted and the gains/losses taken to income.

Fixed rate positions are transformed into variable interest rate positions through the conclusion of payer swaps, thus establishing a close economic relationship between the hedge item (loan) and the hedge instrument (swap). Therefore, the hedge ratio between the designated amount of the hedge item and the designated amount of the hedge instruments is one. A hedge relationship is efficient and/or effective whenever the movements in the value of the hedge item and the hedging transactions induced by interest rate changes offset each other. Ineffectiveness mainly results from variations in duration, such as those which arise from different maturities of transactions, interest payment dates or different interest rates.

The initial efficiency of a hedge relationship is proven by a prospective effectiveness test. For this purpose, future changes in the fair value of the hedge item and hedge instrument are simulated on the basis of scenarios and are subjected to a regression analysis. Effectiveness is assessed on the basis of the results of the analysis. Repeated reviews take place during the duration of the hedge relationship.

By entering into foreign exchange transactions, VP Bank has hedged its own financial investments against exchange rate fluctuations in the principal currencies. Currency risks from the client business generally may not arise, and currency positions that remain open are closed via the foreign exchange market. Group Treasury & Execution is responsible for the management of foreign currency risks from the client business.

Liquidity risks

Liquidity risks may arise through contractual mismatches between the inflows and outflows of liquidity in the individual maturity bands. Any differences arising demonstrate how much liquidity the bank must eventually procure in each maturity band in the event of an outflow of all volumes at the earliest possible time. Furthermore, there may be refinancing concentrations that are so significant that a withdrawal of the corresponding funds may cause liquidity problems.

Liquidity risks are monitored and managed using internal targets and limits for the interbank and lending business and other balance-sheet-related key figures – while also complying with statutory liquidity norms and provisions.

In view of the increasing number of securities investments by clients and the ongoing adjustment of the client portfolio (strategic withdrawal from the business with Russian clients and revision of client documents), the deposits side of the balance sheet declined in 2024. On the assets side, this resulted in a decline in liquid assets and securities holdings, and thus the liquidity figures. VP Bank retains a comfortable liquidity situation, with a liquidity coverage ratio (LCR) of 165 per cent and a net stable funding ratio (NSFR) of 144 per cent at the end of 2024.

The maturity structure of assets and liabilities is set out in note 35 . In the short-term band range, the bank refinances itself primarily through client deposits at sight as well as call and time deposits.

VP Bank can rapidly procure liquidity on a secured basis in case of need through its access to the Eurex repo market. The risk of an extraordinary, nevertheless plausible event with low probability can be measured using stress tests. In this manner, VP Bank can take all applicable remedial action on a timely basis and set limits where necessary.

Credit risks

Credit risks arise from all transactions for which payment obligations of third parties in favour of VP Bank exist or can arise. Credit risks accrue to VP Bank from client lending activities, the money market business including bank guarantees, correspondent and metals accounts, the reverse repo business, the bank’s own portfolio of securities, securities lending and borrowing, collateral management and OTC derivative trades.

Risk concentrations can arise through large exposures (cluster risks) or inadequate diversification of the loan or collateral portfolio. Such concentrations can constitute exposures from borrowers which are domiciled in the same countries or regions, are active in the same industry segment or possess the same collateral. Concentrations can lead to the creditworthiness of borrowers or the recoverability of collateral being impacted by the same economic, political or other factors. Risk concentrations are closely monitored by VP Bank as well as being controlled with corresponding limits and operational checks.

As of 31 December 2024, the total credit exposure excluding collateral amounted to CHF 9.3 billion (as of 31 December 2023: CHF 9.4 billion). The following table shows the composition of the balance-sheet and off-balance-sheet items.

Credit exposures

in CHF 1,000	31.12.2024	31.12.2023
On-balance-sheet assets		
Receivables arising from money market papers	171,749	170,894
Due from banks	850,681	1,353,783
Due from customers	5,940,799	5,467,098
Public-law enterprises	453	421
Trading portfolios	372	213
Derivative financial instruments	86,848	41,960
Debt instruments at fair value	1	4,182
Financial instruments measured at amortised cost	2,227,254	2,371,683
Total	**9,278,156**	**9,410,233**
Off-balance-sheet transactions		
Contingent liabilities	104,238	110,507
Irrevocable facilities granted	168,420	148,537
Total	**272,658**	**259,044**

The increase in client loans of approximately CHF 474 million was mainly attributable to the mortgage business, although the lombard loan business also grew. While the volume of unsecured loans was deliberately kept low, the volume of mortgage loans increased by around CHF 438 million. The volume of receivables from banks decreased compared to the previous year and amounted to CHF 851 billion at the end of 2024. Free liquid assets continue to be invested with banks with good credit ratings, predominantly cantonal and regional banks in Switzerland.

Receivables from clients are granted by default on a secured basis. This area primarily includes the mortgage business in Switzerland and Liechtenstein, the lombard loan business as well as a small number of special loans.

In the mortgage business, cover is primarily provided by residential, mixed or commercial properties in Switzerland and Liechtenstein. In Liechtenstein, the provisions of the Capital Requirements Regulation apply regarding guidelines and procedures for the valuation and management of mortgage collateral. Lombard loans are granted in exchange for the pledging of primarily liquid and diversified securities portfolios. In addition, life insurance policies can be used as collateral. Predefined minimum requirements apply to the issuers of the corresponding policies. Each issuer must be pre-approved.

The qualitative requirements for eligible collateral and permissible loan-to-value ratios are defined internally. In 2024, further methodological improvements for the quantitative derivation of loan-to-value ratios in margin lending transactions were developed and successfully introduced. Risk concentrations within the collateral are to be avoided through a prudent credit policy.

Within the scope of the client loan business, loans are granted on a regional and international basis to private and commercial clients. The focus remains on the private client business with a volume of CHF 3.7 billion of mortgage credits (31 December 2023: CHF 3.3 billion). From a regional perspective, VP Bank conducts the lion’s share of this business in the Principality of Liechtenstein and in the eastern part of Switzerland.

The ten largest single exposures encompass 12.5 per cent of total credit exposures (31 December 2023: 7.8 per cent).

The credit regulations, the framework directive and the Group Standard Credit form the binding framework for credit risk management of client loans. In addition to the general guidelines and framework conditions for the lending business, these also set out the decision-making powers and related ranges for the approval of loans (rules on powers of authority).

In principle, exposures in the private client loans business and in the commercial loans business must be covered by the loan-to-value of the collateral (collateral after haircut). Counterparty risks in the loan business are governed by limits which restrict the level of exposure depending on the creditworthiness, industry segment, collateral and risk domicile of the client. VP Bank uses an internal method for risk classification to assess creditworthiness. Deviations from credit-granting principles (exceptions to policy) are dealt with as part of the credit risk management process based on their individual risk assessment.

VP Bank enters into both secured and unsecured positions in the interbank business. Unsecured positions result from money market activities (including bank guarantees, correspondent and metals accounts), secured positions arising from reverse repo transactions, securities lending and borrowing, collateral management and OTC derivative transactions. Repo deposits are fully secured, and the collateral received serves as a reliable source of liquidity in a crisis situation. Hence, counterparty risk and liquidity risk are reduced with reverse repo transactions.

Counterparty risks in the interbank business may only be entered into in approved countries and with approved counterparties. Exposures to banks relate to institutions with a good credit rating (investment grade rating) and registered office in an OECD country. A comprehensive system of limits contains the level of exposure depending on the term, rating, risk domicile and collateral of the counterparty. In this regard, VP Bank relies on the rating of banks by the two rating agencies Standard & Poor's and Moody's. OTC derivative transactions may be concluded exclusively with counterparties with whom a netting agreement has been signed.

Credit risks are managed and monitored not only on an individual transaction level but also on a portfolio level. On the portfolio level, VP Bank uses expected and unexpected credit loss estimates to monitor and measure credit risk. The expected credit loss represents the average loss that can be expected within one year. Unexpected credit loss represents a scenario-based unexpected loss from a stressed loss framework that is the difference between the potential loss in a stressed scenario (stressed loss) and the loss to be expected in a normal market environment (expected loss) over one year. In particular, the stressed loss framework takes account of idiosyncratic credit risks. The unexpected loss is limited and monitored by a corresponding credit risk limit, both overall and per loan portfolio.

Credit derivatives (contract volume)

in CHF 1,000	Providers of collateral as of 31.12.2024	Providers of collateral as of 31.12.2023
Collateralised debt obligations	0	0
Total	**0**	**0**

No proprietary trading transactions in credit derivatives were carried out in the past financial year.

Country risk

Country risks arise whenever political or economic conditions specific to a country impinge on the value of an exposure abroad. The monitoring and management of country risk is undertaken using volume limits which restrict the respective aggregate exposures per country rating (Standard & Poor's and Moody's). All receivables on the balance sheet are considered in this process; positions in the Principality of Liechtenstein and Switzerland do not fall under this country limit rule.

The risk domicile of an exposure is the basis for recognising country risk. With secured exposures, consideration is usually given to the country in which the collateral is located.

The following table shows the distribution of credit exposures by country rating. Non-rated country exposures are mostly exposures from local business activities (receivables secured by mortgage) of VP Bank (BVI) Ltd.

Country exposure by rating

in %	31.12.2024	31.12.2023
AAA	76.3	78.7
AA	19.1	18.4
A	2.1	0.8
BBB – B	1.0	0.6
CCC – C	0.1	0.0
Not Rated	1.4	1.5
Total	**100.0**	**100.0**

IFRS 9 Impairment

The additional tables to be disclosed from IFRS 9 Impairment can be seen below.

Credit exposures by rating classes

in CHF 1,000		Carrying amount of the below financial positions			
	Rating (Standard & Poor's or Equivalent)	Stage 1	Stage 2	Stage 3	Total 31.12.2024
Cash and cash equivalents					
Investment Grade					
Very Low credit risk	AAA	891,888			891,888
Low credit risk	AA+, AA, AA-, A+, A, A-				0
Moderate credit risk	BBB+, BBB, BBB-				0
Non Investment Grade	BB+, BB, BB-, B+, B, B-, CCC+, CCC, CCC-, CC, C				0
Default	D				0
Gross Carrying amount		**891,888**	**0**	**0**	**891,888**
Loss allowance		–19			–19
Carrying amount		**891,869**	**0**	**0**	**891,869**
Receivables arising from money market papers					
Investment Grade					
Very Low credit risk	AAA	98,809			98,809
Low credit risk	AA+, AA, AA-, A+, A, A-	72,946			72,946
Moderate credit risk	BBB+, BBB, BBB-				0
Non Investment Grade	BB+, BB, BB-, B+, B, B-, CCC+, CCC, CCC-, CC, C				0
Default	D				0
Gross Carrying amount		**171,755**	**0**	**0**	**171,755**
Loss allowance		–6			–6
Carrying amount		**171,749**	**0**	**0**	**171,749**

in CHF 1,000		Carrying amount of the below financial positions			
	Rating (Standard & Poor's or Equivalent)	Stage 1	Stage 2	Stage 3	Total 31.12.2024
Due from banks					
Investment Grade					
Very Low credit risk	AAA	34,057			34,057
Low credit risk	AA+, AA, AA-, A+, A, A-	708,238			708,238
Moderate credit risk	BBB+, BBB, BBB-	700			700
Non Investment Grade	BB+, BB, BB-, B+, B, B-, CCC+, CCC, CCC-, CC, C		6,163		6,163
Default	D				0
Gross Carrying amount		**742,995**	**6,163**	**0**	**749,158**
Loss allowance		–27	–1		–28
Carrying amount		**742,968**	**6,162**	**0**	**749,130**
Due from customers					
Low credit risk		5,795,936		14,269	5,810,205
Moderate credit risk			81,479	29,221	110,700
High Credit Risk				1,953	1,953
Doubtful				8,139	8,139
Default				35,263	35,263
Gross Carrying amount		**5,795,936**	**81,479**	**88,845**	**5,966,260**
Loss allowance		–1,053	–671	–23,284	–25,008
Carrying amount		**5,794,883**	**80,808**	**65,561**	**5,941,252**
Financial instruments measured at amortised cost					
Investment Grade					
Very Low credit risk	AAA	708,454			708,454
Low credit risk	AA+, AA, AA-, A+, A, A-	1,281,374			1,281,374
Moderate credit risk	BBB+, BBB, BBB-	224,318			224,318
Non Investment Grade	BB+, BB, BB-, B+, B, B-, CCC+, CCC, CCC-, CC, C		14,019		14,019
Default	D				0
Gross Carrying amount		**2,214,146**	**14,019**	**0**	**2,228,165**
Loss allowance		–543	–368		–911
Carrying amount		**2,213,603**	**13,651**	**0**	**2,227,254**

in CHF 1,000	Exposure to credit risk on loan commitments and financial guarantee contracts			
	Stage 1	Stage 2	Stage 3	Total 31.12.2024
Exposure to credit risk on loan commitments and financial guarantee contracts				
Low credit risk				0
Moderate credit risk				0
High Credit Risk	253,717			253,717
Doubtful				0
Default				0
Gross Carrying amount	**253,717**	**0**	**0**	**253,717**
Loss allowance	–434			–434
Carrying amount	**253,283**	**0**	**0**	**253,283**

in CHF 1,000		Carrying amount of the below financial positions			
	Rating (Standard & Poor's or Equivalent)	Stage 1	Stage 2	Stage 3	Total 31.12.2023
Cash and cash equivalents					
Investment Grade					
Very Low credit risk	AAA	1,591,475			1,591,475
Low credit risk	AA+, AA, AA-, A+, A, A-				0
Moderate credit risk	BBB+, BBB, BBB-				0
Non Investment Grade	BB+, BB, BB-, B+, B, B-, CCC+, CCC, CCC-, CC, C				0
Default	D				0
Gross Carrying amount		**1,591,475**	**0**	**0**	**1,591,475**
Loss allowance		–24			–24
Carrying amount		**1,591,451**	**0**	**0**	**1,591,451**
Receivables arising from money market papers					
Investment Grade					
Very Low credit risk	AAA	104,078			104,078
Low credit risk	AA+, AA, AA-, A+, A, A-	66,824			66,824
Moderate credit risk	BBB+, BBB, BBB-				0
Non Investment Grade	BB+, BB, BB-, B+, B, B-, CCC+, CCC, CCC-, CC, C				0
Default	D				0
Gross Carrying amount		**170,902**	**0**	**0**	**170,902**
Loss allowance		–8			–8
Carrying amount		**170,894**	**0**	**0**	**170,894**
Due from banks					
Investment Grade					
Very Low credit risk	AAA	33,485			33,485
Low credit risk	AA+, AA, AA-, A+, A, A-	1,012,395			1,012,395
Moderate credit risk	BBB+, BBB, BBB-	78,588			78,588
Non Investment Grade	BB+, BB, BB-, B+, B, B-, CCC+, CCC, CCC-, CC, C		571		571
Default	D				0
Gross Carrying amount		**1,124,468**	**571**	**0**	**1,125,039**
Loss allowance		–87			–87
Carrying amount		**1,124,381**	**571**	**0**	**1,124,952**
Due from customers					
Low credit risk		5,316,900		7,826	5,324,726
Moderate credit risk			110,015	8,515	118,530
High Credit Risk				8,007	8,007
Doubtful				2,757	2,757
Default				35,370	35,370
Gross Carrying amount		**5,316,900**	**110,015**	**62,475**	**5,489,390**
Loss allowance		–1,313	–454	–20,105	–21,872
Carrying amount		**5,315,587**	**109,561**	**42,370**	**5,467,518**

in CHF 1,000		Carrying amount of the below financial positions			
	Rating (Standard & Poor's or Equivalent)	Stage 1	Stage 2	Stage 3	Total 31.12.2023
Financial instruments measured at amortised cost					
Investment Grade					
Very Low credit risk	AAA	657,218			657,218
Low credit risk	AA+, AA, AA-, A+, A, A-	1,416,871			1,416,871
Moderate credit risk	BBB+, BBB, BBB-	281,472			281,472
Non Investment Grade	BB+, BB, BB-, B+, B, B-, CCC+, CCC, CCC-, CC, C		17,169		17,169
Default	D				0
Gross Carrying amount		**2,355,561**	**17,169**	**0**	**2,372,730**
Loss allowance		–608	–439		–1,047
Carrying amount		**2,354,953**	**16,730**	**0**	**2,371,683**

in CHF 1,000	Exposure to credit risk on loan commitments and financial guarantee contracts			
	Stage 1	Stage 2	Stage 3	Total 31.12.2023
Exposure to credit risk on loan commitments and financial guarantee contracts				
Low credit risk				0
Moderate credit risk	220,807	14,717		235,524
High Credit Risk				0
Doubtful				0
Default				0
Gross Carrying amount	**220,807**	**14,717**	**0**	**235,524**
Loss allowance	–20	–232		–252
Carrying amount	**220,787**	**14,485**	**0**	**235,272**

Expected credit losses according to IFRS 9 Impairment

in CHF 1,000	Expected credit loss of the below financial positions			
	Stage 1	Stage 2	Stage 3	Total 2024
Due from customers - mortgage loans [1]				
1 January 2024	**108**	**8**	**8,766**	**8,882**
New financial assets originated or purchased	38		1,893	1,931
Transfers				0
to stage 1	1	2		3
to stage 2		–4		–4
to stage 3			1	1
Net remeasurement of loss allowance	–29	21	640	632
Financial assets derecognised during period (not written off) i.e. repayments, modifications, sales etc.	–18	–1	–153	–172
Changes in models/risk parameters				0
Amounts written off on loans / utilisation in accordance with purpose			–290	–290
Foreign exchange and other adjustments	2		3	5
31 December 2024	**102**	**26**	**10,860**	**10,988**
Due from customers - lombard loans [1]				
1 January 2024	**1,013**	**447**	**9,836**	**11,296**
New financial assets originated or purchased	419	212		631
Transfers				0
to stage 1	–60			–60
to stage 2		61		61
to stage 3				0
Net remeasurement of loss allowance	–298	3	352	57
Financial assets derecognised during period (not written off) i.e. repayments, modifications, sales etc.	–302	-83	–416	-801
Changes in models/risk parameters				0
Amounts written off on loans / utilisation in accordance with purpose				0
Foreign exchange and other adjustments	7	5	101	113
31 December 2024	**779**	**645**	**9,873**	**11,297**
Due from customers - other loans [1]				
1 January 2024	**192**	**0**	**1,501**	**1,694**
New financial assets originated or purchased	45		100	145
Transfers				0
to stage 1				0
to stage 2				0
to stage 3		9	–9	0
Net remeasurement of loss allowance	–2	–9	1,459	1,448
Financial assets derecognised during period (not written off) i.e. repayments, modifications, sales etc.	–62		–524	–586
Changes in models/risk parameters				0
Amounts written off on loans / utilisation in accordance with purpose				0
Foreign exchange and other adjustments			22	22
31 December 2024	**173**	**0**	**2,549**	**2,723**

1 By type of collateral.

in CHF 1,000	Expected credit loss of the below financial positions			
	Stage 1	Stage 2	Stage 3	Total 2023
Due from customers - mortgage loans[1]				
1 January 2023	**112**	**14**	**3,112**	**3,238**
New financial assets originated or purchased	30			30
Transfers				0
to stage 1				0
to stage 2				0
to stage 3		–4	4	0
Net remeasurement of loss allowance	–9	–1	5,281	5,271
Financial assets derecognised during period (not written off) i.e. repayments, modifications, sales etc.	–25	–1	–172	–198
Changes in models/risk parameters				0
Amounts written off on loans / utilisation in accordance with purpose				0
Foreign exchange and other adjustments			541	541
31 December 2023	**108**	**8**	**8,766**	**8,882**
Due from customers - lombard loans[1]				
1 January 2023	**548**	**10**	**15,891**	**16,449**
New financial assets originated or purchased	721	34		755
Transfers				0
to stage 1				0
to stage 2		463	–463	0
to stage 3				0
Net remeasurement of loss allowance	–43	–58	341	240
Financial assets derecognised during period (not written off) i.e. repayments, modifications, sales etc.	–213	–2	–30	–245
Changes in models/risk parameters				0
Amounts written off on loans / utilisation in accordance with purpose			–5,256	–5,256
Foreign exchange and other adjustments			–647	–647
31 December 2023	**1,013**	**447**	**9,836**	**11,296**
Due from customers - other loans[1]				
1 January 2023	**192**	**5**	**3,212**	**3,410**
New financial assets originated or purchased	121			121
Transfers				0
to stage 1				0
to stage 2				0
to stage 3	–6		6	0
Net remeasurement of loss allowance	–33		629	596
Financial assets derecognised during period (not written off) i.e. repayments, modifications, sales etc.	–84	–5	–1,288	–1,377
Changes in models/risk parameters				0
Amounts written off on loans / utilisation in accordance with purpose			–1,017	–1,017
Foreign exchange and other adjustments	2		–41	–39
31 December 2023	**192**	**0**	**1,501**	**1,694**

1 By type of collateral.

The following table shows the biggest changes in valuation adjustments by stage.

in CHF 1,000	Impact: increase/decrease			
	Stage 1	Stage 2	Stage 3	Total 2024
New specific valuation allowances			1,993	1,993
Reassessment of individual value adjustments			1,359	1,359
Appropriate use of loan loss provisions (one customer)			–290	–290
Decline in bond volume	–65	–71		–136
Other effects	76	–20	127	183
Total	**11**	**–91**	**3,189**	**3,109**

in CHF 1,000	Impact: increase/decrease			
	Stage 1	Stage 2	Stage 3	Total 2023
Appropriate use of loan loss provisions (two customers)			–6,275	–6,275
Bond sale Stage 2		–100		–100
Lombard loans: change from stage 3 to stage 2		439	–439	0
Irrevocable Letter (off balance, 1 customer): change from stage 1 to stage 2	–253	253		0
Other effects	365	–127	–162	76
Reassessment of individual value adjustments			4,763	4,763
Total	**112**	**465**	**–2,113**	**–1,536**

The following table provides disclosures on assets which were modified and at the same time have a stage 2 and 3 valuation adjustment.

Information about the nature and effect of modifications on the measurement of provision for doubtful debts (Stage 2 and 3) in CHF 1,000	Total 2024	Total 2023
Financial assets modified during the period		
Amortised cost before modification		
Net modification loss		
Financial assets modified since initial recognition		
Gross carrying amount at 31 December of financial assets for which loss allowance has changed from stage 2 or stage 3 to stage 1 during the period	1,805	2,000

6. Operational risk

While financial risks are deliberately assumed in order to earn income, operational risks should be avoided by suitable controls and measures or, if this is impossible, should be reduced to a level set by the bank.

There is a wide variety of causes for operational risks. People make mistakes, third parties fail to provide the agreed service, external risks affect the bank or business processes do not work. It is therefore necessary to determine the factors which trigger important risk events and their impact in order to avoid or at least contain them with suitable preventive measures.

The management of operational risks is understood at VP Bank to be an integral cross-divisional function which is to be implemented across all business units and processes on a uniform group-wide basis. The following methods are used:

- The internal control system of VP Bank encompasses all process-integrated and process-independent measures, functions and controls which assure the orderly conduct of business operations.
- Early-warning indicators are used to recognise potential losses in a timely manner and to ensure that enough time still remains for the planning and realisation of countermeasures.
- Significant loss occurrences are recorded systematically and are then evaluated centrally. The findings from the collection of loss data are integrated directly into the risk management process.
- Operational risks are assessed on a top-down and bottom-up basis within the framework of annual group-wide non-financial risk assessments. Based on these assessments, Group Executive Management decides how to deal with the identified risks and, if necessary, determines proactive risk-reducing measures.

The Group Operational Risk & Methodology unit, which is part of Group Compliance & Operational Risk, is responsible for the group-wide implementation, monitoring and further development of the methods and tools used to manage operational risks.

Each person in a management position is responsible for identification and evaluation of operational risks as well as for definition and performance of key controls and measures to contain risks.

Controls are periodically assessed for adequacy and effectiveness. The current operational risk situation is reported to the Executive Board and the Board of Directors on a quarterly basis.

Operational resilience and business continuity management (BCM) are a further important sub-area of operational risk management. Operational resilience refers to the ability of the institution to hedge its critical functions against potential attacks, failures and impairments and to be able to restore them in the event of interruptions. BCM essentially denotes a management method that ensures continuity of business activity under crisis conditions, or at any rate unforeseeable difficult conditions, with the help of a life cycle model. The objective of BCM is to systematically prepare for and test the management of extraordinary loss events, so that even in critical situations and emergencies, important processes are not interrupted or only temporarily interrupted and the economic existence of the business remains secure in spite of a loss event. For this purpose, the Board of Directors of VP Bank has clearly defined the duties, powers and responsibilities in connection with operational resilience and BCM. The group-wide crisis organisation is an integral part of VP Bank and becomes operative as soon as a business-critical loss event occurs or a corresponding situation is threatened. The members of the crisis organisation are regularly trained.

7. Information security risk

Protection against cyber attacks remains a top priority for VP Bank. This protection is ensured by the bank's use of modern IT systems and by employees who have been familiarised with the issue and trained accordingly. Information security requirements are set out in the bank's corporate guidelines and are implemented by means of technical and organisational measures. VP Bank uses robust processes and sophisticated systems to protect data. Cyber threats are subject to continuous analysis, with appropriate defence measures taken depending on the risk involved. VP Bank ensures a high level of security by means of targeted vulnerability management and regular penetration tests.

8. Business risk and strategic risk

Business risk on the one hand results from unexpected changes in market and underlying conditions with an adverse effect on profitability or equity. On the other hand, it indicates the danger of unexpected losses that may result from management decisions regarding the business policy orientation of the Group (strategic risk). Group Executive Management is responsible for managing business risk. Taking into account the banking environment and the internal corporate situation, this risk is analysed by Group Executive Management, top-risk scenarios are derived and appropriate measures are worked out, the implementation of which is entrusted to the responsible body or organisational unit (top-down process).

9. Compliance risk

Compliance risk is understood to be breaches of statutory and regulatory provisions that can cause significant damage to VP Bank's reputation or result in sanctions, fines or even in the bank's licence being withdrawn. The compliance risk of VP Bank consists in particular in the possibility that VP Bank does not or does not sufficiently recognise financial crime compliance risks of its clients and counterparties – such as money laundering, financing of terrorism, violations of sanctions and embargoes, and fraud and corruption activities – and has not established appropriate surveillance and monitoring processes/measures for identification, management and limitation of cross-border compliance risks as well as tax and investment compliance risks.

All relevant compliance risks which are of significance for the business and service activities of VP Bank Group are recorded and assessed within the scope of a group-wide, annual non-financial risk assessment. In this regard, all relevant, risk-based compliance controls as well as processes and systems within the overall organisation of VP Bank Group are assessed in order to determine whether they are up to date, appropriate and effective. In this context, the risk-based compliance controls must be proportionate to the respective risk, the management effort and the intended control objectives. VP Bank Group also ensures through regular compliance training that all employees of VP Bank Group are familiar with and adhere to the relevant compliance regulations.

10. ESG risks and climate-related financial risks

ESG risks and climate-related financial risks (hereinafter "ESG risks") represent the risk of adverse economic impacts on VP Bank that may arise from environmental, social and governance factors. VP Bank does not view ESG risks as an independent risk category but rather as a risk driver that can manifest itself in other risk groups or risk categories. The inclusion of ESG risks in the risk taxonomy and in the risk management process reflects the increasing importance of sustainability in the financial sector. VP Bank records, evaluates and takes into account ESG risks in its business activities as well as in the assessment of its counterparties and client relationships.

VP Bank has set itself the goal of aligning its material loan portfolios and investment portfolios on the balance sheet with net-zero emissions by 2050. In addition, VP Bank expects business partners to comply with at least three internationally recognised standards, namely the "UN Global Compact", the "United Nations Guiding Principles for Business and Human Rights" and the "International Labour Organisation (ILO) Standards".

11. Reputational risk

Reputational risk represents the risk of negative economic effects that could arise as a result of damage to the public image or reputation of VP Bank. Strategic and business risks, operational and compliance risks, financial risks as well as ESG risks can lead to reputational risks and weaken the confidence of employees, clients, shareholders, regulators or the public in general in the bank.

This may result in asset losses or a decline in earnings, for instance due to deteriorating or terminated client relationships, rating downgrades, higher refinancing costs or more difficult access to the interbank market.

Reputational risks are monitored by Group Executive Management.

Segment reporting

Structure

VP Bank's market areas are split into the segments "Liechtenstein & BVI", "International" (Region Europe & Asia) and "Asset Servicing" owing to the range of services being offered and the market position. The support units are grouped under "Corporate Center". External segment reporting reflects the organisational structure of VP Bank Group as of 31 December 2024 and the internal reporting to management. These form the basis for assessing the financial performance of the segments and the allocation of resources to them.

Earnings and expenses as well as assets and liabilities are allocated to the business units based on the responsibilities for the clients. Insofar as a direct allocation is not possible, the positions in question are reported under "Corporate Center". Consolidation entries are also included under "Corporate Center".

Liechtenstein & BVI

The "Liechtenstein & BVI" business unit encompasses intermediary business, private banking, universal banking and lending business in Liechtenstein as well as private banking and lending business in the British Virgin Islands.

International

The "International" (Region Europe & Asia) business unit encompasses intermediary and private client business in Switzerland, Luxembourg, Singapore and Hong Kong.

Asset Servicing

The "Asset Servicing" business unit encompasses fund management and custodial activities within VP Bank Group. The two fund management companies VP Fund Solutions (Luxembourg) SA and VP Fund Solutions (Liechtenstein) AG, both of which are legally independent entities, handle fund management activities. The custodial departments at VP Bank Ltd, Liechtenstein, and VP Bank (Luxembourg) SA take care of custodial activities.

Corporate Center

The "Corporate Center" business unit encompasses Group Products & Services, Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and Chief Risk Officer. It is of great importance to banking operations and business development. In addition, those earnings and expenses of VP Bank Group that have no direct relationship to client-oriented business units, as well as consolidation adjustments, are reported under "Corporate Center". The result of the Group's own financial investments, funds transfer pricing and value adjustments from hedging transactions are reported in this segment.

Business segment reporting 2024

As a general rule, segment reporting is subject to the same accounting principles as the consolidated financial statements.

in CHF 1,000	Liechtenstein & BVI	International	Asset Servicing	Corporate Center	Total Group
Total net interest income	107,841	61,742	7,993	–75,317	102,259
Total net income from commission business and services	63,799	48,025	32,208	–6,942	137,089
Income from trading activities	12,886	12,939	3,677	51,854	81,356
Income from financial instruments		–2	223	4,847	5,068
Other income	1	–263	5,286	–262	4,762
Total operating income	**184,526**	**122,441**	**49,386**	**–25,820**	**330,534**
Personnel expenses	25,243	54,168	12,686	91,236	183,334
General and administrative expenses	3,789	11,948	9,734	60,077	85,548
Depreciation of property, equipment and intangible assets	3,572	8,243	606	24,538	36,958
Credit loss expenses	696	241	–1	–212	724
Provisions and losses	1,133	725	–90	–66	1,702
Operating expenses	**34,433**	**75,325**	**22,936**	**175,573**	**308,266**
Earnings before income tax	**150,093**	**47,116**	**26,451**	**–201,392**	**22,268**
Taxes on income					3,797
Group net income					**18,471**
Segment assets (in CHF million)	4,379	1,524	38	4,694	10,636
Segment liabilities (in CHF million)	4,654	2,593	572	1,700	9,519
Client assets under management (in CHF billion)[1]	19.1	16.4	15.2		50.7
Net new money (in CHF billion)	–0.9	–0.5	1.9		0.5
Headcount (number of employees)	154	255	95	520	1,024
Headcount (expressed as full-time equivalents)	137.2	240.0	87.7	480.6	945.4

[1] Calculation in accordance with Table P of the Guidelines to the Liechtenstein Banking Ordinance issued by the Government of Liechtenstein (FL-BankO).

Business segment reporting 2023

in CHF 1,000	Liechtenstein & BVI	International	Asset Servicing	Corporate Center	Total Group
Total net interest income	114,413	75,940	8,695	–65,409	133,639
Total net income from commission business and services	63,092	48,918	31,787	–5,901	137,896
Income from trading activities	14,767	20,182	2,858	47,444	85,251
Income from financial instruments			54	5,984	6,038
Other income	–599	1,430	47	729	1,607
Total operating income	**191,673**	**146,470**	**43,441**	**–17,153**	**364,431**
Personnel expenses	24,891	52,996	11,720	86,164	175,771
General and administrative expenses	4,383	12,061	6,194	61,891	84,529
Depreciation of property, equipment and intangible assets	3,572	7,905	595	33,836	45,908
Credit loss expenses	4,822	332	–3	–200	4,951
Provisions and losses	865	285	757	462	2,369
Operating expenses	**38,533**	**73,579**	**19,263**	**182,153**	**313,528**
Earnings before income tax	**153,140**	**72,891**	**24,178**	**–199,306**	**50,903**
Taxes on income					6,694
Group net income					**44,209**
Segment assets (in CHF million)	4,021	1,410	36	5,982	11,450
Segment liabilities (in CHF million)	5,013	3,004	518	1,808	10,343
Client assets under management (in CHF billion)[1]	18.7	15.2	12.5		46.4
Net new money (in CHF billion)	–0.4	–0.2	0.6		0.0
Headcount (number of employees)	149	300	99	537	1,085
Headcount (expressed as full-time equivalents)	133.7	286.4	91.2	495.9	1,007.2

[1] Calculation in accordance with Table P of the Guidelines to the Liechtenstein Banking Ordinance issued by the Government of Liechtenstein (FL-BankO).

Geographic segment reporting

in CHF 1,000	Liechtenstein	Rest of Europe	Other countries	Total Group
2024				
Total operating income	272,032	59,447	–945	330,534
Total assets (in CHF million)	8,217	1,526	893	10,636
2023				
Total operating income	281,538	67,091	15,802	364,431
Total assets (in CHF million)	8,834	1,706	910	11,450

The reporting follows the principle of branch accounting.

Notes on the consolidated financial statement

1 Interest income

in CHF 1,000	2024	2023	Variance absolute	Variance in %
Discount income	7,320	7,195	125	1.7
Loan commissions with the character of interest	569	302	267	88.4
Interest income from banks	50,885	66,816	–15,931	–23.8
Interest income from customers	160,718	157,491	3,227	2.0
Interest income from financial instruments measured at amortised cost	42,943	37,051	5,892	15.9
Interest income from financial liabilities	10	0	10	0.0
Total interest income from financial instruments at amortised cost	**262,445**	**268,855**	**–6,410**	**–2.4**
Interest-rate instruments	239	246	–7	–2.8
Trading derivatives (forward points)	43,641	46,881	–3,240	–6.9
Hedge accounting	5	74	–69	–93.2
Total other interest income	**43,885**	**47,201**	**–3,316**	**–7.0**
Total interest income	**306,330**	**316,056**	**–9,726**	**–3.1**
Interest expenses on amounts due to banks	1,337	719	618	86.0
Interest expenses on amounts due to customers	200,375	179,159	21,216	11.8
Interest expenses on medium-term notes	471	421	50	11.9
Interest expenses on debentures issued	1,603	1,777	–174	–9.8
Interest expenses from financial assets	11	65	–54	–83.1
Interest expenses on right-of-use assets	274	276	–2	–0.7
Total interest expenses using the effective interest method	**204,071**	**182,417**	**21,654**	**11.9**
Total net interest income	**102,259**	**133,639**	**–31,380**	**–23.5**
Fair-value hedges				
Movements arising from hedges	–465	–577	112	19.4
Micro fair-value hedges	–465	–577	112	19.4
Movements in underlying transactions	470	651	–181	–27.8
Micro fair-value hedges	470	651	–181	–27.8
Total hedge accounting [1]	**5**	**74**	**–69**	**–93.2**

[1] Hedge ineffectiveness, disclosed in the income statement: further details in note 37.

2 Income from commission business and services

in CHF 1,000	2024	2023	Variance absolute	Variance in %
Commission income from credit business	1,412	647	765	118.2
Asset management and investment business	60,361	60,923	–562	–0.9
Brokerage fees	27,661	23,519	4,142	17.6
Securities account fees	17,836	17,739	97	0.5
Fund management fees [1]	32,043	56,618	–24,575	–43.4
Fiduciary commissions	2,710	2,465	245	9.9
Other commission and service income	16,947	19,822	–2,875	–14.5
Total income from commission business and services	**158,970**	**181,733**	**–22,763**	**–12.5**
Brokerage expenses	1,284	1,127	157	13.9
Other commission and services-related expenses [1]	20,597	42,710	–22,113	–51.8
Total expenses from commission business and services	**21,881**	**43,837**	**–21,956**	**–50.1**
Total net income from commission business and services	**137,089**	**137,896**	**–807**	**–0.6**

[1] As of 1 January 2024, fees are paid directly to the beneficiaries and are no longer processed via the accounts with the fund companies. In comparison to previous years, this leads to a reduction in both the income and the corresponding expenses.

The following table shows which components are included within the earnings position "Asset management and investment business".

in CHF 1,000	2024	2023	Variance absolute	Variance in %
Fees for securities settlement	9,415	9,042	373	4.1
Administration commissions	32,305	33,017	–712	–2.2
Management fees	7,371	10,659	–3,288	–30.8
Brokerage fees	18,511	13,802	4,709	34.1
Securities account fees	3,201	4,313	–1,112	–25.8
Administration fees	3,222	4,243	–1,021	–24.1
All-in fees	16,447	16,017	430	2.7
Miscellaneous fees	2,194	2,847	–653	–22.9
Asset management and investment business	**60,361**	**60,923**	**–562**	**–0.9**

3 Income from trading activities

in CHF 1,000	2024	2023	Variance absolute	Variance in %
Securities trading [1]	–1,853	–5,152	3,299	64.0
Foreign currency	81,932	89,844	–7,912	–8.8
Banknotes, precious metals and other	1,277	559	718	128.4
Total income from trading activities	**81,356**	**85,251**	**–3,895**	**–4.6**

[1] The income from derivatives for risk minimisation (except for interest rate derivatives) is included in this position.

4 Income from financial instruments

in CHF 1,000	2024	2023	Variance absolute	Variance in %
Income from financial instruments at fair value	4,807	6,206	–1,399	–22.5
Income from financial instruments at amortised cost	261	–168	429	255.4
Total income from financial instruments	**5,068**	**6,038**	**–970**	**–16.1**
Income from financial instruments at fair value				
Income from FVTPL assets	–4,314	–1,234	–3,080	–249.6
Interest income from FVTPL financial instruments	-39	356	–395	–111.0
Dividend income from FVTPL financial instruments	2,869	1,165	1,704	146.3
Dividend income from FVTOCI financial instruments	6,291	5,919	372	6.3
thereof from FVTOCI financial instruments sold	19	0	19	0.0
Total	**4,807**	**6,206**	**–1,399**	**–22.5**
Income from financial instruments at amortised cost				
Realised gains/losses on financial instruments at amortised cost	261	–168	429	255.4
Total	**261**	**–168**	**429**	**255.4**

5 Other income

in CHF 1,000	2024	2023	Variance absolute	Variance in %
Income from real estate	106	149	–43	–28.9
Income from joint venture companies	–1	–1	0	0.0
Miscellaneous other income [1]	5,062	3,611	1,451	40.2
Miscellaneous other expenses [2]	–405	–2,152	1,747	81.2
Total other income	**4,762**	**1,607**	**3,155**	**196.3**

[1] Includes in 2024 CHF 4.4 million from reimbursements and in 2023 CHF 2.4 million from early termination of a lease liability as well as CHF 0.4 million from a reimbursement.
[2] Includes in 2023 CHF –1.8 million from legal expenses.

6 Personnel expenses

in CHF 1,000	2024	2023	Variance absolute	Variance in %
Salaries and wages	152,494	148,839	3,655	2.5
Social contributions required by law	12,640	13,228	–588	–4.4
Contributions to pension plans / defined-benefit plans	14,125	8,367	5,758	68.8
Contributions to pension plans / defined-contribution plans	2,630	2,839	–209	–7.4
Other personnel expenses	3,960	5,631	–1,671	–29.7
Capitalised personnel expenses [1]	–2,515	–3,133	618	19.7
Total personnel expenses [2]	**183,334**	**175,771**	**7,563**	**4.3**

[1] In accordance with IAS 38, a portion of internally generated intangible assets such as software is capitalised. The amount that can be capitalised is reduced accordingly in personnel expenses.
[2] Includes in 2024 CHF 5.0 million restructuring costs (see Consolidated annual report of VP Bank Group).

7 General and administrative expenses

in CHF 1,000	2024	2023	Variance absolute	Variance in %
Occupancy expenses	3,221	3,883	–662	–17.0
Insurance	901	937	–36	–3.8
Professional fees	21,825	20,637	1,188	5.8
Financial information procurement	9,309	9,207	102	1.1
Telecommunication and postage	1,392	1,384	8	0.6
IT systems	34,078	34,893	–815	–2.3
Marketing and public relations	4,554	4,890	–336	–6.9
Capital taxes	750	811	–61	–7.5
Other general and administrative expenses	9,518	7,887	1,631	20.7
Total general and administrative expenses [1]	**85,548**	**84,529**	**1,019**	**1.2**
Fees invoiced by the audit firm	2,505	2,036	470	23.1
thereof the audit of the annual financial statements	780	673	107	15.8
thereof other audit or assurance services	1,445	872	573	65.7
thereof tax advisory services	52	64	–12	–19.1
thereof other services	228	426	–198	–46.5

1 Includes in 2024 CHF 0.4 million restructuring costs (see Consolidated annual report of VP Bank Group.

8 Depreciation of property, equipment and intangible assets

in CHF 1,000	Note	2024	2023	Variance absolute	Variance in %
Depreciation and amortisation of property and equipment [1]	22	15,278	14,829	449	3.0
Depreciation and amortisation of intangible assets [2]	23	21,680	31,079	–9,399	–30.2
Total depreciation and amortisation		**36,958**	**45,908**	**–8,950**	**–19.5**

1 Includes in 2024 CHF 1.9 million restructuring costs (see Consolidated annual report of VP Bank Group.
2 In 2024 CHF 8.1 million less depreciation due to adjusted estimated useful life (see accounting policies and notes).

9 Valuation allowances, provisions and losses

in CHF 1,000	2024	2023	Variance absolute	Variance in %
Decrease/increase credit allowances [1]	724	4,951	–4,227	–85.4
Legal and litigation risks	701	450	251	55.8
Other provisions and losses	1,001	1,919	–918	–47.8
Total valuation allowances, provisions and losses	**2,426**	**7,320**	**–4,894**	**–66.9**

1 Including currency effects.

10a Taxes on income

in CHF 1,000	2024	2023
Domestic		
Current taxes	6,289	9,182
Deferred taxes	–3,521	–3,773
Foreign		
Current taxes	133	–131
Deferred taxes	896	1,416
Total current taxes	6,422	9,051
Total deferred taxes	–2,625	–2,357
Total taxes on income	**3,797**	**6,694**

The Group's effective payments for domestic and foreign income taxes amounted to CHF 6.6 million in 2024 (previous year: CHF 8.9 million).

Statement of taxes on income

All expected obligations from taxes on income for the reporting period are recognised in the financial statements. They are calculated in accordance with the tax laws applicable in the respective countries. The deferred tax liabilities arising from the different valuations between the financial statements prepared for tax purposes and the values used for consolidation purposes are recognised at the following tax rates:

	2024	2023
Liechtenstein	12.5%	12.5%
Switzerland	19.6%	19.7%
Luxembourg	24.9%	24.9%
British Virgin Islands	0.0%	0.0%
Singapore	17.0%	17.0%
Hong Kong	16.5%	16.5%

The pre-tax net income and the differences between the tax expense in accordance with the income statement and the tax expense based on an assumed average tax rate of 15 per cent (previous year: 15 per cent) are composed as follows:

in CHF 1,000	2024	2023
Income before income tax		
Domestic	4,738	18,441
Foreign	17,530	32,462
Taxes on income using an assumed average charge	**3,340**	**7,635**
Reasons for increased/decreased taxable income		
Effect on tax free income / effect on non taxable expenses	–1,819	–1,265
Difference between actual and assumed tax rates	1,363	2,822
Tax income unrelated to accounting period	68	–1,036
Previously unrecognized tax losses now utilised	845	–1,462
Total income tax	**3,797**	**6,694**

10b Deferred tax assets and liabilities

in CHF 1,000	Balance at the beginning of the financial year	Changes affecting the income statement	Changes affecting the other comprehensive income	Changes in scope of consolidation/ acquisitions	Total 2024
Deferred tax assets					
Property, equipment and intangible assets	7,013	560	0	0	7,573
Valuation allowances for credit risks	704	–704	0	0	0
Tax loss carry-forwards [1]	4,186	1,488	0	0	5,674
Defined-benefit pension plans	1,916	395	–436	0	1,875
Financial instruments	48	–9	0	0	39
Other	484	–85	0	0	399
Total deferred tax assets	**14,351**	**1,645**	**–436**	**0**	**15,560**
Offsetting	–2,519	1,397	477	0	–645
Total deferred tax assets after offsetting	**11,832**	**3,042**	**41**	**0**	**14,915**
Deferred tax liabilities					
Property, equipment and intangible assets	1,017	–541	0	0	476
Financial instruments	59	–9	0	0	50
Financial instruments directly offset within shareholders' equity	10	0	–73	0	–63
Valuation allowances for credit risks	19	–6	0	0	13
Other	2,916	–424	0	0	2,492
Total deferred tax liabilities	**4,021**	**–980**	**–73**	**0**	**2,968**
Offsetting	–2,519	1,397	477	0	–645
Total deferred tax liabilities after offsetting	**1,502**	**417**	**404**	**0**	**2,323**

[1] Where the realisation of tax benefits is considered probable, there is an obligation to capitalise. Offsetting only applies if the deferred tax assets and liabilities relate to the same tax authority.

in CHF 1,000	Balance at the beginning of the financial year	Changes affecting the income statement	Changes affecting the other comprehensive income	Changes in scope of consolidation/ acquisitions	Total 2023
Deferred tax assets					
Property, equipment and intangible assets	6,541	472	0	0	7,013
Valuation allowances for credit risks	704	0	0	0	704
Tax loss carry-forwards [1]	2,430	1,756	0	0	4,186
Defined-benefit pension plans	1,217	–379	1,078	0	1,916
Financial instruments	167	–13	–106	0	48
Other	670	–186	0	0	484
Total deferred tax assets	**11,729**	**1,650**	**972**	**0**	**14,351**
Offsetting	–3,427	849	59	0	–2,519
Total deferred tax assets after offsetting	**8,302**	**2,499**	**1,031**	**0**	**11,832**
Deferred tax liabilities					
Property, equipment and intangible assets	1,647	–630	0	0	1,017
Financial instruments	59	0	0	0	59
Financial instruments directly offset within shareholders' equity	24	–10	–4	0	10
Valuation allowances for credit risks	23	–4	0	0	19
Other	2,975	–59	0	0	2,916
Total deferred tax liabilities	**4,728**	**–703**	**–4**	**0**	**4,021**
Offsetting	–3,427	849	59	0	–2,519
Total deferred tax liabilities after offsetting	**1,301**	**146**	**55**	**0**	**1,502**

[1] Where the realisation of tax benefits is considered probable, there is an obligation to capitalise. Offsetting only applies if the deferred tax assets and liabilities relate to the same tax authority.

The deferred taxes are due to temporary differences resulting from different valuations between the IFRS and statutory financial statements.

in CHF 1,000	2024	2023
Loss carry-forwards not reflected in the balance sheet expire as follows:		
Within 1 year	0	0
Within 1 to 5 years	0	0
Within 5 to 10 years	0	0
No expiration	0	0
Total	**0**	**0**

10c Tax assets and liabilities

in CHF 1,000	Note	31.12.2024	31.12.2023
Tax assets			
Amounts receivable arising on current taxes on income		157	31
Deferred tax assets	10b	14,915	11,832
Total tax assets		**15,072**	**11,863**
Tax liabilities			
Liabilities arising on current taxes on income		5,251	5,424
Deferred tax liabilities	10b	2,323	1,502
Total tax liabilities		**7,574**	**6,926**

10d Tax effects on other comprehensive income

in CHF 1,000			31.12.2024
	Amount before tax	**Tax yield / tax expenses**	**Amount net of tax**
Changes in foreign-currency translation differences	5,575	0	5,575
Foreign-currency translation difference transferred to the income statement from shareholders' equity	0	0	0
Changes in value of FVTOCI financial instruments	11,013	73	11,086
Actuarial gains/losses from defined-benefit pension plans	2,308	-436	1,872
Total comprehensive income in shareholders' equity	**18,896**	**-363**	**18,533**
			31.12.2023
Changes in foreign-currency translation differences	-6,962	0	-6,962
Foreign-currency translation difference transferred to the income statement from shareholders' equity	0	0	0
Changes in value of FVTOCI financial instruments	2,724	-102	2,622
Actuarial gains/losses from defined-benefit pension plans	-8,783	1,078	-7,705
Total comprehensive income in shareholders' equity	**-13,021**	**976**	**-12,045**

11 Earnings per share

	31.12.2024	31.12.2023
Consolidated earnings per share of VP Bank Ltd, Vaduz		
Group net income (in CHF 1,000)[1]	18,471	44,209
Weighted average of registered shares A issued	6,015,000	6,015,000
Weighted average of registered shares B issued	6,004,167	6,004,167
Less weighted average number of treasury shares A	391,173	432,185
Less weighted average number of treasury shares B	352,784	351,084
Weighted average number of registered shares A (undiluted)	5,623,827	5,582,815
Weighted average number of registered shares B (undiluted)	5,651,383	5,653,083
Total weighted average number of shares (registered shares A)	6,188,965	6,148,124
Undiluted consolidated earnings per registered share A	2.98	7.19
Undiluted consolidated earnings per registered share B	0.30	0.72
Diluted consolidated earnings per share of VP Bank Ltd, Vaduz		
Group net income (in CHF 1,000)[1]	18,471	44,209
Dilution effect number of registered shares A[2]	24,178	26,107
Number of shares used to compute the fully diluted consolidated net income	6,213,143	6,174,231
Diluted consolidated earnings per registered share A	2.97	7.16
Diluted consolidated earnings per registered share B	0.30	0.72

1 Based on the group net income attributable to shareholders of VP Bank Ltd, Vaduz.
2 The dilution effect results from outstanding management stock-ownership plans (Note 43).

12 Dividend

	2024	2023
Approved and paid dividend of VP Bank Ltd, Vaduz		
Dividend (in CHF 1,000) for the financial year 2023 (2022)	33,077	33,077
Dividend per registered share A	5.00	5.00
Dividend per registered share B	0.50	0.50
Payout ratio (in %)	69.5	76.1
Proposed dividend to be approved by the annual general meeting of VP Bank Ltd, Vaduz (not reflected as a liability as of 31 December)		
Dividend (in CHF 1,000) for the financial year 2024	26,462	
Dividend per registered share A	4.00	
Dividend per registered share B	0.40	
Payout ratio (in %)[1]	134.0	

1 Dividend per registered share A / group net income per registered share A.

13 Cash and cash equivalents

in CHF 1,000	31.12.2024	31.12.2023
Cash on hand	13,330	19,508
At-sight balances with national and central banks	891,888	1,591,475
Expected credit loss	–19	–24
Total cash and cash equivalents	**905,199**	**1,610,959**

14 Receivables arising from money market papers

in CHF 1,000	31.12.2024	31.12.2023
Money market paper (qualifying for refinancing purposes)	171,755	170,902
Expected credit loss	–6	–8
Total receivables arising from money market papers	**171,749**	**170,894**

15 Due from banks and customers

in CHF 1,000	Note	31.12.2024	31.12.2023
By type of exposure			
Due from banks – at-sight balances		394,894	549,599
Due from banks – term balances		455,815	804,271
Valuation allowances for credit risks	16	–28	–87
Due from banks		**850,681**	**1,353,783**
Mortgage receivables		3,727,549	3,288,612
Other receivables		2,238,711	2,200,778
Valuation allowances for credit risks	16	–25,008	–21,872
Due from customers		**5,941,252**	**5,467,518**
Total due from banks and customers		**6,791,933**	**6,821,301**
Due from customers by type of collateral			
Mortgage collateral		3,732,694	3,305,469
Other collateral		2,148,981	1,911,437
Without collateral		84,585	272,484
Subtotal		**5,966,260**	**5,489,390**
Valuation allowances for credit risks		–25,008	–21,872
Total due from customers		**5,941,252**	**5,467,518**

16 Allowances for credit risk

The detailed information on credit risk is disclosed in the section Risk Management of VP Bank Group.

17 Trading portfolios

in CHF 1,000	31.12.2024	31.12.2023
Debt securities valued at fair value		
Total	**0**	**0**
Equity securities / investment-fund units valued at fair value		
Total	**0**	**0**
Other	**372**	**213**
Total trading portfolios	**372**	**213**

18 Derivative financial instruments

in CHF 1,000	Positive replacement values	Negative replacement values	Contract volumes
Interest-rate instruments			
Swaps		413	22,000
Total interest-rate instruments 31.12.2024	**0**	**413**	**22,000**
Foreign currencies			
Forward contracts	10,341	1,214	353,867
Combined interest-rate/currency swaps	69,211	10,038	3,561,846
Options (OTC)	5,898	5,901	508,250
Total foreign currencies 31.12.2024	**85,450**	**17,153**	**4,423,963**
Equity securities/indices			
Options (OTC)	734	723	98,802
Total equity securities/indices 31.12.2024	**734**	**723**	**98,802**
Precious metals			
Forward contracts	308	70	16,600
Options (OTC)	356	356	24,917
Total precious metals 31.12.2024	**664**	**426**	**41,517**
Total derivative financial instruments 31.12.2024	**86,848**	**18,715**	**4,586,282**

The fair value for derivative financial instruments without market value is determined using recognised models. These valuation models take account of the relevant parameters such as contract specifications, the market price of the underlying security, the yield curve and volatility.

in CHF 1,000	Positive replacement values	Negative replacement values	Contract volumes
Interest-rate instruments			
Swaps	24	353	32,000
Total interest-rate instruments 31.12.2023	**24**	**353**	**32,000**
Foreign currencies			
Forward contracts	6,423	10,719	611,286
Combined interest-rate/currency swaps	13,882	71,148	3,551,399
Options (OTC)	20,588	20,612	959,641
Total foreign currencies 31.12.2023	**40,893**	**102,479**	**5,122,326**
Equity securities/indices			
Options (OTC)	491		567,374
Options (Exchange-traded)		904	3,197
Total equity securities/indices 31.12.2023	**491**	**904**	**570,571**
Precious metals			
Forward contracts	5	5	2,732
Options (OTC)	547	547	19,083
Total precious metals 31.12.2023	**552**	**552**	**21,815**
Total derivative financial instruments 31.12.2023	**41,960**	**104,288**	**5,746,712**

19 Financial instruments at fair value

in CHF 1,000	31.12.2024	31.12.2023
Debt instruments		
Exchange-listed	0	4,182
Non-exchange-listed	1	1
Total	**1**	**4,183**
Equity shares / investment fund units		
Exchange-listed	7,826	6,004
Non-exchange-listed	44,102	42,591
Total	**51,928**	**48,595**
Equity shares, through other comprehensive income (FVTOCI)		
Exchange-listed	138,830	127,074
Non-exchange-listed	1,915	2,341
Total	**140,745**	**129,415**
Structured products		
Exchange-listed	316	391
Total	**316**	**391**
Total financial instruments at fair value	**192,990**	**182,584**

The fair value of non-exchange-listed financial instruments is determined only on the basis of external traders' quotes or pricing models which are based on prices and interest rates in an observable, active and liquid market. Management is satisfied that the prices determined on the basis of these techniques represent the best value calculated at the date of the financial statements for the balance sheet as well as the valuation entries in the income statement that depend on them.

20 Financial instruments at amortised cost

in CHF 1,000	31.12.2024	31.12.2023
Debt instruments		
Exchange-listed	2,228,165	2,372,730
Expected credit loss	–911	–1,047
Total financial instruments at amortised cost	**2,227,254**	**2,371,683**

21 Joint venture

in CHF 1,000	2024	2023
Balance on 01.01.2024	23	24
Share of profit/loss	–1	–1
Balance on 31.12.2024	**22**	**23**

Details of companies reflected in the consolidation using the equity method

Name	Registered office	Activity	Share capital	Capital held in %	
				31.12.2024	31.12.2023
Data Info Services AG	Vaduz	Procurement, trade and exchange of goods and services	CHF 50,000	50	50

22 Property and equipment

in CHF 1,000	Right of use assets[1]	Bank buildings	Other real estate	Furniture and equipment	IT systems	Total 2024
Acquisition cost						
Balance on 01.01.2024	35,073	198,155	3,366	23,458	11,037	271,088
Additions	945	1,441	34	480	93	2,993
Disposals/derecognitions[2]	–1,367			–102	–1,490	–2,959
Foreign-currency translation	510			311	47	868
Balance on 31.12.2024	**35,161**	**199,596**	**3,400**	**24,147**	**9,687**	**271,990**
Accumulated depreciation and amortisation						
Balance on 01.01.2024	–18,309	–148,299	–31	–17,827	–8,166	–192,631
Depreciation and amortisation	–4,592	–5,590	–8	–1,680	–1,516	–13,386
Valuation allowances[3]	–592		–841	–459		–1,892
Disposals/derecognitions[2]	1,367			102	1,490	2,959
Foreign-currency translation	–237			–219	–41	–497
Other adjustments	0			–34		–34
Balance on 31.12.2024	**–22,363**	**–153,889**	**–880**	**–20,117**	**–8,233**	**–205,481**
Net book values on 31.12.2024	**12,798**	**45,707**	**2,520**	**4,030**	**1,454**	**66,509**

1 Total in accordance with the table below.
2 Includes derecognitions of fully depreciated property, plant and equipment.
3 CHF 1.9 million restructuring costs (see Consolidated annual report of VP Bank Group.

in CHF 1,000	Right of use assets[1]	Bank buildings	Other real estate	Furniture and equipment	IT systems	Total 2023
Acquisition cost						
Balance on 01.01.2023	38,375	197,617	3,177	22,314	22,905	284,387
Additions	6,210	653	189	1,642	1,038	9,732
Disposals/derecognitions[2]	–8,815	–115		–144	–12,844	–21,918
Foreign-currency translation	–612			–354	–62	–1,028
Other adjustments	–85					–85
Balance on 31.12.2023	**35,073**	**198,155**	**3,366**	**23,458**	**11,037**	**271,088**
Accumulated depreciation and amortisation						
Balance on 01.01.2023	–22,159	–142,783	–25	–16,315	–18,788	–200,069
Depreciation and amortisation	–5,241	–5,631	–6	–1,857	–2,269	–15,004
Valuation allowances	0					0
Disposals/derecognitions[2]	8,815	115		144	12,844	21,918
Foreign-currency translation	276			201	47	524
Balance on 31.12.2023	**–18,309**	**–148,299**	**–31**	**–17,827**	**–8,166**	**–192,631**
Net book values on 31.12.2023	**16,764**	**49,856**	**3,335**	**5,631**	**2,871**	**78,457**

1 Total in accordance with the table below.
2 Includes derecognitions of fully depreciated property, plant and equipment.

Right of use assets

in CHF 1,000	Buildings and premises	Motor vehicles	Total 2024
Acquisition cost			
Balance on 01.01.2024	33,136	1,937	35,073
Additions	727	218	945
Disposals/derecognitions	–1,327	–40	–1,367
Foreign-currency translation	510	0	510
Other adjustments	0	0	0
Balance on 31.12.2024	**33,046**	**2,115**	**35,161**
Accumulated depreciation and amortisation			
Balance on 01.01.2024	–16,831	–1,478	–18,309
Depreciation and amortisation	–4,353	–239	–4,592
Valuation allowances	–592	0	–592
Disposals/derecognitions	1,327	40	1,367
Foreign-currency translation	–239	2	–237
Balance on 31.12.2024	**–20,688**	**–1,675**	**–22,363**
Net book values on 31.12.2024	**12,358**	**440**	**12,798**

in CHF 1,000	Buildings and premises	Motor vehicles	Total 2023
Acquisition cost			
Balance on 01.01.2023	36,461	1,914	38,375
Additions	6,007	203	6,210
Disposals/derecognitions	–8,728	–87	–8,815
Foreign-currency translation	–604	–8	–612
Other adjustments	0	–85	–85
Balance on 31.12.2023	**33,136**	**1,937**	**35,073**
Accumulated depreciation and amortisation			
Balance on 01.01.2023	–20,913	–1,246	–22,159
Depreciation and amortisation	–4,922	–319	–5,241
Valuation allowances	0	0	0
Disposals/derecognitions	8,728	87	8,815
Foreign-currency translation	276	0	276
Balance on 31.12.2023	**–16,831**	**–1,478**	**–18,309**
Net book values on 31.12.2023	**16,305**	**459**	**16,764**

Additional information regarding property and equipment

in CHF 1,000	2024	2023
Fire insurance value of real estate	176,500	167,565
Fire insurance value of other property and equipment	26,450	43,588
Fair value of other real estate	2,520	3,335

There is no property, plant and equipment from financial leasing.

23 Goodwill and other intangible assets

in CHF 1,000	Software	Customer relationships	Goodwill	Total 2024
Acquisition cost				
Balance on 01.01.2024	236,095	56,720	53,670	346,485
Additions	13,132			13,132
Disposals/derecognitions	–8,224			–8,224
Foreign-currency translation	311			311
Balance on 31.12.2024	**241,314**	**56,720**	**53,670**	**351,704**
Accumulated amortisation				
Balance on 01.01.2024	–186,483	–46,514	–35,302	–268,299
Depreciation and amortisation	–17,071	–4,609		–21,680
Impairment				0
Disposals/derecognitions	8,224			8,224
Foreign-currency translation	–309			–309
Balance on 31.12.2024	**–195,639**	**–51,123**	**–35,302**	**–282,064**
Net book values on 31.12.2024	**45,675**	**5,597**	**18,368**	**69,640**

in CHF 1,000	Software	Customer relationships	Goodwill	Total 2023
Acquisition cost				
Balance on 01.01.2023	235,803	56,720	53,670	346,193
Additions	18,625			18,625
Disposals/derecognitions	–17,938			–17,938
Foreign-currency translation	–395			–395
Balance on 31.12.2023	**236,095**	**56,720**	**53,670**	**346,485**
Accumulated amortisation				
Balance on 01.01.2023	–178,334	–41,905	–35,302	–255,541
Depreciation and amortisation	–26,470	–4,609		–31,079
Impairment				0
Disposals/derecognitions	17,938			17,938
Foreign-currency translation	383			383
Balance on 31.12.2023	**–186,483**	**–46,514**	**–35,302**	**–268,299**
Net book values on 31.12.2023	**49,612**	**10,206**	**18,368**	**78,186**

No other intangible assets with an indefinite useful life are capitalised in the consolidated balance sheet of VP Bank Group.

Goodwill impairment test

The goodwill of CHF 18.4 million results from the existing goodwill of CHF 10.8 million from the acquisition of VP Bank (Luxembourg) SA in 2001, which is allocated to the cash-generating unit (CGU) VP Bank (Luxembourg) SA. This goodwill has not been amortised since 1 January 2005, but is subject to an annual impairment test. Since 2019, there has been further goodwill of CHF 6.8 million from the acquisition of the Luxembourg private banking activities of Catella Bank by VP Bank (Luxembourg) SA. Further goodwill of CHF 0.8 million was added in the 2021 financial year from the acquisition of the client business of Öhman Bank S.A., which has its registered office in Luxembourg. Both instances of goodwill are also allocated to the CGU VP Bank (Luxembourg) SA.

The determination of the realisable amount in connection with the impairment test in the 2024 financial year was based on the fair value (Level 3) less costs to sell. The carrying value of existing goodwill as well as intangible assets is tested using the market multiples method from comparable listed enterprises or from comparable transactions. The multiple used is the so-called goodwill multiple, which is defined as the ratio of the difference between the market capitalisation and the carrying value of equity capital to the existing assets under management and is used for the valuation of companies in the wealth management sector. The realisable amount exceeded the carrying value (posted equity capital plus carrying value of acquired intangible assets after deferred taxes plus carrying value of goodwill) of the CGU to such an extent that an impairment of goodwill could be considered unlikely. An additional calculation of the realisable amount, based on the value in use, as well as a sensitivity analysis was therefore waived.

24 Other assets

in CHF 1,000	31.12.2024	31.12.2023
Value-added taxes and other tax receivables	7,696	6,241
Settlement accounts	56,454	16,363
Miscellaneous other assets[1]	1,976	1,884
Total other assets	**66,126**	**24,488**

[1] Adjustment accounts, other miscellaneous assets.

25 Medium-term notes

in CHF 1,000 Maturity	0–0.9999 % Interest rate	1–1.9999 % Interest rate	2–2.9999 % Interest rate	3–3.9999 % Interest rate	4–4.9999 % Interest rate	Total
2025	3,544	4,270	891	1,027	49	9,781
2026	13,289	1,914	47	10	15	15,276
2027	4,992	937	47	906	0	6,882
2028	938	4,396	202	0	0	5,536
2029	286	10,153	0	0	0	10,439
2030	142	269	0	0	0	411
2031	106	40	94	0	0	240
2032	117	790	0	0	0	907
2033	0	0	0	0	0	0
2034	0	20	0	0	0	20
Total 31.12.2024	**23,414**	**22,789**	**1,280**	**1,943**	**64**	**49,491**
Total 31.12.2023	**26,246**	**22,783**	**2,126**	**1,805**	**45**	**53,005**

The average payment of interest as at 31 December 2024 was 0.9 per cent (previous year: 0.9 per cent).

26 Debentures, VP Bank Ltd, Vaduz

						in CHF 1,000	
Year of issue	ISIN	Interest rate in %	Currency	Maturity	Nominal amount	Total 31.12.2024	Total 31.12.2023
2015	CH0262888941	0.875	CHF	07.10.2024	100,000	0	100,043
2019	CH0461238880	0.600	CHF	29.11.2029	155,000	154,987	154,985
Total					**255,000**	**154,987**	**255,028**

Issued debt instruments are recorded at fair value plus transaction costs upon initial recognition. Fair value corresponds to the consideration received. They are subsequently accounted for at amortised cost. In this process, the market yield method (0.82 per cent debenture 2024; 0.60 per cent debenture 2029) is applied in order to amortise the difference between the issuance price and redemption value over the duration of the debentures.

27 Other liabilities

in CHF 1,000	31.12.2024	31.12.2023
Value-added taxes and other tax receivables	10,322	8,314
Accrued retirement pension contributions[1]	13,617	13,047
Other long-term employee benefits[1]	3,193	3,065
Settlement accounts	67,453	25,346
Miscellaneous other liabilities[2]	17,967	15,846
Total other liabilities	**112,552**	**65,618**

1 Note 40.
2 Adjustment accounts, other miscellaneous liabilities.

28 Provisions

in CHF 1,000	Default risk	Legal and litigation risks	Other provisions	Restructuring-provisions	Total 2024
Carrying value at the beginning of the financial year	252	357	1,770	0	2,379
Utilisation in accordance with purpose		–365	–19	–1,182	–1,566
New provisions charged to income statement	578	701	5	5,453	6,737
Provisions releases to income statement	–414		–100	–249	–763
Foreign-currency translation differences and other adjustments	18		17	119	154
Carrying value at the end of the financial year	**434**	**693**	**1,673**	**4,141**	**6,941**
Maturity of provisions					
within one year					3,872
over one year					3,069

in CHF 1,000	Default risk	Legal and litigation risks	Other provisions	Restructuring-provisions	Total 2023
Carrying value at the beginning of the financial year	303	1,000	719	0	2,022
Utilisation in accordance with purpose		–93	–19		–112
New provisions charged to income statement	485	450	262		1,197
Provisions releases to income statement	–504		–152		–656
Reclassification		–1,000	1,000		0
Foreign-currency translation differences and other adjustments	–32		–40		–72
Carrying value at the end of the financial year	**252**	**357**	**1,770**	**0**	**2,379**
Maturity of provisions					
within one year					2,155
over one year					224

29 Share capital

	31.12.2024		31.12.2023	
	No. of shares	Nominal CHF	No. of shares	Nominal CHF
Registered shares A of CHF 10.00 nominal value	6,015,000	60,150,000	6,015,000	60,150,000
Registered shares B of CHF 1.00 nominal value	6,004,167	6,004,167	6,004,167	6,004,167
Total share capital		**66,154,167**		**66,154,167**

All shares are fully paid up.

30 Treasury shares

	31.12.2024		31.12.2023	
	No. of shares	in CHF 1,000	No. of shares	in CHF 1,000
Registered shares A at the beginning of the financial year	**416,615**	**43,755**	**454,784**	**47,763**
Purchases	0	0	2	0
Sales	–41,155	–4,323	–38,171	–4,008
Balance of registered shares A as of balance sheet date	**375,460**	**39,432**	**416,615**	**43,755**
Registered shares B at the beginning of the financial year	**352,169**	**5,469**	**350,769**	**5,457**
Purchases	1,000	8	1,500	13
Sales	0	0	–100	–1
Balance of registered shares B as of balance sheet date	**353,169**	**5,477**	**352,169**	**5,469**

31 Assets pledged or assigned to secure own liabilities and assets subject to retention of title

	31.12.2024		31.12.2023	
in CHF 1,000	Market value	Actual liability	Market value	Actual liability
Securities	753,095	0	736,825	0
Money market papers	0	0	0	0
Other	4,024	1,578	4,032	1,911
Total pledged assets	**757,119**	**1,578**	**740,857**	**1,911**

The assets are pledged for repo limits with national and central banks, for stock exchange deposits and to secure the business activities of the foreign organisations in accordance with local legal requirements. Assets pledged or assigned as part of lending or repo transactions are not included in the above list. They are shown in the table “Lending transactions and repurchase agreements with securities” (Note 44).

32 Leasing

The Group rents various office and warehouse buildings, as well as vehicles. Rental agreements are usually concluded for fixed periods of two to eight years, but options to extend may be included.

Leases in the balance sheet

in CHF 1,000	31.12.2024	31.12.2023	Variance absolute	Variance in %
Property and equipment				
Right of use – buildings and premises	12,358	16,305	–3,947	–24.2
Right of use – motor vehicles	440	459	–19	–4.1
Total assets	**12,798**	**16,764**	**-3,966**	**-23.7**
Remaining duration of up to 1 year	4,998	4,884	114	2.3
Remaining duration of 1 to 5 years	9,858	13,550	–3,692	–27.2
Remaining duration of over 5 years	0	0	0	0.0
Total lease liabilities	**14,856**	**18,434**	**-3,578**	**-19.4**

Leases in the income statement

in CHF 1,000	2024	2023	Variance absolute	Variance in %
Net interest income				
Interest expense on lease liabilities	274	276	–2	–0.7
Expenses relating to leases of low-value assets	694	488	206	42.2
Depreciation of property and equipment				
Depreciation and impairment on right-of-use assets	5,184	5,241	–57	–1.1

33 Litigation

As part of its ordinary banking activities, VP Bank Group is involved in various legal proceedings. The legal and regulatory environment in which VP Bank Group operates involves significant litigation, compliance, reputational and other risks in connection with legal disputes and regulatory proceedings. The impact of these proceedings on the financial strength and/or profitability of VP Bank Group is dependent on the status of the proceedings and their outcome. VP Bank Group employs the relevant processes, reports and committees to monitor and manage these risks. It also establishes provisions for ongoing and threatened proceedings if the probability that such proceedings will entail a financial loss is judged to be greater than the probability of this not being the case. In isolated cases in which the amount cannot be reliably estimated, for instance because of the early stage or the complexity of the proceedings or other factors, no provision is established, but contingent liabilities may be created. The risks described below are not necessarily the only ones to which VP Bank Group is exposed. Additional risks which are presently unknown or risks and proceedings which are currently considered insignificant may equally impact the future course of business, operating results and the outlook of VP Bank Group.

In the case before the High Court of Justice in London, the court served a civil suit on VP Bank (Switzerland) Ltd at the beginning of 2020. VP Bank Ltd is also named as a defendant and was notified of the action in March 2020. The main defendant is a former governing body of a foreign pension fund. The latter is said to have acted unlawfully in its role by accepting distribution remunerations for investment funds. The action names more than 40 defendants, among them various other banks and individuals that processed payments or paid distribution remunerations. VP Bank Ltd and VP Bank (Switzerland) Ltd are accused of a violation of due diligence obligations. They are also accused of involvement in the processing of questionable third-party fees and commissions of at least USD 46 million, meaning they would have to assume non-contractual collective liability for the damages incurred. VP Bank Group is disputing the accusations and the place of jurisdiction. Two defendant banks in Switzerland successfully challenged the UK jurisdiction.

VP Bank Group considers the risk of outflow of funds to be small in the above case, which is why no provision has been formed.

34 Balance sheet per currency

in CHF 1,000	CHF	USD	EUR	Other	Total 2024
Assets					
Cash and cash equivalents	734,046	506	166,612	4,035	905,199
Receivables arising from money market papers		72,944		98,805	171,749
Due from banks	133,570	318,832	167,562	230,717	850,681
Due from customers	4,575,615	585,194	511,303	269,140	5,941,252
Trading portfolios				372	372
Derivative financial instruments	74,606	9,934	102	2,206	86,848
Financial instruments at fair value	81,518	13,758	92,941	4,773	192,990
Financial instruments at amortised cost	545,089	976,892	679,215	26,058	2,227,254
Joint venture companies	22				22
Property and equipment	61,478	5,031			66,509
Intangible assets	69,434	206			69,640
Tax receivables			157		157
Deferred tax assets	14,866			49	14,915
Accrued liabilities and deferred items	18,850	13,225	7,918	1,890	41,883
Other assets	28,880	32,774	3,994	478	66,126
Total assets 31.12.2024	**6,337,974**	**2,029,296**	**1,629,804**	**638,523**	**10,635,597**
Liabilities and shareholders' equity					
Due to banks	120,255	16,775	6,547	33,275	176,852
Due to customers – savings and deposits	379,486		724		380,210
Due to customers – other liabilities	2,344,933	3,397,969	1,890,105	935,277	8,568,284
Derivative financial instruments	9,370	6,396	100	2,849	18,715
Medium-term notes	45,496	2,139	1,856		49,491
Debenture issues	154,987				154,987
Tax liabilities	5,187			64	5,251
Deferred tax liabilities	2,323				2,323
Accrued liabilities and deferred items	24,611	11,971	3,085	3,530	43,197
Other liabilities	38,372	54,658	17,447	2,075	112,552
Provisions	4,446	346	288	1,861	6,941
Total liabilities	**3,129,466**	**3,490,254**	**1,920,152**	**978,931**	**9,518,803**
Total shareholders' equity	**1,039,494**	**71,380**	**0**	**5,920**	**1,116,794**
Total liabilities and shareholders' equity 31.12.2024	**4,168,960**	**3,561,634**	**1,920,152**	**984,851**	**10,635,597**

in CHF 1,000	CHF	USD	EUR	Other	Total 2023
Assets					
Cash and cash equivalents	1,343,392	497	263,143	3,927	1,610,959
Receivables arising from money market papers		66,821		104,073	170,894
Due from banks	250,015	434,353	193,655	475,760	1,353,783
Due from customers	4,125,394	591,137	503,352	247,635	5,467,518
Trading portfolios				213	213
Derivative financial instruments	18,852	4,484	4,315	14,309	41,960
Financial instruments at fair value	75,844	10,020	91,139	5,581	182,584
Financial instruments at amortised cost	609,983	941,790	790,597	29,313	2,371,683
Joint venture companies	23				23
Property and equipment	72,007	5,585		865	78,457
Intangible assets	78,021	165			78,186
Tax receivables			31		31
Deferred tax assets	11,823			9	11,832
Accrued liabilities and deferred items	30,730	14,003	10,709	1,840	57,282
Other assets	18,036	1,275	2,372	2,805	24,488
Total assets 31.12.2023	**6,634,120**	**2,070,130**	**1,859,313**	**886,330**	**11,449,893**
Liabilities and shareholders' equity					
Due to banks	225,805	12,703	34,533	20,202	293,243
Due to customers – savings and deposits	421,576		719		422,295
Due to customers – other liabilities	2,438,351	3,527,226	2,035,054	1,082,139	9,082,770
Derivative financial instruments	81,525	3,836	4,596	14,331	104,288
Medium-term notes	48,406	2,002	2,597		53,005
Debenture issues	255,028				255,028
Tax liabilities	4,461			963	5,424
Deferred tax liabilities	1,502				1,502
Accrued liabilities and deferred items	35,357	12,427	4,371	5,034	57,189
Other liabilities	35,605	19,142	9,744	1,127	65,618
Provisions	1,751	241	164	223	2,379
Total liabilities	**3,549,367**	**3,577,577**	**2,091,778**	**1,124,019**	**10,342,741**
Total shareholders' equity	**1,030,682**	**71,396**	**0**	**5,074**	**1,107,152**
Total liabilities and shareholders' equity 31.12.2023	**4,580,049**	**3,648,973**	**2,091,778**	**1,129,093**	**11,449,893**

35 Maturity structure of assets and liabilities

in CHF 1,000	At sight	Callable	Due within 1 year	1 to 5 years	Over 5 years	Total 2024
Assets						
Cash and cash equivalents	903,621	1,578				905,199
Receivables arising from money market papers			171,749			171,749
Due from banks	394,894		455,787			850,681
Due from customers	317,959	17,467	4,185,438	1,122,294	298,094	5,941,252
Trading portfolios	372					372
Derivative financial instruments	86,848					86,848
Financial instruments at fair value	192,990					192,990
Financial instruments at amortised cost			345,132	1,407,858	474,264	2,227,254
Joint venture companies					22	22
Property and equipment	66,509					66,509
Intangible assets	69,640					69,640
Tax receivables	157					157
Deferred tax assets	49			14,866		14,915
Accrued liabilities and deferred items	41,883					41,883
Other assets	65,017	1,109				66,126
Total assets 31.12.2024	**2,139,939**	**20,154**	**5,158,106**	**2,545,018**	**772,380**	**10,635,597**
Liabilities						
Due to banks	176,852					176,852
Due to customers – savings and deposits		380,210				380,210
Due to customers – other liabilities	3,546,841	2,138,191	2,883,252			8,568,284
Derivative financial instruments	18,715					18,715
Medium-term notes			9,781	38,133	1,577	49,491
Debenture issues				154,987		154,987
Tax liabilities	5,251					5,251
Deferred tax liabilities				2,323		2,323
Accrued liabilities and deferred items	43,197					43,197
Other liabilities	111,988		297	267		112,552
Provisions	3,872			3,069		6,941
Total liabilities 31.12.2024	**3,906,716**	**2,518,401**	**2,893,330**	**198,779**	**1,577**	**9,518,803**

in CHF 1,000	At sight	Callable	Due within 1 year	1 to 5 years	Over 5 years	Total 2023
Assets						
Cash and cash equivalents	1,609,048	1,911				1,610,959
Receivables arising from money market papers			170,894			170,894
Due from banks	549,599		783,144	21,040		1,353,783
Due from customers	185,477	107,804	3,944,842	895,634	333,761	5,467,518
Trading portfolios	213					213
Derivative financial instruments	41,960					41,960
Financial instruments at fair value	53,145				129,439	182,584
Financial instruments at amortised cost			371,860	1,380,553	619,270	2,371,683
Joint venture companies					23	23
Property and equipment	77,592			865		78,457
Intangible assets	78,186					78,186
Tax receivables	31					31
Deferred tax assets	486			11,346		11,832
Accrued liabilities and deferred items	57,282					57,282
Other assets	23,741	747				24,488
Total assets 31.12.2023	**2,676,760**	**110,462**	**5,270,740**	**2,309,438**	**1,082,493**	**11,449,893**
Liabilities						
Due to banks	293,243					293,243
Due to customers – savings and deposits		422,295				422,295
Due to customers – other liabilities	4,086,816	2,435,511	2,559,665	778		9,082,770
Derivative financial instruments	104,288					104,288
Medium-term notes			4,862	36,719	11,424	53,005
Debenture issues				100,043	154,985	255,028
Tax liabilities	5,424					5,424
Deferred tax liabilities				1,502		1,502
Accrued liabilities and deferred items	57,189					57,189
Other liabilities	65,300		318			65,618
Provisions	2,155			224		2,379
Total liabilities 31.12.2023	**4,614,415**	**2,857,806**	**2,564,845**	**139,266**	**166,409**	**10,342,741**

36 Classification of assets by country or groups of countries

	31.12.2024		31.12.2023	
	in CHF 1,000	Proportion in %	in CHF 1,000	Proportion in %
Liechtenstein and Switzerland	6,147,398	57.8	6,840,801	59.7
Rest of Europe	2,008,668	18.9	2,188,439	19.1
North America	1,120,701	10.5	902,365	7.9
Other countries	1,358,830	12.8	1,518,288	13.3
Total assets	**10,635,597**	**100.0**	**11,449,893**	**100.0**

The breakdown is based on the domicile principle of the counterparties. The diversified collateral mainly in connection with lombard loans is not taken into account.

37 Financial instruments

Fair value of financial instruments

The following table shows the fair values of financial instruments based on the valuation methods and assumptions set out below. This table is presented because not all financial instruments are disclosed at their fair values in the consolidated financial statements. The fair value equates to the price at the date of measurement which could be realised from the sale of the asset, or which must be settled for the transfer of the liability, in an orderly transaction between market participants.

in CHF million	Carrying value 31.12.2024	Fair Value 31.12.2024	Variance	Carrying value 31.12.2023	Fair Value 31.12.2023	Variance
Assets						
Cash and cash equivalents	905	905	0	1,611	1,611	0
Receivables arising from money market papers	172	172	0	171	171	0
Due from banks	851	851	0	1,354	1,354	0
Due from customers	5,941	6,020	79	5,468	5,499	31
Trading portfolios	0	0	0	0	0	0
Derivative financial instruments	87	87	0	42	42	0
Financial instruments at fair value	193	193	0	183	183	0
of which designated on initial recognition	0	0	0	0	0	0
of which mandatory under IFRS 9	52	52	0	53	53	0
of which recognised in other comprehensive income with no effect on net income	141	141	0	129	129	0
Financial instruments at amortised cost	2,227	2,182	-45	2,372	2,290	-82
Subtotal			**34**			**-51**
Liabilities						
Due to banks	177	177	0	293	293	0
Due to customers	8,948	8,905	43	9,505	9,442	63
Derivative financial instruments	19	19	0	104	104	0
Medium-term notes	49	50	-1	53	53	0
Debentures issued	155	150	5	255	243	12
Subtotal			**47**			**75**
Total variance			**81**			**24**

The following valuation methods are used to determine the fair value of on-balance-sheet financial instruments:

Cash and cash equivalents, money market papers

For the balance sheet items "Cash and cash equivalents" and "Receivables arising from money market papers", which do not have a published market value on a recognised stock exchange or on a representative market, the fair value corresponds to the amount payable at the balance sheet date.

Due from/to banks and customers, medium-term notes, bonds

In determining the fair value of amounts due from banks, due from customers (including mortgage receivables and due to customers in the form of savings and deposits), as well as of medium-term notes and bonds with a fixed maturity or a refinancing profile, the net present value method is applied (discounting of cash flows with swap rates corresponding to the respective term). For products whose interest or payment flows cannot be determined in advance, replicating portfolios are used.

Trading portfolios, trading portfolios pledged as collateral, financial instruments at fair value

Fair value corresponds to market value for the majority of these financial instruments. The fair value of non-exchange-listed financial instruments (in particular for structured credit notes) is determined only on the basis of external traders' quotes or pricing models which are based on prices and interest rates in an observable, active and liquid market.

Derivative financial instruments

For the majority of the positive and negative replacement values (see Note 18), the fair value equates to the market value. The fair value for derivative instruments without market value is determined using uniform models. These valuation models take account of the relevant parameters such as contract specifications, the market price of the underlying security, the yield curve and volatility.

Fair value hedges (Interest rate hedges)

in CHF 1,000 31.12.2024	Nominal value of hedging instruments	Book value of hedging instruments		Balance sheet position under which hedging instruments are disclosed
		Assets	Liabilities	
Interest-rate swaps	22,000	0	301	Derivative financial instruments
Change in value of the hedging instrument used as the basis for recognising hedge ineffectiveness for the period[1]				–465

[1] Ineffectiveness mainly results from variations in duration, such as due to different interest rates, interest payment dates or due dates of transactions.

in CHF 1,000 31.12.2023	Nominal value of hedging instruments	Book value of hedging instruments		Balance sheet position under which hedging instruments are disclosed
		Assets	Liabilities	
Interest-rate swaps	32,000	0	289	Derivative financial instruments
Change in value of the hedging instrument used as the basis for recognising hedge ineffectiveness for the period[1]				–577

[1] Ineffectiveness mainly results from variations in duration, such as due to different interest rates, interest payment dates or due dates of transactions.

in CHF 1,000 31.12.2024	Book value of underlying transactions		Accumulated valuation adjustments, included in the book value of the underlying transactions		Balance sheet position under which underlying transactions are disclosed
	Assets	Liabilities	Assets	Liabilities	
Client receivables	22,111	0	111	0	Due from customers
of which active hedge relationships	22,111	0	111	0	Due from customers
of which closed hedge relationships (client receivables)	0	0	0	0	Due from customers

in CHF 1,000 31.12.2023	Book value of underlying transactions		Accumulated valuation adjustments, included in the book value of the underlying transactions		Balance sheet position under which underlying transactions are disclosed
	Assets	Liabilities	Assets	Liabilities	
Client receivables	33,444	0	–356	0	Due from customers
of which active hedge relationships	31,641	0	–359	0	Due from customers
of which closed hedge relationships (client receivables)	1,803	0	3	0	Due from customers

Maturity profile of interest rate swaps

in CHF million	Due within 1 year	1 to 5 years	Over 5 years	Total 2024
Fair value hedges				
Hedging of interest-rate risk				
Interest-rate swaps	15	7	0	22

in CHF million	Due within 1 year	1 to 5 years	Over 5 years	Total 2023
Fair value hedges				
Hedging of interest-rate risk				
Interest-rate swaps	10	22	0	32

Valuation methods for financial instruments

The fair value of listed securities held in trading portfolios or as financial instruments, as well as that of listed derivatives and other financial instruments with quotes established in an active market, is determined on the basis of current market value (Level 1). Valuation methods or pricing models are used to determine the fair value of financial instruments if no direct market prices are available. If possible, the underlying assumptions are based on observed market prices or other market indicators as at the balance sheet date (Level 2). For most of the derivatives traded over the counter, as well as for other financial instruments that are not traded in an active market, fair value is determined by means of valuation methods or pricing models. Among the most frequently applied of those methods and models are discounted-cash-flow-based forward pricing and swap models, as well as options pricing models such as the Black-Scholes model or derivations thereof. The fair values arrived at on the basis of these methods and models are influenced to a significant degree by the choice of the specific valuation model and the underlying assumptions applied, for example the amounts and time sequence of future cash flows, discount rates, volatilities and/or credit risks.

If neither current market prices nor valuation methods/models based on observable market data can be drawn on for the purpose of determining fair value, then valuation methods or pricing models supported by realistic assumptions derived from actual market data are used (Level 3). Level 3 principally includes investment funds or items for which a reliable net asset value is not published at least on a quarterly basis. The fair value of these positions is, as a rule, computed on the basis of external estimates by experts in relation to the level of the future payout of the fund units, or equates to the acquisition cost of the securities less any applicable valuation haircuts.

Valuation methods for financial instruments

in CHF million at fair value	Quoted market prices, Level 1	Valuation methods based on market data, Level 2	Valuation methods with assumptions based on market data, Level 3	Total 31.12.2024
Assets				
Cash and cash equivalents	905			905
Receivables arising from money market papers	172			172
Due from banks		851		851
Due from customers		6,020		6,020
Trading portfolios	0			0
Derivative financial instruments		87		87
Financial instruments at fair value	141	52		193
Financial instruments at amortised cost	2,182			2,182
Liabilities				
Due to banks		177		177
Due to customers		8,905		8,905
Derivative financial instruments		19		19
Medium-term notes		50		50
Debentures issued	150			150

There were no reclassifications in the 2024 financial year.

in CHF million at fair value	Quoted market prices, Level 1	Valuation methods based on market data, Level 2	Valuation methods with assumptions based on market data, Level 3	Total 31.12.2023
Assets				
Cash and cash equivalents	1,611			1,611
Receivables arising from money market papers	171			171
Due from banks		1,354		1,354
Due from customers		5,499		5,499
Trading portfolios	0			0
Derivative financial instruments		42		42
Financial instruments at fair value	129	49	4	183
Financial instruments at amortised cost	2,290			2,290
Liabilities				
Due to banks		293		293
Due to customers		9,442		9,442
Derivative financial instruments		104		104
Medium-term notes		53		53
Debentures issued	243			243

Level 3 financial instruments in CHF million	2024	2023
Balance sheet		
Holdings at the beginning of the year	4.4	6.9
Investments	0.0	0.0
Disposals	0.0	–0.1
Losses recognised in the income statement	–4.4	–2.4
Total book value at balance sheet date	**0.0**	**4.4**
Income on holdings at balance sheet date		
Unrealised losses recognised in income from financial instruments	–4.4	–2.4
Unrealised losses recognised as other comprehensive income	0.0	0.0
Unrealised gains recognised in income from financial instruments	0.0	0.0
Unrealised gains recognised as other comprehensive income	0.0	0.0

No deferred day 1 profit or loss (difference between the transaction price and the fair value calculated on the transaction day) was reported for Level 3 positions as of 31 December 2024 or 31 December 2023.

Sensitivity of fair values of Level 3 financial instruments

Changes in the net asset values of investment funds lead to corresponding changes in the fair values of these financial instruments. A realistic change in the basic assumptions or estimated values has no material impact on the statement of income, other comprehensive income or the shareholders' equity of VP Bank Group.

Netting agreements

In order to reduce the credit risks in connection with financial derivatives, repurchase and reverse repurchase agreements as well as securities lending and borrowing transactions, VP Bank Group enters into global offsetting agreements or similar arrangements (netting agreements) with its counterparties. These include ISDA Master Netting Agreements, Global Master Securities Lending Agreements and Global Master Repurchasing Agreements. Using netting agreements, VP Bank Group can protect itself against losses arising from possible insolvency proceedings or other circumstances in which the counterparty is unable to meet its obligations. In such cases, netting agreements stipulate the immediate offsetting and/or settlement of all financial instruments falling under the related agreement. In principle, the entitlement to offsetting exists only when a default in payment or other circumstances occur which are not expected in the ordinary course of business. Financial instruments falling under a netting agreement do not meet the set-off requirements for balance sheet purposes, which is why the carrying values of the related financial instruments are not netted in the balance sheet.

Netting agreements

31.12.2024	Balance sheet netting			Netting potential		
in CHF 1,000	**Amount prior to balance sheet netting**	**Balance sheet netting**	**Carrying value**	**Financial liabilities**	**Collateral received**	**Assets after taking account of netting potential**
Financial assets						
Reverse repurchase transactions			0			0
Positive replacement values	86,848		86,848	11,348		75,500
Collateral deposited for transactions with derivatives	7,019		7,019	5,580		1,439
Total assets	**93,867**	**0**	**93,867**	**16,928**	**0**	**76,939**

31.12.2024	Balance sheet netting			Netting potential		
in CHF 1,000	**Amount prior to balance sheet netting**	**Balance sheet netting**	**Carrying value**	**Financial assets**	**Collateral provided**	**Liabilities after taking account of netting potential**
Financial liabilities						
Repurchase transactions			0			0
Negative replacement values	18,715		18,715	11,348	3,511	3,856
Collateral received from transactions with derivatives	2,750		2,750	2,325		425
Total liabilities	**21,465**	**0**	**21,465**	**13,673**	**3,511**	**4,281**

31.12.2023	Balance sheet netting			Netting potential		
in CHF 1,000	**Amount prior to balance sheet netting**	**Balance sheet netting**	**Carrying value**	**Financial assets**	**Collateral provided**	**Assets after taking account of netting potential**
Financial assets						
Reverse repurchase transactions			0			0
Positive replacement values	41,960		41,960	18,365		23,594
Collateral deposited for transactions with derivatives	49,342		49,342	44,177		5,165
Total assets	**91,302**	**0**	**91,302**	**62,542**	**0**	**28,759**

31.12.2023	Balance sheet netting			Netting potential		
in CHF 1,000	**Amount prior to balance sheet netting**	**Balance sheet netting**	**Carrying value**	**Financial assets**	**Collateral provided**	**Liabilities after taking account of netting potential**
Financial liabilities						
Repurchase transactions			0			0
Negative replacement values	104,288		104,288	18,365	37,701	48,222
Collateral received from transactions with derivatives			0			0
Total liabilities	**104,288**	**0**	**104,288**	**18,365**	**37,701**	**48,222**

38 Scope of consolidation

Company	Registered office	Base currency	Capital	Group share of equity
VP Bank Ltd	Vaduz	CHF	66,154,167	100%
VP Fund Solutions (Liechtenstein) AG	Vaduz	CHF	1,000,000	100%
VP Wealth Management (Hong Kong) Ltd (wind down)	Hong Kong	HKD	43,000,000	100%
VP Bank (Luxembourg) SA	Luxembourg	CHF	20,000,000	100%
VP Fund Solutions (Luxembourg) SA	Luxembourg	CHF	5,000,000	100%
VP Bank (Switzerland) Ltd	Zurich	CHF	20,000,000	100%
VP Bank (BVI) Ltd	Tortola	USD	10,000,000	100%

Shareholdings excluded from the scope of consolidation	none
Joint venture companies excluded from the scope of consolidation	none
Joint venture companies	Data Info Services AG, Vaduz
Companies integrated during the financial year	none
Shareholdings accounted for the first time in accordance with the equity method	none
Asset transfer during the financial year	none
Changes within the scope of consolidation	VP Fund Solutions (Luxembourg) SA from VP Bank (Luxembourg) SA to VP Bank AG

39 Business transactions with related companies and persons

Related companies and persons include the Members of the Board of Directors and Group Executive Management as well as their close relatives and companies in which these persons either hold a majority interest or have a significant influence as a result of their role as a Member of the Board of Directors and/or Executive Board.

in CHF 1,000	2024	2023
Remuneration of the members of the Board of Directors [1, 2]		
Remuneration due in the short term	1,165	1,141
Share-based payment [3]	373	381
Remuneration of the members of Group Executive Management [2]		
Remuneration due in the short term	3,889	4,005
Post-employment benefits	664	436
Other long-term remuneration due	0	176
Remuneration due upon termination of contract of employment	0	72
Share-based payments [4]	0	986

1 Social security contributions on the remuneration of the members of the Board of Directors are not included.
2 Expense allowances are not included.
3 The shares are not subject to a holding period (Notes 42 and 43).
4 Performance and restricted shares with conditional rights to subscribe to VP Bank registered shares A.

VP Bank Group also remunerates related parties within the scope of customary intermediary services and purchased advisory services. Such compensation is in line with standard market conditions. The total amount of these remunerations and professional fees was CHF 0.6 million in 2024 (previous year: CHF 0.6 million). As at 31 December 2024, the Board of Directors, Group Executive Management, persons closely associated with them (excluding qualifying parties) as well as the pension funds held 23,696 registered shares A of VP Bank Ltd, Vaduz (previous year: 39,205 registered shares A).

Loans to related companies and persons developed as follows (from an effective date perspective):

in CHF 1,000	2024	2023
Mortgages and loans at the beginning of the financial year	0	0
Additions	0	0
Repayments	0	0
Mortgages and loans at the end of the financial year	**0**	**0**

Loans to Members of the Board of Directors and of Group Executive Management developed as follows (from an effective date perspective):

in CHF 1,000	2024	2023
Mortgages and loans at the beginning of the financial year	4,884	5,519
Additions	2,117	1,500
Repayments	–750	–2,135
Mortgages and loans at the end of the financial year	**6,251**	**4,884**

In principle, the same conditions apply to the Members of the Board of Directors and Group Executive Management as to all other employees. They correspond to the market conditions excluding a credit margin. Loans to related companies and persons are transacted at customary market conditions. A guarantee in the amount of CHF 54.427 million (previous year: CHF 53.923 million) was issued for a related person. The securing of the guarantee is significantly above the usual market requirements.

40 Retirement pension plans

Benefits after termination of employment

The Group maintains a number of pension plans in the Principality of Liechtenstein and abroad for employees meeting the criteria for admission to the pension plans. Among these are both defined-benefit and defined-contribution plans which insure most employees against the effects of death, invalidity and retirement. In addition, there are schemes for service anniversaries which qualify as other long-term employee benefits.

Defined-contribution pension plans

The Group offers defined-contribution pension plans to those employees who meet the appropriate admission criteria. The company is obligated to transfer a predetermined percentage of the annual salary to the pension plans. For certain plans, the employees are also obligated to make contributions. These contributions are typically deducted by the employer from the salary each month and also passed on to the pension plans. Apart from the payment of contributions and the transfer of employee contributions, there are presently no further obligations incumbent on the employer.

The employer contributions to contribution-defined pension plans for the 2024 financial year amounted to CHF 2.6 million (previous year: CHF 2.8 million).

Defined-benefit pension plans

The Group finances defined-benefit pension plans for employees who meet the admission criteria. The most significant of such plans are located in the Principality of Liechtenstein and in Switzerland.

For employees in the Principality of Liechtenstein and Switzerland, the Group operates several pension plans with fixed, predefined admission criteria. The largest of the plans is operated using an autonomous foundation, the remaining plans are handled using collective foundations of insurance companies. In these foundations, the assets available to meet the pension obligations are segregated out.

For the pension plans which are operated using collective foundations, there are pension commissions which comprise an equal number of representatives. The Foundation Board of the autonomous pension plan is also made up of an equal number of employer and employee representatives. On the basis of the law and the rules of the pension fund, the Foundation Board is obligated to act solely in the interests of the Foundation and of the beneficiaries (current actively insured employees and pensioners). Thus, in this plan, the employer cannot himself determine pension benefits and their financing, but resolutions are taken on an equal representation basis. The Foundation Board is responsible for setting the investment strategy, for changes to the rules of the pension fund and, in particular, also for determining how pension benefits are to be financed.

Retirement benefits in this plan are based upon the balance of accumulated capital savings. Annual savings credits and interest (no negative interest is possible) are added to the employee’s capital savings account. Upon retirement, the insured person has the option between a lifetime pension which includes a reversionary spouse’s pension, or the payment of a capital sum.

In addition to retirement benefits, employee benefits also include an invalidity pension, a partner pension and an orphan’s pension. These are computed as a percentage of the insured annual salary. An insured person can also purchase additional benefits to improve his/her pension situation up to a maximum allowed under the pension rules. Upon termination of employment, the accumulated savings capital is transferred to the pension plan of the new employer or to a vested benefits scheme. This form of employment benefit can lead to a situation where pension payments may vary significantly between the various years.

The minimum provisions of the Law on Occupational Pension Plans (BPVG) or the Federal Act on Occupational Old Age, Survivors’ and Invalidity Pension Provision (OPA) and their implementing provisions are to be observed in determining employee benefits. The minimum insurable salary and the minimum savings credits are laid down in the BPVG. The OPA includes more extensive stipulations.

As a result of the form of the pension plan and the legal provisions of the BPVG and OPA respectively, the employer is exposed to actuarial risks, the most significant of which are investment risk, interest rate risk, invalidity risk and longevity risk. The employee and employer contributions are laid down by the Foundation Boards. In this regard, the employer must bear, at a minimum, half of all contributions. In the event of a funding deficit, restructuring contributions to eliminate the funding deficit may be demanded both from the employer and employees.

The latest actuarial valuation of the current value of the defined-benefit obligations and service costs was carried out as of 31 December 2024 by independent actuaries using the projected unit credit method. The fair value of plan assets as of 31 December 2024 was determined based upon information available at the time of preparation of the annual financial statements.

Benefits for various pension plans were adjusted at the end of 2024. Along with further changes to benefits at the collective foundations, these adjustments resulted in service costs of CHF 3.4 million that must subsequently be offset. In August 2024, the employer communicated restructuring measures that led to a gain of CHF 0.3 million from the reduced budget.

The most significant assumptions underlying the actuarial computations may be summarised as follows:

	31.12.2024	31.12.2023
Discount rate	0.97%	1.52%
Rate of future salary increases	1.00%	1.75%
Rate of future pension increases	0.00%	0.00%
Lump sum payments at retirement	55.00%	40.00%
Actuarial fundamentals	BVG 2020 generation-tables	BVG 2020 generation-tables
Life expectancy at the age of 65, in years		
Year of birth	**1959**	**1958**
men	22.95	22.82
women	24.70	24.59
Year of birth	**1979**	**1978**
men	25.17	25.07
women	26.67	26.58

The amounts recognised in the income statement and in equity capital can be summarised as follows:

Pension costs

in CHF 1,000	2024	2023
Pension expenses recognised in income statement		
Service cost		
current service cost	10,434	9,209
past service cost incl. effects from curtailments	3,395	–1,030
plan settlements	0	0
Net interest expenses	56	–52
Administrative costs	240	240
Total pension cost expenses of the period	**14,125**	**8,367**
Revaluation components recognised in comprehensive income		
Actuarial gains/losses		
Result of changes to demographic assumptions	–4,141	–104
Result of changes to financial assumptions	14,151	21,483
Experience adjustments	1,949	–1,974
Return on plan assets (excluding amounts in net interest expenses)	–14,267	–8,253
Changes in asset ceiling	0	–2,369
Total expenses recognised in comprehensive income	**–2,308**	**8,783**
Total pension cost	**11,817**	**17,150**

The development of the pension liabilities and pension assets can be summarised as follows:

Movement in current value of defined-benefit obligations

in CHF 1,000	2024	2023
Present value of defined-benefit obligations at the beginning of the financial year	355,310	321,810
Current service cost	10,434	9,209
Employee contributions	7,584	7,348
Interest expenses on present value of pension obligations	5,226	7,144
Actuarial gains/losses	11,959	19,405
(Gains)/losses from curtailment	–324	0
Transfer of assets through compensation	3,719	–1,030
Transition pension plan	0	0
Plan settlement	0	0
Pension payments financed by plan assets	–21,345	–8,576
Balance at the end of the financial year	**372,563**	**355,310**

Movement in plan assets

in CHF 1,000	2024	2023
Plan assets at the beginning of the financial year	342,263	317,305
Employee contributions	7,584	7,348
Employer contributions	11,247	10,925
Interest income on plan assets	5,170	7,248
Return on plan assets (excluding amounts under interest income)	14,267	8,253
Pension payments financed by plan assets	–21,345	–8,576
Administrative costs	–240	–240
Balance at the end of the financial year	**358,946**	**342,263**

The net position from pension liabilities recognised in the balance sheet can be summarised as follows:

Net position of pension obligations recognised in the balance sheet

in CHF 1,000	31.12.2024	31.12.2023
Present value of pension obligations financed through a fund	372,563	355,310
Market value of plan assets	–358,946	–342,263
Lack / excess of funding	**13,617**	**13,047**
Present value of pension obligations not financed through a fund	0	0
Unrecognised assets	0	0
Active deferral of pension costs	**0**	**0**
Recognised pension obligations	**13,617**	**13,047**

In the case of the autonomous pension plan, the Foundation Council issues investment guidelines for the investment of the plan's assets which contain the tactical asset allocation and the benchmarks for comparing the results with those of the general investment universe. The plan assets are well diversified and, in addition, the legal provisions of the BPVG are to be observed. In the case of collective foundations, the Foundation's Board of Trustees of the collective foundation issues the investment guidelines. The Foundation's Board of Trustees reviews on an ongoing basis whether the investment strategy chosen is appropriate to cover the pension benefits and whether the risk budget corresponds to the demographic structure. Compliance with investment guidelines and the investment performance of investment advisors are also subject to ongoing review.

Plan assets primarily consist of the following categories of securities:

in CHF 1,000	31.12.2024	31.12.2023
Equity shares	130,167	125,250
thereof quoted market prices (Level 1)	130,167	125,250
Bonds	132,138	128,470
thereof quoted market prices (Level 1)	132,138	128,470
Alternative financial investments	40,065	34,858
thereof quoted market prices (Level 1)	9,479	8,435
Real estate	27,268	26,708
thereof quoted market prices (Level 1)	15,654	15,085
Qualifying insurance papers	10,104	9,682
Cash equivalents	24,304	14,705
Other financial investments	–5,100	2,590
Total	**358,946**	**342,263**
thereof quoted market prices (Level 1)	287,438	277,240

The pension funds hold shares in VP Bank Ltd, Vaduz, with a market value of CHF 0.0 million (previous year: CHF 1.4 million). In 2024, a gain of CHF 19.4 million was recorded on the assets (previous year: CHF 15.5 million). The expected employer contribution for 2025 amounts to CHF 10.8 million.

The defined benefit obligations are divided between active insured, vested leavers and pensioners as follows, resulting in the following term of the obligations:

in CHF 1,000	31.12.2024	31.12.2023
Current actively insured employees	277,666	263,191
Pensioners	94,897	92,119
Total	**372,563**	**355,310**

The term of the obligations amounts to approximately 12.2 years (previous year: 13.1 years).

Presented in the following table are the sensitivities for the most important factors in the computation of the current value of pension obligations. Due to the expected interest volatility in CHF, sensitivities are stated as 25 basis points. Sensitivities relating to lump sum payments at retirement are stated at 500 basis points. Sensitivities are shown for changes in life expectancy at +/– 1 year. In each case, only the assumption stated is changed, all other assumptions remaining unchanged.

Changes in the current value of defined-benefit obligations

in CHF 1,000	31.12.2024		31.12.2023	
Variance	**0.25%**	**-0.25%**	**0.25%**	**-0.25%**
Discount rate	–10,007	10,504	–10,195	10,748
Interest on pension capital accounts	2,623	–2,724	2,638	–2,580
Rate of future salary increases	1,385	–1,546	1,237	–1,263
Pension indexation (pensions cannot be reduced)	5,915	0	6,349	0
Variance	**5.00%**	**-5.00%**	**5.00%**	**-5.00%**
Lump sum payments at retirement	–1,887	1,780	–1,097	1,096
Variance	**+1 year**	**–1 year**	**+1 year**	**–1 year**
Life expectancy	6,414	–6,575	6,601	–6,650

Other employee benefits paid in the long term

in CHF 1,000	2024	2023
Balance at the beginning of the financial year	3,065	3,201
Expenses financial year	453	277
Employee payments	–327	–410
Exchange differences	2	–3
Balance at the end of the financial year	**3,193**	**3,065**

Other employee benefits payable in the long term exist in the form of long service awards. Analogously to the defined-benefit pension plans, actuarial calculations have been performed and accrued expenses have been recognised for these benefits. The Group introduced a uniform regulation for the calculation of benefits from long service awards for most Group employees. For some employees abroad, separate regulations apply. These regulations qualify as plans for other employee benefits payable in the long term.

41 Significant foreign exchange rates

The following exchange rates were used for the most important currencies:

	Year-end rates		Annual average rates	
	31.12.2024	31.12.2023	2024	2023
USD/CHF	0.9063	0.8417	0.88071	0.89902
EUR/CHF	0.9384	0.9297	0.95263	0.97166
SGD/CHF	0.6643	0.6380	0.65892	0.66929
HKD/CHF	0.1167	0.1078	0.11286	0.11483
GBP/CHF	1.1350	1.0729	1.12532	1.11722

42 Employee stock-ownership plan

The stock-ownership plan enables employees to subscribe annually to a defined number of bearer shares of VP Bank Ltd, Vaduz, at a preferential price subject to a three-year restriction on selling these shares. Upon expiration of the sales restriction period, or at the time of resignation from VP Bank Group, the related shares become freely available. As the employees are therefore ultimately able to take up the shares at any time and in full, the expense arising from the employee stock-ownership plans is recorded in full at the time of their respective allocation. Half of the number of registered shares A to be subscribed is based on length of service and is proportional to the amount of the annual fixed salary, whereby fixed salary components in excess of CHF 120,000 and variable salary components are not taken into account. The purchase price is determined annually in relation to the market value of the bearer shares on SIX Swiss Exchange (ex-dividend). The shares issued in this manner derive either from share holdings of VP Bank Group or must be purchased for this purpose over the exchange. The expense thereby incurred is charged directly to personnel costs. A total of 21,169 shares (previous year: 19,433 shares) were subscribed at a preferential price in 2024. Share issue expenses in 2024 were CHF 1.0 million (previous year: CHF 0.9 million). There is no stock-ownership plan for the Board of Directors. Its members, however, receive a part of their compensation in the form of equity shares which are not subject to any lock-up period (Note 39). A management stock-ownership plan exists for Group Executive Management and other key managers (Note 43). VP Bank Ltd has defined lock-up periods for the Board of Directors, Group Executive Management and selected key managers and employees, during which it is prohibited to trade in the shares of VP Bank.

43 Management stock-ownership plan

A long-term and value-oriented compensation model is in place for Group Executive Management, the Executive Board and selected key managers. Details can be found in the Compensation Report.

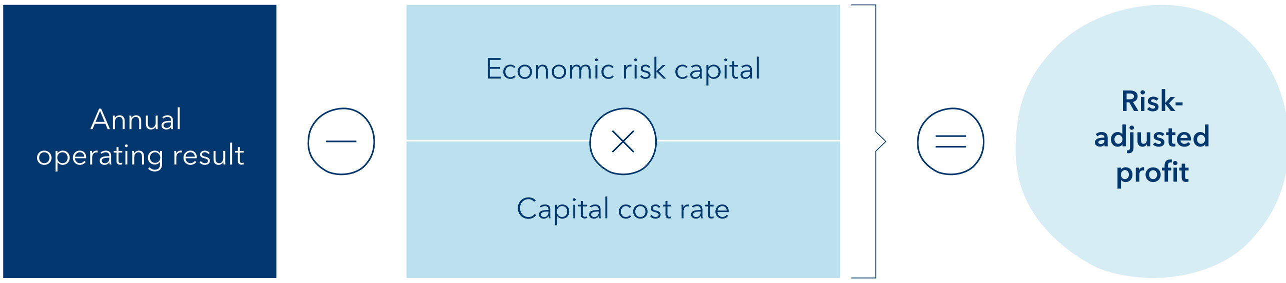
Regardless of the actual cash flow, management stock-ownership plans are recognised in the financial year to which they economically belong. For deferred share and cash plans, the expense for the entire vesting period is estimated, updated and recognised pro rata temporis over this period in personnel expenses.

The total amount of variable compensation is determined within a range known as the "value share" and is based primarily on the net profit of VP Bank Group. The Board of Directors makes a facts-based assessment of the total amount of variable compensation and can adapt the amount. In times of adverse operating conditions, the overall amount of variable compensation is reduced accordingly and can even amount to zero. This takes into consideration the multi-annual, risk-adjusted profitability of VP Bank Group (cf. graph below), the sustainable level of profitability, capital costs and therefore takes account of current and future risks.

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

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

Calculation of risk-adjusted profit



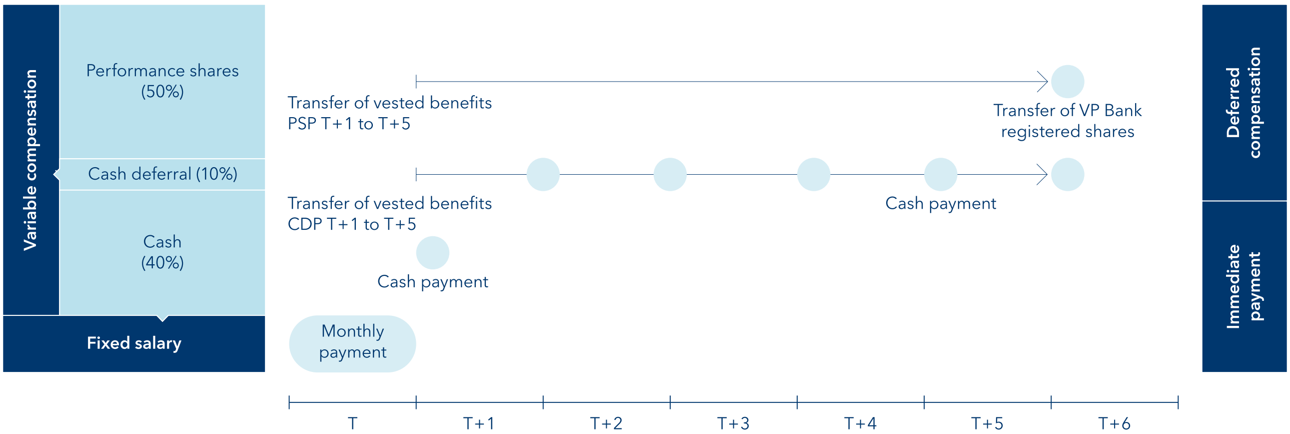
1. A fixed base salary; this is contractually agreed between the Board of Directors and individual members. In addition to the base salary, VP Bank pays proportionate contributions to the management insurance scheme and the pension fund.
2. A Performance Share Plan (PSP); this is a long-term variable 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 the 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 distributions. The payout is distributed pro rata over five years. Until the relevant time of transfer of payout, the Board of Directors reserves the right to reduce or suspend the allocated vested cash benefits 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. An immediate cash compensation (STI); the share of this 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 in accordance with function and market customs.

In order to comply with regulatory requirements, a Restricted Share Plan (RSP) may also be used in individual justified cases to implement special retention measures, to compensate for loss of benefits at previous employers or for any severance payments. The RSP will be paid out annually in fifths over a scheduled duration of five years in the form of registered shares A.

In the following table (management stock-ownership plan), in harmony with the compensation principles described above, all share plans operated at VP Bank are shown, and not just the share plans that affect management.

Instruments of variable compensation



Management stock-ownership plan (LTI)

Number	2024	2023	Variance in %
Balance of entitlements at the beginning of the year	26,107	26,549	–1.7
New entitlements	14,525	18,002	–19.3
Changes in entitlements as a result of allocation	–15,034	–14,219	5.7
Changes in entitlements as a result of expiration	89	–788	–111.3
Changes in entitlements as a result of changes in factors	–1,509	–3,437	–56.1
Balance of calculated entitlements at the end of the year	24,178	26,107	–7.4

in CHF 1,000	2024	2023	Variance in %
Personnel expenses recorded over vesting period for allocated management sharing plan	1,587	1,874	–15.3
Fair value of management sharing plan at date of allocation [1]	1,406	1,394	0.8
Personnel expenses for management sharing plan expenses for reporting period	1,224	1,326	–7.7
Accrual for management sharing plan in equity at the end of the year	2,269	2,631	–13.8

[1] The fair value is calculated using the direct method from the number of registered shares A allocated multiplied by the closing price of the registered shares A on the day before the allocation.

44 Consolidated off-balance-sheet transactions

in CHF 1,000	31.12.2024	31.12.2023
Contingent liabilities		
Credit guarantees and similar	16,683	22,590
Performance guarantees and similar	87,555	87,917
Irrevocable commitments	0	0
Other contingent liabilities	0	0
Total contingent liabilities	**104,238**	**110,507**
Credit risks		
Irrevocable facilities granted	168,420	148,537
Total credit risks	**168,420**	**148,537**
Fiduciary transactions		
Fiduciary deposits [1]	532,192	678,216
Total fiduciary transactions	**532,192**	**678,216**
Exposure to credit risk on loan commitments and financial guarantee contracts	–434	–252

[1] Investments made by Group companies in their own name, but for the account and at the risk of clients, with banks outside the reporting entity.

Maturity structure

		Maturing within			
in CHF 1,000	**At sight**	**1 year**	**1 to 5 years**	**Over 5 years**	**Total**
31.12.2024					
Contingent liabilities	13,575	22,030	10,321	58,312	104,238
Credit risks	2,721	112,744	28,150	24,805	168,420
31.12.2023					
Contingent liabilities	23,204	23,696	2,570	61,037	110,507
Credit risks	83	80,634	42,284	25,536	148,537

Securities lending and repurchase agreements

in CHF 1,000	31.12.2024	31.12.2023
Accounts receivable arising from cash deposits in connection with securities borrowing and reverse-repurchase transactions	0	0
Accounts payable arising from cash deposits in connection with securities borrowing and reverse-repurchase transactions	0	0
Securities lent out within the scope of securities lending or delivered as collateral within the scope of securities borrowing activities, as well as securities in own portfolio transferred within the framework of repurchase transactions	300,493	288,980
of which securities where the unlimited right to sell on or pledge has been granted	212,656	213,197
Securities received as collateral within the scope of securities lending or borrowed within the scope of securities borrowing activities, as well as received under reverse repurchase transactions, where the unlimited right to resell or repledge has been granted	293,850	290,890
of which securities which have been resold or repledged	87,837	75,783

These transactions are carried out at conditions that are customary for securities lending and borrowing activities as well as for transactions in which the bank acts as an intermediary.

45 Client assets

in CHF million	31.12.2024	31.12.2023	Variance absolute	Variance in %
Analysis of client assets under management				
Assets in self-administered investment funds	12,520.0	10,181.7	2,338.2	23.0
Assets in discretionary asset management accounts	4,484.7	4,245.6	239.1	5.6
Other client assets under management	33,744.5	31,924.5	1,820.0	5.7
Total client assets under management (including amounts counted twice)	**50,749.2**	**46,351.9**	**4,397.3**	**9.5**
of which amounts counted twice	1,879.7	1,622.4	257.3	15.9
Change of assets under management				
Total client assets under management (including amounts counted twice) at the beginning of the financial year	46,351.9	46,445.9	–94.1	–0.2
of which net new money	463.6	27.3	436.3	n.a.
of which change in market value	3,933.7	–116.3	4,050.0	n.a.
of which other effects [1]	0.0	–5.1	5.1	n.a.
Total client assets under management (including amounts counted twice) as of balance sheet date	**50,749.2**	**46,351.9**	**4,397.3**	**9.5**
Custody assets	**5,645.2**	**4,703.4**	**941.7**	**20.0**
Total client assets				
Total client assets under management (including amounts counted twice)	50,749.2	46,351.9	4,397.3	9.5
Custody assets	5,645.2	4,703.4	941.7	20.0
Total client assets	**56,394.3**	**51,055.3**	**5,339.0**	**10.5**
Net new money	**463.6**	**27.3**	**436.3**	**n.a.**

1 Includes assets of sanctioned Russian clients reclassified as custody assets.

Calculation method

Client assets under management are all client assets managed or held for investment purposes for which investment advisory and wealth management services are provided. This generally includes all liabilities to clients, fiduciary time deposits and all valued portfolio holdings. The calculation is based on the provisions of the Liechtenstein Banking Ordinance (Annex 3, Section 88a, FL-BankO) and the internal guidelines of VP Bank Group.

Assets in self-administered funds

This item includes the assets of all managed and administered investment funds of VP Bank Group.

Assets in discretionary asset management accounts

The calculation of assets in discretionary asset management accounts includes securities, book-entry securities, precious metals, fiduciary investments placed with third parties at market value as well as client deposits. The information includes assets deposited with Group companies as well as assets deposited with third parties for which Group companies have a management mandate.

Other client assets under management

The calculation of other client assets under management includes securities, book-entry securities, precious metals, fiduciary investments placed with third parties at market value as well as client deposits. The information relates to assets for which an administrative or advisory mandate is exercised.

Amounts counted twice

This position includes fund units from self-managed funds held in client securities accounts with a wealth management mandate, and the other client securities accounts.

Net new money inflow/outflow

This item consists of the acquisition of new clients, client departures and the inflow or outflow of client funds. Performance-related changes in assets such as price changes, interest and dividend payments as well as interest charged to clients are not considered inflows or outflows. Acquisitions and disposals are reported separately and do not represent an inflow or outflow in net new money. If the service provided changes and assets under management are therefore reclassified as custody assets or vice versa, this is recognised as an outflow or inflow in net new money. In 2024, reclassifications of CHF 498.4 million (2023: CHF 0) are included in net new money. Excluded from this practice is, for example, regulatory blocking by the supervisory authorities. Such reclassifications are not recognised in net new money but under other effects.

Custody assets

Assets held exclusively for transaction and safekeeping purposes for which VP Bank Group limits itself to safekeeping and encashment.

Auditor’s report

Report of the statutory auditor
to the General Meeting of VP Bank Ltd., Vaduz

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of VP Bank Ltd and its subsidiaries ('VP Bank Group'), which comprise the consolidated income statement and the consolidated statement of comprehensive income for the year ended 31 December 2024, the consolidated balance sheet as at 31 December 2024, consolidated changes in shareholders' equity and consolidated statement of cash flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements (pages 106 – 187) give a true and fair view of the consolidated financial position of VP Group as at 31 December 2024 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union (EU-IFRS) and comply with Liechtenstein law.

Basis for opinion

We conducted our audit in accordance with Liechtenstein law and International Standards on Auditing (ISA). Our responsibilities under those provisions and standards are further described in the “Auditor’s responsibilities for the audit of the consolidated financial statements” section of our report.

We are independent of the VP Bank Group in accordance with the provisions of Liechtenstein law and the requirements of the audit profession, as well as the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach

Overview

Overall Group materiality: CHF 1,970,000

Our audit (“full scope”) included three Group companies and covered 83 % of earnings before income tax. In addition, specific audit procedures were performed for one other Group company which covers additional 3 % of earnings before income tax.

As key audit matters, the following areas of focus were identified:

- Impairment testing of due from customers
- Completeness and valuation of provisions for legal risks

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Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the consolidated financial statements as a whole.

Overall group materiality	CHF 1,970,000
Benchmark applied	Earnings before income tax (average of the last three years)
Rationale for the materiality benchmark applied	We chose earnings before income tax (average of the last three years) as the benchmark because, in our view, it is the benchmark against which the performance of the VP Bank Group is most commonly measured, and it is a generally accepted benchmark for materiality considerations.

Audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the entity, the accounting processes and controls, and the industry in which the VP Bank Group operates.

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement.

Reporting on key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment testing of due from customers

Key audit matter	How our audit addressed the key audit matter
As at 31 December 2024, the VP Bank Group reported due from customers in the amount of CHF 5.941 billion, of which 0.42 % were assessed as impaired. Due from customers is the Group's largest asset and about 62.6 % are backed by mortgages, 36.0 % by other collateral provided by customers (i.e., mainly in the form of Lombard loans) and 1.4 % are provided without collateral.	Our audit procedures were primarily tests of the proper functioning of the internal controls performed by the VP Bank Group. We tested compliance with the rules and processes as well as the effectiveness of these controls through risk-based sample testing. In doing so, we assessed the design of the key controls and, on a sample basis, tested compliance with them.

Due from customers are valued by using the effective interest rate method and by calculating the expected credit loss. Determining the factors and calculating the expected credit loss and the resulting valuation allowances requires judgement. We consider the impairment testing of due from customers a key audit matter because of the amount they represent on the balance sheet and the significant scope for judgement inherent in their valuation. The accounting principles applied to due from customers and the methods used to identify default risk, to determine the need for impairment and to evaluate collateral are described in the annual report. Please refer to pages 115 and 116 (Principles underlying financial-statement reporting), page 157 (Notes to the consolidated financial statements: 15 Due from banks and customers) and pages 131 to 143 (Risk management: 5 Financial risks).	Where significant scope for judgement exists (e.g., in the valuation of collateral or the estimation of property values), we also challenged VP Bank Group's decisions with our own critical opinion as part of our substantive audit procedures. Our substantive tests included sample-based testing of loans at risk in the loan portfolio to assess whether an additional valuation allowance was needed. We also assessed the method and accuracy of the calculation of the expected credit losses. Overall, on the basis of our audit procedures, we consider the principles and assumptions applied by the VP Bank Group to test for the impairment of due from customers to be reasonable.

Completeness and valuation of provisions for legal risks

Key audit matter	How our audit addressed the key audit matter
As at 31 December 2024, VP Bank Group has recorded provisions for legal risks of CHF 0.69 million. The VP Bank Group is exposed to legal risks as it operates in a regulatory and legal environment. The completeness and valuation of provisions for legal risks involves significant scope for judgement. We therefore consider the audit of the accounting for provisions for legal risks to be a key audit matter. The VP Bank Group assesses legal risks through internal analyses conducted by the department responsible and in cooperation with external legal counsel. The annual report provides details on the accounting and valuation principles for the provisions for risks. Please refer to page 117 (Principles underlying financial statement reporting) and page 164 (Notes to the consolidated financial statements: 28 Provisions) and page 166 (Notes: 33 Litigation).	We assessed the accounting principles for the provisions for the settlement of litigation and regulatory proceedings. In doing so, we used a risk-based approach to test the VP Bank Group's estimates of the amounts for potential claims for damages and the provisions required for such. The evidence we examined included, among others, correspondence with third parties, confirmations from external legal counsel on selected litigation and claims, and the VP Bank Group's internal analyses. Regarding as yet unidentified risks, we reviewed a sample of customer complaints. In this way, we assessed whether systematic weaknesses existed for which provisions might have to be made. Further, on the basis of our understanding of the Company's business and our inspection of business correspondence, we assessed the completeness of the provisions. Additionally, the completeness of the provisions was evaluated on the basis of selected assessments by external legal counsel. Overall, we consider the basis and assumptions used by the Company to assess the completeness and valuation of the provisions for legal risks in the course of our own audit procedures as reasonable.

Other information

The Board of Directors is responsible for the other information. The other information comprises all information, but does not include the consolidated financial statements, the stand-alone financial statements, the consolidated annual report, the stand-alone annual report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the consolidated financial statements

The Board of Directors is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with EU-IFRS and the provisions of Liechtenstein law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the VP Bank Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate VP Bank Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Liechtenstein law and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Liechtenstein law and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the VP Bank Group's internal control system.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the VP Bank Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause VP Bank Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors respectively its committees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors respectively its committees with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors respectively its committees, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Further information pursuant to Article 10 of Regulation (EU) No 537/2014

We were elected as statutory auditor by the General Meeting on 26 April 2024. We have been the statutory auditor of the Company without interruption since the financial year ending as of 31 December 2020.

We declare that the audit opinions contained in this statutory auditor's report are consistent with the additional report to the Board of Directors respectively its committees pursuant to Article 11 of Regulation (EU) No 537/2014.

Further, we declare that no prohibited non-audit services pursuant to Article 5 in accordance with Article 10 para. 2 lit. f Regulation (EU) No. 537/2014 Article 5 para. 1 Regulation (EU) No. 537/2014 were provided.

Other confirmations persuant to Article 196 PGR

The consolidated financial statements (pages 104 to 105) as at 31 December 2024 comply with Liechtenstein law and the articles of incorporation. Further, the Group's annual report accords with the consolidated financial statements and, in our opinion, does not contain any material inaccurate information.

We further confirm that the consolidated financial statements comply with Liechtenstein law and the articles of incorporation, and we recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Roman Berlinger

Liechtenstein Certified Public Accountant
Auditor in charge

Patrick Wiech

Zurich, 11 March 2025

06

Financial Report 2024 of VP Bank Ltd, Vaduz

Annual report of VP Bank Ltd, Vaduz

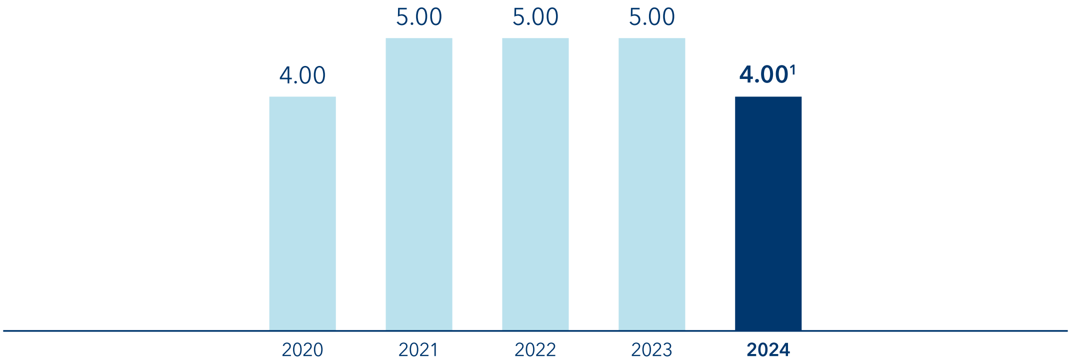
The annual report of VP Bank Ltd is largely evident from the consolidated annual report of VP Bank Group.

As of the balance sheet date, VP Bank Ltd, Vaduz, held in total 375,460 registered A shares and 353,169 registered B shares (previous year: 416,615 registered A shares and 352,169 registered B shares). This equates to a capital share of approximately 6.2 per cent (previous year: 6.8 per cent). In addition, reference is made to the notes to the relevant annual report regarding the number of and changes in treasury shares in the head office.

The Board of Directors proposes that the annual general meeting of 25 April 2025 approve a dividend payout of CHF 4.00 per registered A share and CHF 0.40 per registered B share (previous year: CHF 5.00 per registered A share and CHF 0.50 per registered B share).

Dividends

in CHF



[1] Proposal to the annual general meeting

Balance sheet

Assets

in CHF 1,000	31.12.2024	31.12.2023	Variance absolute	Variance in %
Cash and cash equivalents	644,311	1,069,574	–425,263	–39.8
Due from banks	846,811	1,232,451	–385,640	–31.3
maturing daily	489,271	591,853	–102,582	–17.3
other receivables	357,540	640,598	–283,058	–44.2
Due from customers	4,993,245	4,636,924	356,321	7.7
of which mortgage receivables	3,439,062	3,042,252	396,810	13.0
Debentures and other interest-bearing securities	2,148,620	2,306,909	–158,289	–6.9
money-market papers	171,749	170,895	854	0.5
from public-sector issuers	171,749	170,895	854	0.5
from other issuers	0	0	0	0.0
debt securities	1,976,871	2,136,014	–159,143	–7.5
from public-sector issuers	541,283	481,085	60,198	12.5
from other issuers	1,435,588	1,654,929	–219,341	–13.3
Equity shares and other non-interest-bearing securities	149,335	148,538	797	0.5
Participations	56	56	0	0.0
Shares in affiliated companies	188,013	172,013	16,000	9.3
Intangible assets	45,222	49,520	–4,298	–8.7
Property and equipment	50,904	57,265	–6,361	–11.1
Treasury shares	31,780	38,680	–6,900	–17.8
Other assets	117,297	65,062	52,235	80.3
Accrued receivables and prepaid expenses	31,094	38,639	–7,545	–19.5
Total assets	**9,246,688**	**9,815,631**	**–568,943**	**–5.8**

Liabilities and shareholders' equity

in CHF 1,000	31.12.2024	31.12.2023	Variance absolute	Variance in %
Due to banks	2,337,864	2,320,119	17,745	0.8
maturing daily	729,306	888,560	–159,254	–17.9
with agreed duration or term of notice	1,608,558	1,431,559	176,999	12.4
Due to customers	5,652,450	6,086,732	–434,282	–7.1
savings deposits	379,451	401,430	–21,979	–5.5
other liabilities	5,272,999	5,685,302	–412,303	–7.3
maturing daily	4,098,975	4,119,288	–20,313	–0.5
with agreed duration or term of notice	1,174,024	1,566,014	–391,990	–25.0
Securitised liabilities	204,491	308,005	–103,514	–33.6
debentures issued	204,491	308,005	–103,514	–33.6
of which medium-term notes	49,491	53,005	–3,514	–6.6
Other liabilities	85,527	127,680	–42,153	–33.0
Accrued liabilities and deferred items	35,017	39,923	–4,906	–12.3
Provisions	7,537	5,543	1,994	36.0
tax provisions	715	1,602	–887	–55.3
other provisions	6,822	3,941	2,881	73.1
Provisions for general banking risks	63,150	63,150	0	0.0
Share capital	66,154	66,154	0	0.0
Capital reserves	47,049	47,049	0	0.0
Income reserves	607,993	605,807	2,186	0.4
legal reserves	239,800	239,800	0	0.0
reserves for treasury shares	31,780	38,680	–6,900	–17.8
other reserves	336,413	327,327	9,086	2.8
Balance brought forward	112,392	116,421	–4,029	–3.5
Net income for the year	27,064	29,048	–1,984	–6.8
Total liabilities and shareholders' equity	**9,246,688**	**9,815,631**	**–568,943**	**–5.8**

Off-balance-sheet transactions

in CHF 1,000	31.12.2024	31.12.2023	Variance absolute	Variance in %
Contingent liabilities	**21,132**	**79,840**	**–58,708**	**–73.5**
Credit risks	**144,273**	**138,954**	**5,319**	**3.8**
irrevocable facilities granted	144,273	138,954	5,319	3.8
Derivative financial instruments				
positive replacement values	85,747	40,189	45,558	113.4
negative replacement values	18,904	101,664	–82,760	–81.4
contract volumes	4,721,885	5,814,583	–1,092,698	–18.8
Fiduciary transactions	**340,609**	**388,598**	**–47,989**	**–12.3**

Income statement

in CHF 1,000	2024	2023	Variance absolute	Variance in %
Interest income	198,161	201,639	–3,478	–1.7
of which from interest-bearing securities	38,822	34,258	4,564	13.3
of which from trading transactions	0	0	0	0.0
Interest expense	207,614	194,811	12,803	6.6
Net interest income	**–9,453**	**6,828**	**–16,281**	**–238.4**
Current income from securities	**68,026**	**64,711**	**3,315**	**5.1**
shares and other non-interest-bearing securities	9,160	7,084	2,076	29.3
of which from trading transactions	0	0	0	0.0
participations	2	2	0	2.0
shares in affiliated companies	58,864	57,625	1,239	2.1
Income from commission business and services	81,926	81,566	360	0.4
commission income from credit business	1,235	657	578	88.1
commission income from securities and investment business	70,522	68,350	2,172	3.2
commission income from other services	10,169	12,559	–2,390	–19.0
Commission expenses	14,455	13,072	1,383	10.6
Net income from commission business and services	**67,471**	**68,494**	**–1,023**	**–1.5**
Income from financial transactions	**102,439**	**113,642**	**–11,203**	**–9.9**
of which from trading transactions	113,987	118,306	–4,319	–3.7
Other ordinary income	**24,693**	**19,263**	**5,430**	**28.2**
income from real estate	187	221	–34	–15.4
other ordinary income	24,506	19,042	5,464	28.7
Total net operating income	**253,176**	**272,938**	**–19,762**	**–7.2**
Operating expenses	**191,189**	**191,568**	**–379**	**–0.2**
personnel expenses	122,818	121,828	990	0.8
general and administrative expenses	68,371	69,740	–1,369	–2.0
Gross income	**61,987**	**81,370**	**–19,383**	**–23.8**
Depreciation and amortisation of intangible assets and property and equipment	25,450	33,866	–8,416	–24.8
Other ordinary expenses	7,192	10,914	–3,722	–34.1
Valuation allowances on receivables and increases in provisions for contingent liabilities and credit risks	4,413	9,206	–4,793	–52.1
Income from release of valuation allowances on receivables and from the release of provisions for contingent liabilities and credit risks	3,365	3,930	–565	–14.4
Write-offs on participations, shares in affiliated companies and securities dealt with as non-current assets	0	0	0	0.0
Gains from appreciations on participations, shares in affiliated companies and securities dealt with as non-current assets	0	0	0	0.0
Income from normal business operations	**28,297**	**31,314**	**–3,017**	**–9.6**
Extraordinary income	0	0	0	0.0
Extraordinary expenses	0	0	0	0.0
Taxes on income	3	1,208	–1,205	–99.8
Other taxes if not included in above items	1,230	1,058	172	16.3
Net income for the year	**27,064**	**29,048**	**–1,984**	**–6.8**

Appropriation of profit

in CHF 1,000	2024	2023	Variance absolute	Variance in %
Net income for the year	27,064	29,048	–1,984	–6.8
Retained earnings brought forward	112,392	116,421	–4,029	–3.5
Retained earnings	**139,456**	**145,469**	**–6,013**	**–4.1**
Appropriation of profit				
Appropriation to other reserves	0	0	0	0.0
Distribution on the basis of company capital	26,462	33,077	–6,615	–20.0
Other appropriation of profit	0	0	0	0.0
Retained earnings to be carried forward	**112,995**	**112,392**	**603**	**0.5**

The Board of Directors proposes that the profit be distributed as follows (in CHF):	
At the disposal of the annual general meeting	139,456,175.91
Distribution of a dividend of CHF 4.00 per registered share A CHF 0.40 per registered share B	26,461,666.80
Other appropriation of profit	0.00
Retained earnings to be carried forward	**112,994,509.11**

Information regarding business activities and headcount

VP Bank Ltd, which has its registered office in Vaduz, Liechtenstein, was established in 1956 and is one of the three largest banks in Liechtenstein. Today, VP Bank Group owns subsidiary companies in Zurich, Luxembourg, the British Virgin Islands and a branch in Singapore. Adjusted to reflect full-time equivalents, at year-end 2024 VP Bank Ltd had 652.9 individuals under its employment (previous year: 681.1).

Wealth management and investment advisory services of VP Bank Ltd for private and institutional investors, as well as lending, constitute its core activities.

Commission business and services

In addition to general banking operations, commission and service-related business encompasses wealth management services for private clients, financial intermediaries and institutional clients, as well as investment advisory services, securities account management and fiduciary transactions. VP Bank Ltd earns a significant portion of its total commission income from transactions in securities on behalf of clients.

Lending business

The lending business of VP Bank Ltd is primarily geared to providing financing of residential properties for private clients, as well as wealth management and investment advisory services for private clients. The bank also grants commercial loans to commercial clients.

Money market and interbank activities

To the extent that they are not used for the bank's lending operations, client funds are invested with first-rate banks.

Trading activities

Clients are afforded a full range of execution and settlement services for all customary types of trading activities. A significant portion of the trading activities is related to foreign exchange dealings on behalf of private clients.

For liquidity-management and investment purposes, VP Bank Ltd maintains a portfolio of fixed-interest security and equity positions.

Principles of accounting and valuation, disclosures on risk - management

Principles of accounting and valuation

Basis

Accounting and valuation follow the prescriptions of the Liechtenstein Persons and Companies Act as well as the Liechtenstein Banking Act (BankA) and its related Ordinance (BankO).

Recording of transactions

In accordance with the valuation principles laid down, all business transactions are recorded in the bank's accounts as of their trading date. Forward transactions are recorded under off-balance-sheet transactions as of their settlement or value date.

Corporate earnings and expenditure in foreign currencies are translated into Swiss francs at their respective daily rates; assets and liabilities are translated at the rates prevailing at year-end. Capital gains and losses resulting from revaluation are recorded on the income statement.

Financial statements of foreign branches expressed in a foreign currency are translated at the exchange rate prevailing on the balance sheet date (balance sheet items) or at an annual average exchange rate (income statement items). The foreign currency translation differences are recorded on the income statement.

Cash and cash equivalents, public-sector debt securities and bills of exchange which are eligible for refinancing with central banks, receivables from banks, liabilities

Recording is made at nominal values less any applicable unearned discount in the case of money market papers. Valuation adjustments are established to cover identifiable risks while taking the principle of prudence into account. Individual and lump-sum valuation adjustments are deducted directly from the related balance sheet items.

Interest overdue for more than 90 days is provided for and recorded on the income statement as and when received.

Amounts due from clients

Amounts due from clients are recorded on the balance sheet at their nominal values less any applicable valuation adjustments. A receivable amount due is considered to be value-impaired when there is a probability that the total contractually owed amount is no longer recoverable.

A valuation adjustment is recorded on the balance sheet as a downgrade of the receivable's carrying value to its probable realisable value. In contrast, provisions for credit risks are made for off-balance sheet positions. In addition to individual valuation adjustments, VP Bank Ltd creates lump-sum individual valuation adjustments as well as lump-sum valuation adjustments to cover latent credit risks.

A review of collectability is undertaken at least once a year for all doubtful receivables.

Debentures and other interest-bearing securities, equity shares and other non-interest-bearing securities

Trading portfolios of securities and precious metals are valued at the quoted market price as of the balance sheet date.

The majority of fixed-interest securities held as current assets are valued according to the accrual method, in some cases also according to the lower of cost or market principle. In accordance with the accrual method, the agio or disagio on acquisition is deferred and accreted or amortised, respectively, over the term of the security until maturity. The interest portion of realised gains or losses from premature disposal or redemptions is deferred and released to income over the residual term (i.e. until the original maturity). The remaining securities and precious metals held as current assets are valued according to the lower of cost or market principle. Interest income arising on fixed-interest securities is reflected in the item "Interest income" and dividend income in the item "Current income from securities". Price gains are reported under the item "Income from financial transactions".

Participations

Equity shareholdings in companies owned by the bank representing a non-controlling interest held on a long-term basis are recorded as investments. Investments are valued at acquisition value less economically required valuation adjustments.

Shares in affiliated companies

The existing majority shareholdings of VP Bank Ltd are recorded as shares in affiliated companies. Shares in affiliated companies are valued at acquisition value less economically required valuation adjustments.

These affiliated companies are fully consolidated for the purposes of the published consolidated financial statements.

Intangible assets

Development costs for software are capitalised if they meet certain criteria regarding identifiability, if it is probable that future corporate earnings will flow to the enterprise and if the costs can be measured reliably. Internally developed software that meets these criteria, as well as purchased software and its installation costs, are capitalised and amortised over 3 to 7 years. Minor purchases are charged directly to general and administrative expenses.

Property, plant and equipment

Property, plant and equipment encompasses buildings used by the bank, other real estate, furniture and equipment as well as IT installations. Investments in new and existing property, plant and equipment are capitalised and valued at acquisition cost. Minor purchases are charged directly to general and administrative expenses.

In subsequent valuations, property, plant and equipment is recorded at acquisition value, less accumulated depreciation and amortisation. Depreciation and amortisation are charged on a systematic basis over the estimated useful life (bank buildings and other real estate: 25 years; fixtures: 10 to 15 years; furniture and equipment: 8 years; IT installations: 3 years; software: 3 to 7 years). The property, plant and equipment is reviewed annually for impairment in value.

Other assets, other liabilities

Other assets and other liabilities include the positive and negative replacement values of all financial derivative instruments open on the balance sheet date arising from nostro transactions as well as over-the-counter (OTC) contracts arising from transactions on behalf of clients. In addition, these items include balances of various settlement and clearing accounts.

Valuation adjustments and provisions

Valuation adjustments and provisions are established to reflect identifiable risks, as dictated by the principle of prudence. Individual and lump-sum valuation adjustments for receivables from banks and clients as well as on mortgage receivables are deducted directly from the corresponding asset item. Provisions can be raised for receivables subject to a country risk as dictated by the principle of prudence.

Provisions for general banking risks

Provisions for general banking risks are prudently established reserves to cover latent risks arising from the normal course of business of the bank. As required by the prescriptions governing financial statement reporting, they are shown as a separate item on the balance sheet. Changes thereto are disclosed separately on the income statement.

Contingent liabilities, irrevocable facilities granted, capital subscription and margin obligations

Amounts disclosed as off-balance-sheet items are stated at nominal values. Lump-sum provisions exist on the balance sheet for latent default risks.

Statement of cash flow

VP Bank Ltd is exempted from drawing up a statement of cash flow as a result of the obligation to prepare consolidated financial statements (Art. 24l BankO). The consolidated statement of cash flow of VP Bank Group is a part of the consolidated financial statements.

Post-balance-sheet-date events

There were no significant events after the balance sheet date for the 2024 financial year.

Commentaries on risk management

Appropriate risk management is the basic prerequisite for the sustainable development and continuing success of VP Bank Ltd, Vaduz. “Appropriate” is understood to mean that VP Bank Ltd, as a value-oriented enterprise, although it takes on financial, operational and business risks in a deliberate manner, does not hinder growth through innovation and initiatives but realistically evaluates and realises profit opportunities.

The principles for identifying, evaluating, controlling and monitoring financial, operational and business risks apply to VP Bank Ltd to the same extent as to the subsidiary companies and exactly mirror the risk management and control framework of VP Bank Group, for which reason reference is made at this point to the commentaries on the risk management of VP Bank Group.

Notes to the balance sheet and income statement

Analysis of collateral

in CHF 1,000	Mortgage collateral	Other collateral	Without collateral	Total
Loans				
Due from customers	21,083	1,468,948	64,151	1,554,183
Mortgage receivables	3,417,310	19,955	1,797	3,439,062
Residential property	2,573,894	7,439	1,257	2,582,590
Office and business premises	314,101	0	0	314,101
Commercial and industrial premises	521,459	0	0	521,459
Other	7,855	12,517	540	20,912
Total loans, 31.12.2024	**3,438,393**	**1,488,904**	**65,948**	**4,993,245**
Total loans, 31.12.2023	3,060,352	1,317,911	258,661	4,636,924
Off-balance-sheet transactions				
Contingent liabilities	100	13,657	7,375	21,132
Irrevocable facilities granted	29,692	37,316	77,266	144,273
Total off-balance-sheet transactions, 31.12.2024	**29,792**	**50,973**	**84,641**	**165,405**
Total off-balance-sheet transactions, 31.12.2023	7,762	36,214	174,818	218,794

Value-impaired loans

in CHF 1,000	Gross debt amount	Estimated liquidation value of collateral	Net debt amount	Individual value adjustments
Total value-impaired loans, 31.12.2024	**70,470**	**53,660**	**16,810**	**16,810**
Total value-impaired loans, 31.12.2023	46,694	31,628	15,066	15,066

Trading portfolios of securities and precious metals

in CHF 1,000	Carrying value		Acquisition cost		Market value	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Trading portfolios of securities and precious metals						
Debt securities	0	0	0	0	0	0
listed on a stock exchange (traded on a recognised market)	0	0	0	0	0	0
not listed	0	0	0	0	0	0
of which own bonds and medium-term notes	0	0	0	0	0	0
Equity shares	23	26	25	25	23	26
of which equity shares in the treasury	23	26	25	25	23	26
Precious metals	372	213	312	211	372	213
Total	**395**	**239**	**337**	**236**	**395**	**239**
Material receivables and liabilities included in other balance sheet positions which are marked to market value and whose revaluation is recorded in the item "income from trading transactions"						
Positive replacement values of derivative financial instruments in trading portfolios (other assets)	85,747	40,165			85,747	40,165
Negative replacement values of derivative financial instruments in trading portfolios (other liabilities)	18,490	101,312			18,490	101,312
Total	**104,237**	**141,477**			**104,237**	**141,477**
Portfolios of securities and precious metals in current assets (excluding trading portfolios)						
Debt securities	2,148,620	2,306,909	2,203,843	2,461,136	2,108,940	2,236,457
Equity shares	181,092	187,192	246,852	247,870	224,454	217,831
of which equity shares in the treasury	31,757	38,654	51,084	54,455	31,757	39,569
Total	**2,329,712**	**2,494,101**	**2,450,695**	**2,709,006**	**2,333,394**	**2,454,288**
of which repo-eligible securities	722,340	758,187	737,434	794,247	715,548	736,440
of which exchange-listed securities	2,289,309	2,454,324	2,386,894	2,646,479	2,284,973	2,406,422

Disclosures on treasury shares included in current assets (excluding trading portfolios)

in numbers / in CHF 1,000	Number		Carrying value	
	2024	2023	2024	2023
Registered shares A				
Balance at the beginning of the year	**416,615**	**454,784**	**35,631**	**38,817**
Purchase		2		0
Disposals	–41,155	–38,171	–3,757	–3,622
Valuation allowances			–2,814	
Appreciation				436
Balance at the end of the year	**375,460**	**416,615**	**29,061**	**35,631**
Registered shares B				
Balance at the beginning of the year	**349,237**	**347,737**	**3,023**	**3,010**
Purchase	1,000	1,500	8	13
Disposals				
Valuation allowances			–334	
Appreciation				
Balance at the end of the year	**350,237**	**349,237**	**2,697**	**3,023**

Participations and shares in affiliated companies

in CHF 1,000	Carrying value 31.12.2024	Carrying value 31.12.2023
Participations		
without quoted market value	56	56
Total participations	**56**	**56**
Shares in affiliated companies		
without quoted market value [1]	188,013	172,013
Total shares in affiliated companies	**188,013**	**172,013**

[1] In the 2024 financial year, recovery in value of CHF 0.0 million was recognised in accordance with Art. 1090 PGR (previous year: CHF 0.0 million).

in CHF 1,000	31.12.2024			31.12.2023		
	Currency	Corporate capital	Percentage ownership	Currency	Corporate capital	Percentage ownership
Participations						
Data Info Services AG, Vaduz (procurement, trade and exchange of goods and services)	CHF	50	50%	CHF	50	50%
Shares in affiliated companies						
VP Fund Solutions (Liechtenstein) AG, Vaduz (fund management company)	CHF	1,000	100%	CHF	1,000	100%
VP Fund Solutions (Luxembourg) SA, Luxembourg (fund management company)	CHF	5,000	100%	CHF	5,000	0%
VP Bank (Luxembourg) SA, Luxembourg (bank)	CHF	20,000	100%	CHF	20,000	100%
VP Bank (Switzerland) Ltd, Zurich (bank)	CHF	20,000	100%	CHF	20,000	100%
VP Wealth Management (Hong Kong) Ltd, Hong Kong (wealth management company) - wind down	HKD	43,000	100%	HKD	43,000	100%
VP Bank (BVI) Ltd, Tortola (bank)	USD	10,000	100%	USD	10,000	100%

Under shares in affiliated companies, the carrying value of the affiliated banks is CHF 165.8 million (previous year: CHF 165.8 million).

Overview of investments

in CHF 1,000	Acquisition cost	Cumulative depreciation to date	Carrying value 31.12.2023	Financial year 2024 Investments/ additions	Divestments	Reclassificaions	Depr. and amortisation	Foreign-currency translation	Carrying value 31.12.2024
Total participations (minority participations)	105	–49	56						56
Total shares in affiliated companies	173,105	–1,092	172,013	16,000					188,013
Total intangible assets (excluding goodwill)	233,594	–184,074	49,520	12,693	–13		–16,993	15	45,222
Real estate									
bank premises	198,155	–149,034	49,121	1,441			–5,623		44,939
other real estate	3,907	–539	3,368	41		3	–864	–4	2,544
Other property and equipment	21,422	–16,646	4,776	517	–5	–3	–1,970	106	3,421
Total property and equipment	223,484	–166,219	57,265	1,999	–5		–8,457	102	50,904
Fire-insurance values of real estate			165,900						175,100
Fire-insurance values of other property and equipment			33,284						14,300

Future obligations from operating leasing

At year end, there were various operating leasing agreements for real estate and other property, plant and equipment, the majority of which are used for the conduct of VP Bank's business activities. The main leasing agreements include renewal options and exit clauses.

in CHF 1,000	31.12.2024	31.12.2023
Total minimum commitments arising from operating leases	**6,250**	**6,737**

Operating expenses include CHF 1.942 million from operating leasing as at 31 December 2024 (previous year: CHF 2.977 million).

Assets pledged or assigned to secure own or third-party liabilities and assets subject to retention of title

in CHF 1,000	31.12.2024	31.12.2023
Assets pledged or assigned to secure own or third-party liabilities and assets subject to reservation of title excluding securities lending/borrowing and repo transactions		
Carrying value of assets pledged or assigned as security	765,338	764,200
Effective liabilities		
Securities lending/borrowing and repurchase transactions		
Amounts receivable arising from cash deposits in connection with securities borrowing and reverse-repurchase transactions		
Amounts payable arising from cash deposits in connection with securities lending and repurchase transactions		
Securities owned by the Bank lent out within the scope of securities lending or delivered as collateral within the scope of securities borrowing or transferred within the scope of repurchase transactions	300,493	288,980
of which securities for which an unconditional right has been granted to sell on or repledge	212,656	213,197
Securities received as collateral within the scope of securities lending or borrowed within the scope of securities borrowing or received within the scope of reverse repurchase transactions in the case of which the unconditional right to sell on or repledge was granted	293,850	290,890
of which securities repledged or sold on	87,837	75,783

Liabilities to own retirement pension plans

in CHF 1,000	31.12.2024	31.12.2023
Due to customers	31,314	17,477
Securitised liabilities	200	200
Other liabilities	95	2,850
Total liabilities to own retirement pension plans	**31,609**	**20,527**

Outstanding debenture issues

in CHF 1,000	Interest rate in %	Year of issue	Maturity	Nominal amount 31.12.2024	Nominal amount 31.12.2023
VP Bank Ltd, Vaduz	0.875	2015	07.10.2024		100,000
VP Bank Ltd, Vaduz	0.600	2019	29.11.2029	155,000	155,000

Valuation allowances / provisions for general banking risks

in CHF 1,000	Balance on 01.01.2024	Utilisation in accordance with purpose	Recoveries, overdue interest, forex diff.	Provisions charged to income statement	Provisions released to income statement	Balance on 31.12.2024
Valuation allowances for default risks						
Individual valuation allowances	14,772	290	1,164	910	138	16,418
Individual valuation allowances made on lump-sum basis	294		9	578	489	392
Lump-sum valuation allowances	2,317		41	1,838	2,237	1,959
Individual valuation allowances made on lump-sum basis for country risks	70				36	34
Provisions for contingent liabilities and credit risks	248		18	576	393	449
Provisions for taxes and deferred taxes	1,602	933	41	78	73	715
Other provisions	3,693	2,584	4	5,525	265	6,373
Total valuation allowances and provisions	**22,996**	**3,807**	**1,277**	**9,505**	**3,631**	**26,340**
minus: valuation allowances	17,453					18,803
Total provisions as per balance sheet	**5,543**					**7,537**
Provisions for general banking risks	**63,150**					**63,150**

Company capital

in CHF 1,000	31.12.2024			31.12.2023		
	Total par value	Number	Capital entitled to dividends	Total par value	Number	Capital entitled to dividends
Registered shares A	60,150	6,015,000	60,150	60,150	6,015,000	60,150
Registered shares B	6,004	6,004,167	6,004	6,004	6,004,167	6,004
Total company capital	**66,154**	**12,019,167**	**66,154**	**66,154**	**12,019,167**	**66,154**

Significant shareholders and groups of shareholders with interlinking voting rights

in CHF 1,000	31.12.2024			31.12.2023		
	Par value	Share in % of par value	Share of voting rights in %	Par value	Share in % of par value	Share of voting rights in %
With voting rights						
Stiftung Fürstl. Kommerzienrat Guido Feger, Vaduz	15,194	23.0	46.6	15,194	23.0	46.6
U.M.M. Hilti-Stiftung, Schaan	6,441	9.7	10.3	6,441	9.7	10.3
Marxer Stiftung für Bank- und Unternehmenswerte, Vaduz	7,569	11.4	6.3	7,569	11.4	6.3

Statement of changes in shareholders' equity

in CHF 1,000	2024
Shareholders' equity at the beginning of the financial year	
Subscribed and paid-up capital	66,154
Capital reserves	47,049
Legal reserves	239,800
Reserve for treasury shares	38,680
Other reserves	327,327
Provisions for general banking risks	63,150
Retained earnings	145,469
Total shareholders' equity at the beginning of the financial year	**927,629**
Other appropriations / releases from reserves (–)	2,186
Dividends and other distributions from net income of the previous year [1]	–33,077
Net income/loss (–) for the financial year	27,064
Total shareholders' equity at the end of the financial year	**923,802**
of which	
Subscribed and paid-up capital	66,154
Capital reserves	47,049
Legal reserves	239,800
Reserve for treasury shares	31,780
Other reserves	336,413
Provisions for general banking risks	63,150
Retained earnings	139,456

[1] Effective payouts have only been made to third parties.

Maturity structure of assets as well as liabilities and provisions

in CHF 1,000	Sight	Callable	Due within 3 months	Due within 3 to 12 months	Due within 1 to 5 years	Due after 5 years	Without maturity	Total
Assets								
Cash and cash equivalents	644,311							644,311
Due from banks	552,712		233,354	60,745				846,811
Due from customers	73,421	30,078	2,959,463	694,442	1,007,964	227,877		4,993,245
of which mortgage receivables	41,414	7,058	1,614,638	578,192	970,306	227,454		3,439,062
Trading portfolios of securities and precious metals	395							395
Portfolios of securities and precious metals in current assets (excluding trading portfolios)	181,465		150,930	300,601	1,232,899	463,817		2,329,712
Other assets	383,619		1,113				47,483	432,214
Total assets, 31.12.2024	**1,835,923**	**30,078**	**3,344,860**	**1,055,788**	**2,240,863**	**691,694**	**47,483**	**9,246,688**
Total assets, 31.12.2023	2,185,568	88,608	3,437,671	1,134,266	2,045,555	871,473	52,489	9,815,631
Liabilities and provisions								
Due to banks	729,306	687,114	733,884	164,902	22,658			2,337,864
Due to customers	2,111,552	2,366,884	1,042,875	131,139				5,652,450
savings deposits		379,451						379,451
other liabilities	2,111,552	1,987,433	1,042,875	131,139				5,272,999
Securitised liabilities			2,917	6,864	193,114	1,596		204,491
debentures issued			2,917	6,864	193,114	1,596		204,491
of which medium-term notes			2,917	6,864	38,114	1,596		49,491
Provisions (excluding provisions for general banking risks)	7,537							7,537
Other liabilities	117,972		2,572					120,544
Total liabilities, 31.12.2024	**2,966,367**	**3,053,998**	**1,782,248**	**302,905**	**215,772**	**1,596**		**8,322,886**
Total liabilities, 31.12.2023	3,429,841	2,806,063	1,796,932	628,434	60,308	166,424		8,888,002
Debentures and other interest-bearing securities which mature in the following financial year								451,531
Issued debentures which mature in the following financial year								9,781

Receivables from and payables to participations, affiliated companies and qualifying participants, as well as loans to governing bodies and material transactions with related persons

in CHF 1,000	31.12.2024	31.12.2023
Receivables from and payables to participations, affiliated companies and qualifying participants		
Receivables from participations		
Payables to participations	48	50
Receivables from affiliated companies	81,740	60,972
Payables to affiliated companies	2,166,687	2,030,161
Receivables from qualifying participants		
Payables to qualifying participants	63,916	73,087
Loans to governing bodies		
Members of Group Executive Management and parties related thereto	4,031	3,364
Members of the Board of Directors and parties related thereto [1]	2,220	1,520

[1] Excluding receivables from related qualifying parties.

VP Bank also remunerates related parties within the scope of customary intermediary services and purchased advisory services. Such compensation is in line with standard market conditions. The total amount of these remunerations and professional fees was CHF 0.609 million in 2024 (previous year: CHF 0.626 million).

Balance sheet by domestic and foreign origin

in CHF 1,000	31.12.2024		31.12.2023	
	Domestic	Foreign	Domestic	Foreign
Assets				
Cash and cash equivalents	640,667	3,644	1,066,003	3,571
Due from banks	629,982	216,829	886,954	345,497
Due from customers	3,905,794	1,087,451	3,637,800	999,124
of which mortgage receivables	3,210,898	228,164	2,967,681	74,571
Debentures and other interest-bearing securities	305,718	1,842,902	350,640	1,956,269
Equity shares and other non-interest-bearing securities	74,400	74,935	67,785	80,753
Participations	35	21	35	21
Shares in affiliated companies	96,000	92,013	96,000	76,013
Intangible assets	44,914	308	49,355	165
Property and equipment	49,585	1,319	55,887	1,378
Treasury shares	31,780		38,680	
Other assets	67,391	49,906	36,939	28,123
Accrued receivables and prepaid expenses	12,642	18,452	16,824	21,815
Total assets	**5,858,908**	**3,387,780**	**6,302,902**	**3,512,729**
Liabilities and shareholders' equity				
Due to banks	436,492	1,901,372	597,027	1,723,092
Due to customers	3,485,132	2,167,318	3,786,575	2,300,157
savings deposits	311,535	67,916	330,128	71,302
other liabilities	3,173,597	2,099,402	3,456,447	2,228,855
Securitised liabilities	204,491		308,005	
Other liabilities	27,983	57,544	79,447	48,233
Accrued liabilities and deferred items	19,982	15,035	21,771	18,152
Provisions	6,228	1,309	4,060	1,483
Provisions for general banking risks	63,150		63,150	
Share capital	66,154		66,154	
Capital reserves	47,049		47,049	
Income reserves	607,993		605,807	
legal reserves	239,800		239,800	
reserves for treasury shares	31,780		38,680	
other reserves	336,413		327,327	
Balance brought forward	112,392		116,421	
Net income for the year	27,064		29,048	
Total liabilities and shareholders' equity	**5,104,110**	**4,142,578**	**5,724,514**	**4,091,117**

Switzerland is considered to be domestic according to the Banking Ordinance (Art. 24e(1)).

Total assets by country or group of countries

in CHF 1,000	31.12.2024		31.12.2023	
	Absolute	Share in %	Absolute	Share in %
Assets				
Liechtenstein/Switzerland	5,858,908	63.4	6,302,902	64.2
Europe (excluding Liechtenstein/Switzerland)	1,372,918	14.8	1,586,861	16.2
North America	673,871	7.3	661,657	6.7
Asia	802,424	8.7	732,242	7.5
Caribbean	428,475	4.6	419,708	4.3
Other	110,092	1.2	112,261	1.1
Total assets	**9,246,688**	**100.0**	**9,815,631**	**100.0**

Balance sheet by currency

in CHF 1,000	CHF	USD	EUR	Other	Total
Assets					
Cash and cash equivalents	636,647	276	3,400	3,988	644,311
Due from banks	148,548	268,324	181,367	248,572	846,811
Due from customers	4,277,514	374,680	140,568	200,483	4,993,245
of which mortgage receivables	3,364,794	2,858	13,266	58,144	3,439,062
Debentures and other interest-bearing securities	507,806	883,864	658,145	98,805	2,148,620
Equity shares and other non-interest-bearing securities	61,964	12,700	70,341	4,330	149,335
Participations	35		21		56
Shares in affiliated companies	188,013				188,013
Intangible assets	45,016	206			45,222
Property and equipment	49,483	1,421			50,904
Treasury shares	31,780				31,780
Other assets	104,904	9,011	98	3,284	117,297
Accrued receivables and prepaid expenses	13,932	10,317	6,603	242	31,094
Total on-balance-sheet assets	**6,065,642**	**1,560,799**	**1,060,543**	**559,704**	**9,246,688**
Delivery claims arising from foreign-exchange spot, forward and option transactions	440,086	2,107,708	1,048,737	979,472	4,576,003
Total assets, 31.12.2024	**6,505,728**	**3,668,507**	**2,109,280**	**1,539,176**	**13,822,691**
Total assets, 31.12.2023	6,892,265	4,037,437	2,360,454	2,233,889	15,524,045
Liabilities and shareholders' equity					
Due to banks	365,412	1,265,717	309,052	397,683	2,337,864
Due to customers	2,397,507	1,717,014	1,052,652	485,277	5,652,450
savings deposits	378,727		724		379,451
other liabilities	2,018,780	1,717,014	1,051,928	485,277	5,272,999
Securitised liabilities	200,496	2,139	1,856		204,491
Other liabilities	19,766	48,743	13,534	3,484	85,527
Accrued liabilities and deferred items	18,818	11,868	787	3,544	35,017
Provisions	7,028	364	145		7,537
Provisions for general banking risks	63,150				63,150
Share capital	66,154				66,154
Capital reserves	47,049				47,049
Income reserves	607,993				607,993
legal reserves	239,800				239,800
reserves for treasury shares	31,780				31,780
other reserves	336,413				336,413
Balance brought forward	112,392				112,392
Net income for the year	27,064				27,064
Total on-balance-sheet liabilities	**3,932,829**	**3,045,845**	**1,378,026**	**889,988**	**9,246,688**
Delivery obligations arising from foreign-exchange spot, forward and option transactions	2,528,157	614,243	706,294	660,300	4,508,994
Total liabilities, 31.12.2024	**6,460,986**	**3,660,088**	**2,084,320**	**1,550,288**	**13,755,682**
Total liabilities, 31.12.2023	6,958,953	4,120,056	2,296,410	2,361,718	15,737,137
Net position per currency	**44,743**	**8,418**	**24,960**	**-11,112**	

Contingent liabilities

in CHF 1,000	31.12.2024	31.12.2023	Variance absolute	Variance in %
Contingent liabilities				
Credit guarantees and similar	10,406	69,726	–59,320	–85.1
Performance guarantees and similar	10,726	10,114	612	6.0
Other contingent liabilities	0	0	0	0.0
Total contingent liabilities	**21,132**	**79,840**	**–58,708**	**–73.5**

Unsettled derivative financial instruments

in CHF 1,000	Trading instruments			Hedging instruments		
	Positive replacement values	Negative replacement values	Contract volumes	Positive replacement values	Negative replacement values	Contract volumes
Interest-rate instruments						
Swaps					414	22,000
Futures						
Foreign exchange / precious metals						
Forward contracts	20,274	2,607	840,185			
Combined interest-rate/currency swaps	58,486	8,903	3,227,730			
Options (OTC)	6,254	6,257	590,755			
Equity instruments/Indices						
Futures						
Options (OTC)	734	723	41,214			
Options (exchange-traded)						
Total prior to consideration of netting agreements, 31.12.2024	**85,747**	**18,490**	**4,699,885**	**0**	**414**	**22,000**
Total prior to consideration of netting agreements, 31.12.2023	40,165	101,312	5,782,583	24	353	32,000

Financial instruments falling under a netting agreement do not meet the set-off requirements for balance-sheet purposes, which is why the carrying values of the related financial instruments are not netted in the balance sheet (Consolidated report, note 37).

Fiduciary transactions

in CHF 1,000	31.12.2024	31.12.2023	Variance absolute	Variance in %
Fiduciary transactions				
Fiduciary deposits	340,609	388,598	–47,989	–12.3
Fiduciary deposits with third-party banks	207,590	274,588	–66,998	–24.4
Fiduciary deposits with affiliated banks and finance companies	133,019	114,010	19,009	16.7
Fiduciary loans	0	0	0	0.0
Other fiduciary transactions of financial nature	0	0	0	0.0
Total fiduciary transactions	**340,609**	**388,598**	**–47,989**	**–12.3**

Information on the income statement

in CHF 1,000	2024	2023	Variance absolute	Variance in %
Income from trading activities				
Gains from securities	–91	174	–265	–152.3
Gains from trading derivatives	808	–1,453	2,261	–155.6
Gains from foreign-exchange transactions	112,077	119,057	–6,980	–5.9
Gains from trading in banknotes	727	68	659	n.a.
Gains from precious metals	466	461	5	1.0
Total income from trading activities	**113,987**	**118,306**	**–4,319**	**–3.7**

in CHF 1,000	2024	2023	Variance absolute	Variance in %
Personnel expenses				
Salaries and wages	104,163	101,752	2,411	2.4
Social security costs and staff retirement pensions and assistance costs	18,572	19,094	–522	–2.7
of which for staff retirement pensions	16,209	16,780	–571	–3.4
Other personnel expenses	83	982	–899	–91.6
of which internally produced and capitalized assets	–2,515	–3,133	619	–19.7
Total personnel expenses	**122,818**	**121,828**	**990**	**0.8**

The remuneration of the Board of Directors and the Executive Board is disclosed under "Compensation paid to Members of the Board of Directors".

in CHF 1,000	2024	2023	Variance absolute	Variance in %
General and administrative expenses				
Occupancy expenses	3,104	3,184	–80	–2.5
Expenses for IT, equipment, furniture, motor vehicles and other installations	32,297	32,353	–56	–0.2
Other operating expenses	32,970	34,203	–1,233	–3.6
Total general and administrative expenses	**68,371**	**69,740**	**–1,369**	**–2.0**

in CHF 1,000	2024	2023	Variance absolute	Variance in %
Other ordinary expenses				
Losses and differences	603	730	–127	–17.4
Other ordinary expenses [1]	6,589	10,184	–3,595	–35.3
Total other ordinary expenses	**7,192**	**10,914**	**–3,722**	**–34.1**

[1] 2024: of which CHF 6.6 million resulting from service agreements with subsidiaries. 2023: of which CHF 5.8 million resulting from service agreements with subsidiaries and CHF 4.4 million from legal costs.

in %	2024	2023	Variance absolute	Variance in %
Return on capital [1]	**0.28**	**0.28**	**0.00**	**0.0**

[1] Net income / average balance sheet total.

in CHF 1,000	2024	2023	Variance absolute	Variance in %
Other ordinary income				
Income from real estate	187	221	–34	–15.4
Other ordinary income [1]	24,506	19,042	5,464	28.7
Total other ordinary income	**24,693**	**19,263**	**5,430**	**28.2**

[1] 2024: of which CHF 24.0 million resulting from service agreements with subsidiaries. 2023: of which CHF 12.9 million resulting from service agreements with subsidiaries, CHF 3.0 million from a third party reimbursement for legal costs and CHF 2.6 million from the release of accruals for onerous contracts for renting.

Other assets and liabilities

in CHF 1,000	31.12.2024	31.12.2023	Variance absolute	Variance in %
Other assets				
Precious metals	372	213	159	74.6
Unsettled derivative financial instruments (positive replacement values)	85,747	40,189	45,558	113.4
Trading positions	85,747	40,165	45,582	113.5
Liquidity positions	0	24	–24	–100.0
Compensation accounts	301	289	12	4.1
Settlement accounts	24,072	13,737	10,335	75.2
Miscellaneous other assets	6,805	10,634	–3,829	–36.0
Total other assets	**117,297**	**65,062**	**52,235**	**80.3**
Other liabilities				
Accounts for disbursement of taxes and fees	5,248	3,966	1,282	32.3
Unsettled derivative financial instruments (negative replacement values)	18,904	101,664	–82,760	–81.4
Trading positions	18,490	101,312	–82,822	–81.7
Liquidity positions	414	352	62	17.2
Compensation accounts	0	0	0	0.0
Settlement accounts	58,733	20,601	38,132	185.1
Miscellaneous other liabilities	2,642	1,449	1,193	82.3
Total other liabilities	**85,527**	**127,680**	**–42,153**	**–33.0**

Income and expense analysed by permanent establishment

in CHF 1,000	2024		2023	
	Domestic	Foreign	Domestic	Foreign
Interest income	178,072	47,944	181,386	47,909
Interest expenses	198,500	36,956	185,323	36,818
Current income from securities	68,026		64,711	
Income from commission business and services	71,808	10,278	72,854	8,872
Commission expenses	11,899	2,718	11,075	2,159
Income from financial transactions	98,356	4,131	102,731	11,266
Other ordinary income	30,468		20,834	2
Operating expenses	171,631	25,199	171,987	21,357
Other ordinary expenses	7,174	18	10,905	9

The breakdown between domestic and foreign is based on the domicile of the reporting branches.

The values listed under “Foreign” refer to VP Bank Ltd Singapore Branch in Singapore (business activity: bank). Adjusted to reflect full-time equivalents, this unit employed 70 persons as at 31 December 2024 (31 December 2023: 85 persons). On a consolidated basis, total operating income in the 2024 financial year amounts to the equivalent of CHF 7.934 million (previous year: CHF 16.172 million) and earnings before tax to CHF -12.138 million (previous year: CHF -4.255 million). The unit received the equivalent of CHF 0.041 million in government subsidies in the 2024 financial year (previous year: CHF 0.116 million).

Auditor’s report

Report of the statutory auditor

to the General Meeting of VP Bank Ltd., Vaduz

Report on the audit of the financial statements

Opinion

We have audited the financial statements of VP Bank Ltd ('the Company'), which comprise the balance sheet as at 31 December 2024, the income statement for the year then ended and the notes, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 195 to 215) give a true and fair view of the consolidated financial position of the Company as at 31 December 2024 and its financial performance for the year then ended in accordance with Liechtenstein law.

Basis for opinion

We conducted our audit in accordance with Liechtenstein law and International Standards on Auditing (ISA). Our responsibilities under those provisions and standards are further described in the “Auditor’s responsibilities for the audit of the financial statements” section of our report.

We are independent of the Company in accordance with the provisions of Liechtenstein law and the requirements of the audit profession, as well as the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our Audit Approach

Overview

Overall materiality: CHF 1,333,000

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the entity, the accounting processes and controls, and the industry in which the entity operates.

As key audit matters, the following areas of focus were identified:

- Impairment testing of due from customers
- Completeness and valuation of provisions for legal risks

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Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

Overall materiality	CHF 1,333,000
Benchmark applied	Income from normal business operations (average of the last three years)
Rationale for the materiality benchmark applied	We chose income from normal business operations (average of the last three years) as the benchmark because, in our view, it is the benchmark against which the performance of the Company is most commonly measured. Income from normal business operations represents income before taxes and before changes to the provisions for general banking risks and is a generally accepted benchmark for materiality considerations.

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement.

Reporting on key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment testing of due from customers

Key audit matter	How our audit addressed the key audit matter
As at 31 December 2024, the Company reported due from customers in the amount of CHF 4.993 billion, of which 0.34 % were assessed as impaired. Due from customers is the Company's largest asset and about 69 % are backed by mortgages, 30 % by other collateral provided by customers (i.e., mainly in the form of Lombard loans) and 1 % are provided without collateral. Due from customers are valued by calculating the expected credit loss. Determining the factors and calculating the expected credit loss and the resulting valuation allowances requires judgement. We consider the impairment testing of due from customers a key audit matter because of the amount they represent on the balance sheet and the significant scope for judgement inherent in their valuation. The accounting principles applied to due from customers and the methods used to identify default risk, to determine	Our audit procedures were primarily tests of the proper functioning of the internal controls performed by the Company. We tested compliance with the rules and processes as well as the effectiveness of these controls through risk-based sample testing. In doing so, we assessed the design of the key controls and, on a sample basis, tested compliance with them. Where significant scope for judgement exists (e.g., in the valuation of collateral or the estimation of property values), we also challenged Company's decisions with our own critical opinion as part of our substantive audit procedures. Our substantive tests included sample-based testing of loans at risk in the loan portfolio to assess whether an additional valuation allowance was needed. We also assessed the method and accuracy of the calculation of the expected credit losses.

the need for impairment and to evaluate collateral are described in the annual report. Please refer to page 200 (Principles of accounting and valuation) and page 203 (Notes regarding the balance sheet and income statement: Analysis of collateral).	Overall, on the basis of our audit procedures, we consider the principles and assumptions applied by the Company to test for the impairment of due from customers to be reasonable.

Completeness and valuation of provisions for legal risks

Key audit matter	How our audit addressed the key audit matter
As at 31 December 2024, the Company has recorded provisions for legal risks of CHF 0.69 million. The Company is exposed to legal risks as it operates in a regulatory and legal environment. The completeness and valuation of provisions for legal risks involves significant scope for judgement. We therefore consider the audit of the accounting for provisions for legal risks to be a key audit matter. The Company assesses the legal risks through internal analyses conducted by the department responsible and in cooperation with external legal counsel. The annual report provides details on the accounting and valuation principles for the provisions. Please refer to page 201 (Principles of accounting and valuation) and page 207 (Notes regarding valuation allowances / provisions for general banking risks).	We assessed the accounting principles for the provisions for the settlement of litigation and regulatory proceedings. In doing so, we used a risk-based approach to test the Company's estimates of the amounts for potential claims for damages and the provisions required for such. The evidence we examined included, among others, correspondence with third parties, confirmations from external legal counsel on selected litigation and claims, and the Company's internal analyses. Regarding as yet unidentified risks, we reviewed a sample of customer complaints. In this way, we assessed whether systematic weaknesses existed for which provisions might have to be made. Further, on the basis of our understanding of the Company's business and our inspection of business correspondence, we assessed the completeness of the provisions. Additionally, the completeness of the provisions was evaluated on the basis of selected assessments by external legal counsel. Overall, we consider the basis and assumptions used by the Company to assess the completeness and valuation of the provisions for legal risks in the course of own audit procedures as reasonable.

Other information

The Board of Directors is responsible for the other information. The other information comprises all information, but does not include the consolidated financial statements, the stand-alone financial statements, the consolidated annual report, the stand-alone annual report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with the requirements of Liechtenstein law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors intends either to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Liechtenstein law and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Liechtenstein law and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors respectively its committees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors respectively its committees with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors respectively its committees, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Further information pursuant to Article 10 of Regulation (EU) No 537/2014

We were elected as statutory auditor by the General Meeting on 26 April 2024. We have been the statutory auditor of the Company without interruption since the financial year ending as of 31 December 2020.

We declare that the audit opinions contained in this statutory auditor's report are consistent with the additional report to the Board of Directors respectively its committees pursuant to Article 11 of Regulation (EU) No 537/2014.

Further, we declare that no prohibited non-audit services pursuant to Article 5 in accordance with Article 10 para. 2 lit. f Regulation (EU) No. 537/2014 Article 5 para. 1 Regulation (EU) No. 537/2014 were provided.

Other confirmations persuant to Article 196 PGR

The annual report (page 194) as at 31 December 2024 complies with Liechtenstein law and the articles of incorporation. The annual report accords with the financial statements and, in our opinion, does not contain any material inaccurate information.

We further confirm that the financial statements and the proposed appropriation of profit comply with Liechtenstein law and the articles of incorporation, and we recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Roman Berlinger

Liechtenstein Certified Public Accountant
Auditor in charge

Patrick Wiech

Zurich, 11 March 2025


Work or life
vpbank.com/ar-life

07

Sustainability statement

general information/ disclosures

Basis for preparation

General basis for preparation of the sustainability statement (BP-1)

This sustainability statement has been drawn up for VP Bank Group on a consolidated basis in accordance with the European Sustainability Reporting Standards (ESRS). The scope of the reporting entity corresponds to the scope of financial reporting by VP Bank Group and is presented in the chapter Consolidated annual report of VP Bank Group. The scope of the reporting entity does not include the Data Info Services AG (DIS AG) 50:50 joint venture between VP Bank Ltd and Liechtensteinische Landesbank AG. DIS AG was established in May 2011 and operates solely as a procurement company for financial information without any further operational activity.

In order to identify and report on material impacts, risks and opportunities, the Group's own business activities and the upstream and downstream value chain are taken into account. Further information on the upstream and downstream value chain and their consideration in this sustainability statement can be found in chapter ESRS 2 SBM-1, and information on material impacts, risks and opportunities can be found in chapter ESRS 2 IRO-1. VP Bank is making use of the transitional provisions in some cases, as stated in Annex SN 1. No information is provided on intellectual property, know-how or innovation results, although the relevance of the disclosures in question as a whole is not affected. There are no exceptions to the obligation to disclose impending developments or matters in the course of negotiation, in accordance with Art. 1096b to 1096i and Art. 1121(3a) et seqq. of the Liechtenstein Persons and Companies Act (Personen- und Gesellschaftsrecht des Fürstentums Liechtenstein, PGR), within the meaning of Art. 29a of EU Directive 2013/34/EU.

Disclosures in relation to specific circumstances (BP-2)

Identification and assessment take into account the actual and/or potential impacts, risks and opportunities over different time horizons. The definition of these time horizons follows the approach of the general requirements under ESRS 1, according to which short-term is defined as less than one year (<1), medium-term as one to five years (1–5) and long-term as more than five years (>5).

VP Bank has carried out the double materiality assessment (DMA) based on various data sources listed in chapter ESRS 2 IRO-1. In addition, data from the upstream and downstream value chains were used. Insofar as any forward-looking information is used in the analysis, it should be noted that this information is always subject to a degree of uncertainty and that the underlying estimates may change in the future.

The geographical and product-related distribution of the actual purchasing volume in Swiss francs has been taken into account when assessing the upstream value chain within the DMA. This includes information on the share of procurement costs of tier 1 suppliers according to location, as well as a breakdown by purchasing category: information technology (IT), advisory services and human resources, information services, workplace, marketing and public relations (PR). The measurement uncertainty surrounding the upstream value chain is considered to be low, as the analysis is based on all relevant individual positions and does not use any estimates. Estimates are used in some cases in the context of GHG emissions under chapter E1-6, although the contribution to absolute group-wide GHG emissions must be classified as non-material.

When evaluating the downstream value chain within the context of the DMA, the analysis was broken down into two areas: (i) the lending business, with a focus on mortgage loans; and (ii) the investment business, with a focus on own investments and client assets in wealth management mandates. Due to the heterogeneous nature of the portfolio composition, estimates based on benchmarks were used in connection with client assets. The measurement uncertainty surrounding investments must be classified as moderate. In connection with the financed real estate in the mortgage portfolio, estimates were used for emissions based on building types and location-specific information for natural hazards. The data basis in relation to building-specific characteristics is currently still limited. VP Bank has started to expand the recording of building characteristics with a view to continuously reducing inaccuracies associated with the use of estimates. Information on the sources of estimates and results uncertainty is provided in the respective topic-specific standards.

As this is the first report under the Corporate Sustainability Reporting Directive (CSRD), there are no changes in the preparation and presentation of sustainability information compared to a previous reporting period. Data from the previous year are only available for disclosure obligations under Art. 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), as these data were published in the 2023 financial year.

This sustainability statement provides information in accordance with the following reporting standards and frameworks, in addition to reporting according to ESRS requirements: the Principles for Responsible Banking (PRB), the Net-Zero Banking Alliance (NZBA), the UN Global Compact (UNGC) and the Task Force on Climate-related Financial Disclosures (TCFD). With the expansion of ESRS-based reporting requirements, the disclosure requirements under the above-mentioned standards have also been complied with.

In 2024, VP Bank withdrew from Hong Kong for economic reasons. The information in the report includes Hong Kong.

Governance

The role of the administrative, management and supervisory bodies (GOV-1)

The Board of Directors

The Board of Directors bears responsibility for the medium- to long-term strategic orientation of VP Bank. It is responsible for the overall management, supervision and control of the bank. Liechtenstein legislation provides for a clear separation of the overall management, supervision and control duties performed by the Board of Directors and the duties performed by operational management. The Board of Directors of VP Bank consists exclusively of non-executive members. The corporate governance structure of VP Bank is therefore based on a two-tier system of corporate management.

The Board of Directors of VP Bank consists of seven members. The proportion of women on the Board of Directors is 28.6 per cent. No member has belonged to Group Executive Management (GEM) or the Executive Board of a subsidiary company during the past three financial years. Two members of the Board of Directors are representatives of anchor shareholders; the other five members (71.4 per cent) are independent. There is no representation of employees or other workers on the Board of Directors. The members of the Board of Directors have individual and collective experience relevant to the sectors, products, geographical locations and sustainable orientation of VP Bank.

The table below provides details of the names, ages, functions, entry into office and remaining term of office of members of the Board of Directors, as well as on completion of the "Responsible Banking for Board Members and Executives" course run by the Principles for Responsible Banking (PRB) Academy. The aim of this course is to familiarise managers and board members with the essential aspects of the Paris Agreement, the United Nations Sustainable Development Goals (SDGs) and the Principles for Responsible Banking (PRB) and to enable them to make informed decisions on impacts, risks and opportunities related to environmental, social and governance aspects.

Surname	Year of birth	Position	Joined Board of Directors	Elected until AGM	Committee memberships	Key areas of experience	Completion of PRB Course
Stephan Zimmermann	1956	Chairman	2023	2026	Strategy & Digitalisation Committee [1], Nomination & Compensation Committee	Banking operations and financial business knowledge, Risk & Compliance, Audit & Accounting, General Management & Leadership, Private Banking, Retail Banking, Commercial Banking, Fund Business, Intermediary Business, Market Europe (incl. CH), Market Asia, Technology & Digitalisation	No
Ursula Lang	1967	Vice Chairwoman	2016	2025	Risk Committee [1], Nomination & Compensation Committee, Audit Committee	Banking operations and financial business knowledge, Risk & Compliance, Legal, Credit Risk Management, Audit & Accounting, General Management & Leadership, Governance, Private Banking, Retail Banking, Intermediary Business, ESG	Yes
Dr. Mauro Pedrazzini	1965	Vice Chairman	2022	2025	Strategy & Digitalisation Committee, Risk Committee	Banking operations and financial business knowledge, General Management & Leadership, Private Banking, Retail Banking, Fund Business, Intermediary Business, Fiduciary Business, Asset Management, Market Liechtenstein, Market Europe (incl. CH), Technology & Digitalisation, Legislation, Communication and Public Relations	Yes
Stefan Amstad	1970	Member	2023	2026	Audit Committee [1], Risk Committee	Banking operations and financial business knowledge, Risk & Compliance, Credit Risk Management, Audit & Accounting, General Management & Leadership, Private Banking, Retail Banking, Commercial Banking	No
Philipp Elkuch	1969	Member	2021	2027	Nomination & Compensation Committee [1], Strategy & Digitalisation Committee	Risk Management, General Management & Leadership, Commercial Banking, Market Liechtenstein, Technology & Digitalisation, ESG	Yes
Dr. Beat Graf	1964	Member	2014	2026	Nomination & Compensation Committee, Audit Committee	Banking operations and financial business knowledge, Risk & Compliance, General Management & Leadership, Private Banking, Retail Banking, Intermediary Business, Market Liechtenstein, Market Europe (incl. CH)	Yes
Katja Rosenplänter-Marxer	1981	Member	2020	2026	Risk Committee, BoD Delegate for Sustainability	Risk & Compliance, Intermediary Business, Market Liechtenstein, ESG	Yes

[1] Chairperson

The Board of Directors is a collegial body responsible for overall management, supervision and control of executive management according to law and the Articles of Association of VP Bank. In this context, it ensures the safe, performance-focused and forward-looking management of VP Bank by GEM. To be able to fulfil its duties, the Board of Directors is supported by four committees: the Nomination & Compensation Committee (NCC), the Audit Committee (VAU), the Risk Committee (VRI) and the Strategy & Digitalisation Committee (SDC). In addition, there is a sustainability officer on the Board of Directors who represents sustainability aspects across all committees and supports their systematic and uniform implementation.

The tasks, powers of authority, rights and obligations of the various committees are laid down (publicly) in the Organisation and Business Rules. The functions of the Board of Directors committees are also set out in their own regulations. Sustainability aspects are set out in the Sustainability Governance Regulations of the Board of Directors. These also define the tasks of sustainability officers.

Changes to business activities or new regulatory requirements concerning sustainability aspects result in the creation of new tasks within GEM and increase the complexity of operations. This results in additional requirements in terms of the supervisory duties of the Board of Directors. The NCC reviews at least once each year whether new requirements apply as regards the qualifications of the members of the Board of Directors or of GEM, as well as holders of key functions, and whether these are sufficiently fulfilled by the governing bodies as a whole or by individual persons. Where a deficit is discovered, the NCC immediately initiates measures to ensure smooth management across all members of the governing body and for holders of individual functions. In addition, the Board of Directors carries out a self-evaluation each year. In this context, measures for the further development of the Board of Directors are discussed.

The Board of Directors has adopted guidelines on the induction and training of members of the Board of Directors. The concept includes the induction programme for new members, continuing education within the Board of Directors and individual continuing education. With the aim of building up expertise in the field of sustainability, during the 2022/23 term in office, some members of the Board of Directors completed the "Responsible Banking for Board Members and Executives" course run by the Principles for Responsible Banking (PRB) Academy. The acquisition of competence was ensured by way of a final examination. Internal training is also carried out for the members of the Board of Directors. Furthermore, they can draw on sustainability expertise within the bank, in particular through the interface between sustainability officers on the Board of Directors and the Head of Group Sustainability.

Tasks of the Board of Directors with regard to sustainability

The Board of Directors defines the sustainability strategy and coordinates it with the corporate strategy, including sustainability targets (liaising with the SDC). The Board of Directors bears overall responsibility for risk management, including ESG risks and climate-related financial risks. Sustainability targets, based on the double materiality analysis (DMA) and the resulting metrics, are presented to the Risk Committee (VRI) and the SDC on a quarterly basis as part of the quarterly risk report in the form of an ESG scorecard for monitoring progress.

The Sustainability Governance Regulations of the Board of Directors list the following main tasks:

- Evaluation of the relevance of sustainability topics for the strategy and business activities of VP Bank and its subsidiary companies
- Definition of a sustainability strategy that is coordinated with the corporate strategy, including sustainability targets (liaising with the SDC)
- Providing a holistic framework for sustainability governance for VP Bank, including the following aspects:
  - A sustainability strategy as part of the bank's strategy process
  - Definition of functions and responsibilities
  - Reporting to GEM and the Board of Directors
- Ensuring the availability of sustainability-specific expertise and knowledge as part of the skill set of members of the Board of Directors (coordinating with the Nomination & Compensation Committee)
- Definition and implementation of criteria for sustainability risks (liaising with the Risk Committee)
- Ongoing monitoring of the implementation of the sustainability strategy and the achievement of KPIs (in conjunction with the SDC)
- Evaluation of the implementation of voluntary sustainability frameworks
- Appointment of a sustainability officer on the Board of Directors

The sustainability officer on the Board of Directors supports the Board of Directors in performing its tasks with regard to the overall direction, supervision and control of the bank and the banking group, insofar as these relate to environmental and social sustainability as well as the sustainable corporate governance of the bank and the banking group.

The sustainability officer on the Board of Directors is nominated by the NCC and appointed annually by the Board of Directors. They report to the SDC. The sustainability officer on the Board of Directors acts as the interface between the Board of Directors and its committees as well as the CEO and the person responsible for operational implementation of the sustainability strategy (Chair of the Sustainability Board and Head of Group Sustainability). The main tasks include participation in the strategy process at administrative level and evaluation of the ESG report, the sustainability report and the audit report. The sustainability officer is invited to the SDC meetings at least three times each year to report on, present and discuss sustainability-related topics.

Detailed information on the course content and learning objectives can be found on the respective programme website.

Group Executive Management

Group Executive Management (GEM) is responsible for the management of VP Bank Group. The GEM of VP Bank consists of six members. The employee representation organisation does not have any members in GEM. The proportion of women in GEM is 16.7 per cent. The members of GEM have individual and collective experience relevant to the sectors, products and geographical locations of VP Bank.

As of 31 December 2024, the GEM was made up of the following individuals:

Surname	Year of birth	Position	At VP Bank since	Member since
Dr. Urs Monstein	1962	Chief Executive Officer (CEO), Chief Operating Officer (COO)	2018	2018
Roger Barmettler	1972	Chief Financial Officer (CFO), Stellvertreter des CEO	2020	2021
Patrick Bont	1975	Chief Risk Officer (CRO)	2020	2020
Dr. Mara Harvey	1971	Head of Region Europe	2023	2023
Adrian Schneider	1985	Head of Region LI & BVI	2023	2023
Dr. Rolf Steiner	1968	Head of Group Products & Solutions	2019	2023

There were changes to the Group Executive Management as at January 1, 2025, which are explained in the unaudited section of the annual report under "Corporate governance and remuneration report".

GEM is the Group's governing body. It supports the Board of Directors in the development of strategy and is responsible for its implementation and results. It also supports cooperation within VP Bank Group. Its tasks and competencies are specified in the Organisation and Business Rules and the function descriptions for the individual members of GEM. The results of the double materiality analysis are confirmed by GEM and presented to the Board of Directors for information purposes.

The CEO is responsible for the overall management of the Group and group-wide coordination. The members of GEM generally meet every two weeks for a session. Additional meetings and workshops are held for the purpose of assessing the strategy and corporate development, including sustainability aspects, as well as for dealing with annual planning, budgeting and other current issues.

GEM is responsible for the implementation of and compliance with the risk policy approved by the Board of Directors (regulations and risk strategies) with the following duties:

- Operationalisation of the Risk Appetite Statement adopted by the Board of Directors and monitoring compliance with it
- Ensuring the operational functioning of the risk management process and internal control systems
- Appointment of the bodies necessary for effective risk management and determination of tasks, powers and responsibilities
- Periodic review of the risk policy, risk framework and risk strategies

Group Sustainability

The Group Sustainability department is responsible for the strategic focus, development and implementation of sustainability measures, sustainability-related reporting to stakeholders and monitoring progress. This also includes supporting the various business segments in the development and implementation of sustainability topics as well as enhancing employee awareness and training. The Group Sustainability department works directly with the various departments to inform them about group-wide measures and objectives and to create a basis for discussing implementation proposals in the respective business segments. Key measures are submitted to the Sustainability Board and to GEM for resolution.

Dedicated Functional Experts

Dedicated Functional Experts (DFEs) were established in 2023 to ensure efficient, targeted dialogue between Group Sustainability and specialist departments. DFEs operate as points of contact and coordinators in the area of sustainability for their respective specialist area and liaise with the Head of Group Sustainability. Examples include cooperation with Facility Management in developing a plan for carbon-neutral operations, the development of a risk framework with colleagues from Risk and Compliance, the implementation of the bank's investment philosophy for financial investments, the integration of sustainability aspects into internal audit activities, and the recording of natural hazards and financed CO_2 emissions in the lending business.

Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies (GOV-2)

In 2024, a quarterly progress report in the form of an ESG scorecard was submitted to the Risk Committee (VRI) of the Board of Directors as part of the quarterly risk report, which is disclosed in chapter ESRS 2 MDR-T. Besides, it sets out the current status of the metrics associated with the impacts, risks and opportunities (IROs) identified as part of the DMA. In addition, the SDC of the Board of Directors addressed sustainability topics and the corresponding proposals made by GEM at four meetings. The main focus was on the review of the sustainability strategy and the level of ambition, the strengthening of sustainability governance and anchoring via directives. The aim of the review was to demonstrate a clear, transparent approach to ensure targeted implementation in the future. In this context, the results of the DMA were also presented to the respective bodies along with the IROs within them considered to be material, as mentioned in the chapter ESRS 2 SBM-3.

GEM and the Sustainability Board define tactical targets and plans while also implementing and managing sustainability aspects. The Sustainability Board is an overarching body in which all business segments are represented. The representatives of the respective business segments report on progress, measures and challenges in relation to the key figures in the ESG scorecard assigned to their business segment. This enables a uniform information base to be created across business segments so that thematic overlaps can be identified at an early stage. The recommendations of the Sustainability Board are presented to GEM and brought to the attention of the sustainability officer on the Board of Directors.

Voluntary commitments and public–private partnerships serve as a framework for setting targets and managing implementation. In addition, we focus on the training and continuing education of our employees in order to develop skilled, qualified specialists. This helps us set concrete targets, define effective indicators for measuring the achievement of objectives and monitor progress over time.

Integration of sustainability-related performance in incentive schemes (GOV-3)

Board of Directors

No specific sustainability aspects are taken into account regarding compensation for the members of the Board of Directors. There are no plans to change the compensation scheme for the Board of Directors.

Group Executive Management

GEM compensation is based on the annual target agreements concluded with individual members, in which quantitative and/or qualitative targets are set. With the exception of governance topics, no other specific sustainability targets, such as greenhouse gas mitigation targets or other climate-related targets, are defined. Sustainability aspects of governance are covered by targets from the following areas: compliance with legislative requirements, corporate guidelines, including the Code of Conduct, and the conduct of reviews of corporate risks and strategy planning regarding long-term value creation.

Deferred compensation instruments are used to create incentives for long-term, responsible action. As part of the Performance Share Plan (PSP), the allotted entitlements are subject to a vesting multiple set within a range of 50 to 150 per cent, depending upon whether the target is achieved over the first three years of the five-year plan duration. This is intentionally designed to promote medium-term, sustainable action. In addition, until ownership is transferred, the Board of Directors reserves the right to reduce or cancel the entitlements granted upon the occurrence of any defined events, under exceptional circumstances, in the event that any criminal offences or major breaches of regulatory requirements are committed, or if individual performance is unsatisfactory (e.g. compliance breaches). Furthermore, the Board of Directors may recover any previously transferred instruments within three years of any of the above-mentioned events.

Statement on due diligence (GOV-4)

The following table shows which parts of our sustainability statement contain information on our due diligence processes. This also includes a presentation of the most important aspects and steps of our due diligence process.

In addition to the ESRS requirement to disclose due diligence obligations, the sustainability statement also contains information on the legally mandatory due diligence requirements in Liechtenstein with regard to compliance with the provisions of the Act on Professional Due Diligence to Combat Money Laundering, Organised Crime and Terrorist Financing (Due Diligence Act, DDA; Gesetz über berufliche Sorgfaltspflichten zur Bekämpfung von Geldwäscherei, organisierter Kriminalität und Terrorismusfinanzierung, SPG) and the related implementing ordinance (Due Diligence Ordinance, DDO; Sorgfaltspflichtverordnung, SPV).

Key elements of due diligence	Statement
a) Inclusion of due diligence in governance, strategy and business model	ESRS 2 SBM-3 ESRS G1 IRO-1 ESRS G1-1
b) Inclusion of affected stakeholders in all key due diligence steps	ESRS 2 SBM-2 ESRS 2 IRO-1 ESRS 2 MDR-P
c) Determination and assessment of negative impacts	ESRS 2 IRO-1 ESRS G1 IRO-1
d) Measures against negative effects	ESRS 2 MDR-A ESRS G1 IRO-1 ESRS G1-3
e) Tracking the effectiveness of these efforts and communication	ESRS 2 MDR-M ESRS 2 MDR-T ESRS G1-4

Risk management and internal controls over sustainability reporting (GOV-5)

Group Sustainability draws up the sustainability statement with the support of selected DFEs who act as points of contact for individual topics and coordinate the preparation of the sustainability chapter relevant for their area. They review the requirements in their area, ensure that all necessary information and data appear in the report and are consistent, and show which data are estimates and where VP Bank is planning to take action.

The sustainability statement is subject to a multi-stage control process. The content provided by DFEs is checked by Group Sustainability for consistency and completeness, and the members of GEM must approve the chapters allocated to their area. Final approval is granted by the VAU and the Board of Directors.

The following risks have been identified for sustainability reporting based on a review of historical data and the empirical figures contained in the annual report. They are not listed in terms of priority.

Actual and potential risks	Risk mitigation	Control
Insufficient content and/or insufficient scope of sustainability reporting	Involvement of external expert and second opinions	Dual control
Insufficient data quality and availability	Checking data for consistency with comparative periods and checking the plausibility of differences; the creation of a data concept and the expansion of data availability are the subject of planned improvements; Transparency: data sources and proxy parameters used	Dual control
Availability in time	Aligning with an existing annual report process (including follow-ups) Early data requests and raising awareness among employees at various locations during the year	Dual control
Methods applied and reasonableness of the estimated values presented	The calculations and analyses are based on a best practice approach, the methods are described transparently in the report and, if necessary, further developed and improved	Dual control
Material misstatements in sustainability reporting due to malicious acts or errors	Risk and control process by the respective departments and verification by Group Sustainability	Dual control

GEM and the Board of Directors are integrated into the sustainability process and informed concerning progress on sustainability reporting. The double materiality analysis has been presented to GEM and approved by it.

The quarterly risk reports to the administrative, management and supervisory bodies include monitoring of the bank's sustainability risks with respect to its balance sheet investments, as well as an overall overview in the form of the ESG scorecard set out in chapter ESRS 2 MDR-M. This gives GEM and the Board of Directors a consistent picture of the extent to which the bank's sustainability targets are currently being achieved.

Strategy

Strategy, business model and value chain (SBM-1)

Business model and strategy

The business model and strategy of VP Bank encompass several core areas. Above all, VP Bank is a partner for financial intermediaries and wealthy private clients on an international level. In its home market of Liechtenstein, VP Bank also offers a comprehensive range of retail and commercial banking services. VP Bank is divided into the Liechtenstein & BVI, International (Europe & Asia) and Asset Servicing segments. VP Bank Asset Servicing encompasses fund management and custodial activities within VP Bank Group.

The head office of VP Bank Group is situated in Liechtenstein, where the bank operates as a universal bank. In addition to the bank's home market, other target markets include Germany and Switzerland. In the BVI, the bank focuses on financing prime real estate and expanding investment solutions for private clients. In Switzerland and Luxembourg, the bank aims to achieve balanced growth in the intermediary and private client business. In Singapore, the focus is on expanding the intermediary business and tapping into the wealth management market across the region. Asset Servicing is the fund competence centre of VP Bank and operates as a one-stop shop for third-party and private label funds in all target markets.

VP Bank pursues a growth strategy and is geared towards responding to changing client requirements in a quick, agile manner and offering needs-based financial solutions. Sustainability is an integral part of the bank's overall strategy, both in terms of its range of products and services and in operations. The following strategic success factors have been identified as part of the overall strategy of VP Bank:

Information on the respective segments' revenue shares and other financial disclosures by them can be found in the "Segment reporting" section of the Financial Report 2024 of VP Bank Group. Information on the number of employees in the different regions is provided in the chapter S1-6.

Sustainability strategy

VP Bank is continuously working on economically viable sustainability measures and their targeted anchoring in the various business segments. VP Bank can contribute to the achievement of international sustainability targets primarily through its range of products and services. An overview of the metrics and targets already introduced can be found in the corresponding chapter ESRS 2 MDR-T. The sustainability strategy and targets have been defined within the context of the overall strategy and, above all, make a direct contribution to the following strategic success factors: strong corporate culture, robust risk management and a future-oriented long-term strategy.

VP Bank bases its decisions and actions on the following principles:

- Supporting clients in achieving their sustainability targets with its range of products
- Focusing on key sustainability topics that VP Bank can directly influence
- Integrating sustainability criteria into investment advisory and wealth management processes
- Cooperating and engaging in dialogue with stakeholders to drive improvements in terms of sustainability
- Communicating transparently concerning activities and progress in achieving targets

VP Bank recognises environmental, social and corporate governance factors as being relevant for long-term financial success and ensures that the management of core business segments assumes responsibility for sustainability measures. Responsible business practices involve the application of minimum protection measures in order to minimise any adverse impacts associated with the bank's business activities. This includes compliance with human rights and labour law, combating money laundering and adhering to the principles of the UN Global Compact and other due diligence requirements as described in chapter G1 IRO-1. VP Bank is committed to the Paris Climate Agreement and has begun to implement measures to reduce operational emissions and specific on-balance-sheet financed emissions to net zero by 2050 at the latest.

Value chain

The value chain (VC) covers all activities carried out by the organisation itself and its upstream and downstream units for the purposes of providing products and services, from development through to final use. VP Bank has defined a model VC in order to assess impacts, risks and opportunities (IROs) throughout the entire VC. This is based on internal information and publicly available industry information. The model VC at VP Bank is divided into three stages: upstream processes, the bank's own operations and downstream activities.

Hotspots have been identified for the three stages of the VC, allowing for structured identification and further analysis of potential and actual IROs. In the upstream and downstream VC, hotspots have been identified with reference to the countries and industries in which IROs are concentrated. Country-specific IROs address potential challenges and uncertainties that VP Bank may face in relation to activities or investments in certain countries or markets. Sector-specific IROs refer to aspects that can arise when VP Bank operates or invests in specific industries. These risks arise from a combination of economic, political, social and regulatory factors that may affect business activity, profitability and sustainability.

Within the ambit of the upstream VC, a tier 1 supplier analysis was carried out in which suppliers were examined according to region and product category. The downstream VC focuses on lending business and investments. The mortgage business plays a central role in the lending business, particularly from a sustainability perspective. In the area of the bank's own investments and client assets, considerable differentiation has arisen as a consequence of broad geographic and industry diversification. The resulting geographic and sectoral IROs have been taken into account in the analysis and evaluation. Further information on the VC at VP Bank can be found in chapter ESRS 2 IRO-1.

The purpose of the Supplier Code of Conduct is to ensure that suppliers of VP Bank adhere to high standards with regard to safe working conditions, fair and respectful treatment of employees and ethical behaviour. As a medium-sized enterprise, VP Bank has limited market power, and in some instances none at all, in its target markets. As a result, only limited influence can be exerted on VC actors. VP Bank only has limited scope to influence its business relationships and their impact. VP Bank is one of the three largest financial institutions in its home market of Liechtenstein, which can give rise to some degree of influence.

Interests and views of stakeholders (SBM-2)

For VP Bank, stakeholders include all organisations and persons that place financial, legal, operational or professional demands on the undertaking. Stakeholder dialogue plays a central role in the implementation and review of the bank's sustainability efforts (see Table 1). VP Bank engages in dialogue with internal and external stakeholder groups. VP Bank strives to promote a culture of responsible action by means of group-wide training and awareness-raising measures.

Detailed information on stakeholder engagement in the double materiality analysis process and how this process has been shaped by VP Bank's stakeholders can be found in chapter ESRS 2 IRO-1. The sustainability-related measures and targets defined with reference to strategic objectives are identified based on the results of the materiality analysis. This means that stakeholders' opinions and expectations are incorporated into strategic adjustments. The findings and results relating to key sustainability topics, including IROs, obtained from the double materiality analysis have been presented to the Board of Directors and Group Executive Management and used as a basis for decision-making.

Stakeholders	Type of commitment	Objective of the commitment	Responsibility	Description
Clients	• Client discussions • Feedback management • Client events • Client surveys	• Building trust • Offering a sustainable product range • Supporting clients in achieving their goals	Group Products & Solutions	The process for engaging with clients is described in detail in chapter "S4-2".
Employees	• Employee discussions • Training • Internal communication and raising awareness • Employee surveys	• Inclusion of employees' perceptions and experiences • Contribution to a sustainable workplace and working life	People & Culture	The process for engaging with employees is described in detail in chapter "S1-2".
Board of Directors and Group Executive Management (GEM)	• Regular status report on various committees	• Integration and embedding of sustainability aspects into the overall strategy and business model	Group Sustainability; Sustainability Board	The information channels for administrative, management and supervisory bodies and their frequency are set out in the context of sustainability governance. Further information can be found in chapter 1.2.2, "Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies (GOV-2)".
Shareholders, investors and financial analysts	• Investor events • Investor discussions • Road shows • Sector-specific exchange of experience	• Understanding the importance of sustainability topics • Long-term investor loyalty • Increasing transparency	Corporate Communications & Investor Relations	VP Bank is obliged to publish price-sensitive information in each case as ad hoc announcements pursuant to Art. 53 of the Listing Rules of SIX Swiss Exchange. This includes the semi-annual financial results followed by a media, analyst and investor conference, which is broadcast live on our website. Investor Relations is in regular contact with financial and sustainability analysts and organises road shows for investors and potential investors. On request, investors can also arrange discussions with Investor Relations and/or the CEO and CFO at other times.
Suppliers and business partners	• Direct dialogue	• Compliance with the Supplier Code of Conduct • Protection of the human and labour rights of employees • Ensuring a respectful work environment	COO Office	VP Bank published a new Supplier Code of Conduct in 2024. Compliance with the ethical and social standards defined therein is not only expected but demanded of all of the bank's business partners. The aim of the Supplier Code of Conduct is to promote ethical conduct and compliance with laws throughout the supply chain, support sustainable business practices and ensure compliance with human rights principles.
Local communities and NGOs	• Direct dialogue • Conferences • Collaboration with institutions and universities	• Contribution to local and international initiatives • Consideration of local interest groups • Joint efforts to decarbonise the economy	Group Sustainability	VP Bank is actively involved in the Sustainable Finance Workshop run by the University of Liechtenstein. VP Bank employees discuss scientific papers and thus make a positive contribution to promoting research. In addition, employees participate in conferences, seminars and panel discussions, thereby promoting dialogue with actors from society and science.
Authorities	• Association work • Participation in interest groups	• Ensuring compliance with regulations • Promoting sustainable development	Group Sustainability	VP Bank is an active member of the Sustainability Section of the Liechtenstein Chamber of Commerce and Industry (LIHK) and the Sustainability Committee and the Sustainable Finance Section of the Liechtenstein Bankers Association (LBV).

Memberships

Voluntary commitments provide a practical guide for dealing with sustainability topics. They are a tool for covering areas that are not yet explicitly regulated and provide market participants with guidance and a standardised approach. For VP Bank, group-wide membership of various initiatives is an important aspect of knowledge sharing with its stakeholders. For this reason, VP Bank supports initiatives that provide it with the opportunity to contribute to sustainable development, to learn from experts, to share knowledge and experience, to find out about new topics and to support its strategy and commitments.

Membership	Abbr.	Commitment/purpose	Member since
Advance	ADV	VP Bank is committed to equal opportunities for its employees and pursues a fair and balanced approach to recruiting, rewarding, promoting and retaining talent.	2023
Net-Zero Banking Alliance	NZBA	VP Bank is committed to aligning its on-balance sheet lending and investment activities with net-zero greenhouse gas emissions by 2050.	2021
UN Principles for Responsible Banking	PRB	VP Bank is committed to assuming greater responsibility for climate protection and responsible business practice.	2021
UN Principles for Responsible Investing	PRI	VP Bank is committed to responsible investments wherever it makes the investment decision.	2021
Drink & Donate	D&D	Partnership to give people long-term access to clean drinking water.	2017
UN Global Compact	UNGC	Taking responsibility in four areas: Human rights, labour, environment and anti-corruption.	2016

Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)

The table below summarises material positive and negative impacts and the risks and opportunities identified as part of the double materiality analysis for VP Bank. A comprehensive sustainability-related resilience analysis, including a quantitative scenario analysis, has not yet been carried out. qualitative climate scenario analysis can be found in Chapter E1-1. The periods under consideration for the qualitative and quantitative assessment are based on the information set out in chapter ESRS 1. Detailed information concerning the methodology can be found in chapter ESRS 2 IRO-1.

Sustainability topic			Value chain	Type of impact	Materiality of the impact		Financial materiality	
Climate change (E1)			Downstream (credits)	Negative (actual)	High	Financed emissions in the mortgage portfolio have a negative impact on climate change. The real estate sector contributes significantly to total emissions in Liechtenstein and Switzerland, where more than 90 per cent of the financed buildings are located. However, two-thirds of the buildings were built after 1980 and are therefore partly to fully energy-efficient.	Moderate	Stricter climate-related regulations can lead to additional restructuring costs that affect the borrower's ability to repay and thus increase the default risk of VP Bank. Extreme weather events can cause adjustments to real estate prices and depreciation in the value of collateral.
			Downstream (investments)	Negative (actual)	High	Emissions financed through investing activities have an impact on climate change. The negative impacts are primarily focused on a few CO2-intensive sectors.	Moderate	Stricter climate-related regulations and guidelines can lead to a reassessment of financial investments, which in turn can lead to financial risks for VP Bank as a result of losses on investments.
Own workforce (S1)	Working conditions		Own business	Negative (actual)	Moderate	The actual negative impact on employees in terms of working conditions is low. This is due to industry membership and the strict national legislation in the locations where the bank operates. While the physical impacts on employees are limited, the psychological impacts can have an effect due to work-related stress and intensive working hours.	High	Dissatisfied or overwhelmed employees can cause errors, business interruptions and increased risk of fraud. In VP Bank's own operations, non-compliance with labour laws and regulations can lead to legal risks, fines and reputational damage.
			Own business	Positive (actual)	Moderate	Actual positive impacts on employees' working conditions can be achieved in many ways, including flexible working arrangements, health and wellness programmes, benefits packages and learning and development opportunities. However, such programmes have been standard in this industry and in this geographical location for a number of years, and additional services are limited in terms of their scope and extent.	High	Improving working conditions, for example by providing ergonomic workspaces, can improve well-being and productivity among employees. Attractive working conditions, including competitive salaries, social benefits, appreciation and a positive work environment, can help banks attract and retain top talent, leading to lower staff turnover and higher earnings.
Consumers and end-users (S4)	Information for consumers and end-users	Access to (high-quality) information	Downstream (credits)	Negative (potential)	Moderate (short-term)	Client satisfaction and client security are top priorities. No transactions will be carried out with clients that are known or must be assumed to be unable to meet their resulting obligations. This applies, in particular, to the issuing of loans.	High	We see it as our duty to ensure that clients are transparently informed about their credit obligations and are realistically capable of fulfilling them. If this is not the case, this can have negative financial consequences for the client.
			Downstream (investments)	Negative (potential)	Moderate (short-term)	Client satisfaction and security takes top priority. VP Bank ensures that clients are offered products that match their ESG preferences and risk profile (MiFID II). Product-related information is provided either directly to clients or via the website, including disclosure obligations regarding sustainability (e.g. SFDR).	High	Misleading or inaccurate product information may result in unexpected financial losses exceeding the tolerable level.
Business conduct (G1)			Own business	Negative (actual)	High	Due to its own business activities, VP Bank has a major influence on business conduct. This includes dealing with general professional ethics issues such as taxation and accounting, anti-competitive practices and intellectual property issues. The possible impacts of granting and accepting advantages and financial crime in the banking business are also included.	High	Corporate culture and risk management play a key role. VP Bank may be exposed to operational risks in connection with internal errors and misconduct, which may result in financial losses. In the case of misconduct related to money laundering and the fight against financial crime, the financial risk is very high. The financial market authorities take action against specific cases of misconduct and may hold individuals accountable. The banking sector is very sensitive to negative press. A scandal about business practices can lead to considerable client losses and long-term reputational damage.

Sustainability topic	Value chain	Type of impact	Materiality of the impact		Financial materiality	
	Down-stream (credits)	Negative (potential)	High (medium-term)	Potential negative impacts may occur in the construction industry in connection with corruption and bad practices. Strict requirements in Liechtenstein and Switzerland (>90 per cent of financed buildings) lead to a low probability of occurrence. Hidden clauses in mortgage contracts, non-compliance with regulations, inadequate credit checks or conflicts of interest can also have negative impacts. The impact on clients in the event of inadequate viability can be high.	High	Lending practices can help banks manage credit risks effectively. By avoiding excessive risks, defaults and non-performing loans can be avoided, preserving the capital and profitability of the bank.
	Down-stream (invest-ments)	Negative (actual)	High	Negative impacts from violations of international standards and conventions (e.g. UNGC, ILO, UNGP) can occur in internationally diversified investment portfolios. This can be actively managed through effective risk management and responsible investment practices.	High	Exposure to violations of international standards and conventions (e.g. UNGC, ILO, UNGP) can undermine client trust and negatively impact assets under management. At the same time, negative reporting on human rights violations can lead to a severe, unsustainable adjustment in asset prices, which in turn negatively impacts the portfolio's performance.

Impact, risk and opportunity management

Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)

Over the period 2023/24, VP Bank carried out a double materiality analysis (DMA) in accordance with the EFRAG IG 1 implementation guidance documents. As part of this process, the bank initially identified actual and potential IROs in relation to sustainability topics. Material IROs were subsequently assessed and identified. Once a sustainability topic has been classified as material from the perspective of its impact and/or financial materiality, reference is made to the relevant disclosure requirements (DR) in the respective thematic ESRS. This makes it possible to determine the information that needs to be disclosed regarding this topic.

Context and scope

VP Bank started the DMA process with an in-depth review of its business model, operational structure and value chain (VC). This involved a systematic examination of upstream suppliers, operational activities and downstream activities with regard to clients as well as the lending and investment business. Actual and potential IROs were identified and evaluated on the basis of this examination.

Activities and business relationships

VP Bank has identified hotspots for the three stages of the VC, allowing for structured identification and further analysis of potential and actual IROs.

The upstream VC comprises goods and services purchased up to the point at which they are received by VP Bank. Procurement costs for tier 1 suppliers are used as a basis for the assessment. The relevance matrix of the Federal Office for the Environment (FOEN) was used in relation to procurement (purchasing) in Switzerland. The relevance matrix is based on ISO 20400:2017. Hotspots for identifying IROs with suppliers are regions, products and services. At VP Bank, 90 per cent of group-wide upstream spending occurs in Liechtenstein and Switzerland, with the dominant purchasing categories being information technology (IT), advisory services and human resources.

In own operations, the focus is primarily on the staff of VP Bank. For the bank's own operations, impacts, risks and opportunities were assessed in the context of the regional locations at which VP Bank operates and their sectoral classification.

The downstream VC of VP Bank includes its clients and the lending and investment business. Hotspots used to identify IROs in the downstream VC are regions and sectors. The investment business takes into account investments for which VP Bank makes the investment decision. In the lending business the focus is on the mortgage business, with the geographic location of financed real estate being used as a key consideration. More than 90 per cent of financed real estate is situated in Liechtenstein and Switzerland.

Stakeholder engagement

As part of the DMA process, stakeholder engagement involved three main phases. Initially, a wide range of internal and external stakeholders were invited to participate in an online survey to assess the materiality of impacts and financial materiality. Internal experts from various departments were then asked to evaluate the financial materiality of sustainability topics as part of an expert workshop. Finally, interviews were conducted with Members of Group Executive Management (GEM) and the Board of Directors and the three anchor shareholders to verify and check the plausibility of the results. Further information on the stakeholder groups identified by VP Bank and the general approach to engagement can be found in chapter ESRS 2 SBM-2.

Time horizons

Impacts, risks and opportunities were identified and assessed across different time horizons, both when assessing impacts and when assessing financial materiality. The time horizons considered are the short-, medium- and long-term (s/m/l) horizons. These time horizons are defined according to the approach set out in the general requirements of ESRS 1:

Term	Years
Short	up to 1 year (<1y)
Medium	from the end of the short-term reporting period up to 5 years (1-5y)
Long	more than 5 years (>5y)

Decisions and internal control processes

A steering committee has been established, chaired by the Chief Risk Officer (CRO) and consisting of the core project team and other representatives of GEM, in order to carry out and monitor the DMA and the general process of initial reporting according to CSRD requirements. The steering committee was updated concerning the current status every two months. The DMA was carried out under the leadership of the Head of Group Sustainability. As part of the DMA process, decisions on the following topics were made by the core project team: selecting stakeholder representatives and methods for involving them, ensuring a consistent understanding of the targeted evaluation of sustainability topics as well as final aggregation of data points in the evaluation and determining the materiality of sustainability topics. As part of the process, experts from various departments were consulted as required and entrusted with responsibility for topic-related disclosure requirements.

Integration, monitoring and review

The thresholds and time horizons used are based, where possible, on available figures for operational risk management at VP Bank. VP Bank plans to conduct a limited review of its DMA annually in order to ensure that it reflects the current situation. Updates will be applied if necessary. VP Bank plans to carry out a comprehensive materiality analysis every four to five years. During the current reporting period, there is no process for incorporating the results of the DMA into the bank's enterprise risk management (ERM) system.

Identification of actual and potential IROs

VP Bank identifies actual and/or potential IROs throughout its VC and in the list of sustainability topics according to ESRS 1 (AR 16), including entity-specific topics. VP Bank uses a top-down approach to derive IROs from the list of sustainability topics. The individual sustainability topics were taken into account in the following value chain segments: upstream, own operations, downstream (credit) and downstream (investment). VP Bank determines whether a topic, sub-topic or sub-sub-topic is associated with potential and/or actual IROs and where it arises and/or is likely to arise in the VC. Internal stakeholders from various departments were consulted in order to identify IROs. Sustainability topics for which no potential and/or actual IROs have been identified are not taken into account in the subsequent process for assessing and identifying the IROs. Therefore, they are not addressed in the scope of the disclosure requirements for these topics. A list of topics for which no IROs have been identified can be found in Annex SN.3.

Assessment and identification of the main IROs

Based on previously identified actual and potential IROs, the next step is to assess the materiality of impacts and financial materiality. This approach forms the basis for determining the material information in accordance with thematic disclosure requirements under the ESRS.

Impact	Type	Time horizon	Scale	Scope	Irremediability	Likelihood
Negative	Actual		x	x	x	
Negative	Potential	s/m/l	x	x	x	x
Positive	Actual		x	x		
Positive	Potential	s/m/l	x	x		x

Assessment of the materiality of impacts

The aim of the analysis is to identify and assess any material impacts of VP Bank on the environment and society throughout the entire value chain.

The assessment of actual and potential impacts is based on three aspects: scale, scope and irremediable character. Together, they indicate the severity of an impact. In the case of potential impacts, the assessment is supplemented by the aspect of likelihood. The overall assessment per impact has been calculated as the weighted average of the relevant aspects. Where any potential negative impacts on human rights are identified, severity prevails over likelihood.

The assessment of the materiality of impacts is based on three components:

- External sources: analysis of external sources (e.g. rating reports, industry reports, peer comparisons)
- Workshop with internal experts from the core project team
- Stakeholder survey: online survey of internal and external stakeholders

Assessment of financial materiality

The aim of the financial materiality analysis is to identify those environmental, social and governance topics that represent or may represent the greatest financial risks and opportunities for the business of VP Bank. VP Bank has considered the fact that there are sustainability topics that only pose risks, others that only entail opportunities and others still that feature both. The assessment of inherent financial risks and opportunities was based on an estimation of the percentage by which the annual profit could be reduced or increased by a particular event. Absolute thresholds are dependent on the profit of VP Bank and should be regarded as a loss buffer. The loss buffer can be absorbed by both a single major event and multiple smaller events.

The assessment of actual and/or potential risks and opportunities is based on scale. The likelihood aspect is also considered for potential risks and opportunities. The overall assessment of financial materiality for each topic has been calculated as a weighted average of risk and opportunity assessments. Care was taken to ensure that no topic was omitted.

The assessment of the financial materiality of impacts is based on three components:

- Analysis of external sources (e.g. rating reports, industry reports, peer comparisons)
- Workshop with internal experts from various specialist areas
- Stakeholder survey: online survey of internal and external stakeholders

Consolidation of impact and financial materiality results

The assessment described above results in a classification of sustainability topics ranging from 0 (no materiality) to 5 (very high materiality). Sustainability topics are classified as "material" if the topic has been assessed as "high" or "very high" in terms of the materiality of the impact and/or financial materiality.

In addition, manager interviews with Members of GEM and the Board of Directors and with anchor shareholders were carried out to check the plausibility of the results by assessing, validating and ensuring the completeness of the double materiality assessment. Overall, discussions confirmed the overall results of the assessment of impacts, risks and opportunities. In addition to combating corruption and bribery, the bank has an additional entity-specific IRO in the field of business conduct (G1).

As a result of the double materiality analysis, sustainability topics in the following topic-related ESRS were identified as being material for VP Bank:

- Climate change (E1)
- Own workforce (S1)
- Consumers and end-users (S4)
- Business conduct (G1)

Disclosure requirements concerning non-material environmental targets

This section contains the topic-specific IRO-1-related disclosure requirements concerning sustainability topics that were assessed as being non-material in the scope of the VP Bank DMA. VP Bank has not conducted any consultations with affected communities concerning non-material topics.

Pollution (ESRS E2)

The relevance of air and water pollution in the upstream value chain for the areas of telecommunications equipment and information as well as remote services is classified as low to moderate in the relevance matrix.

VP Bank only has a minor impact on the environment in respect of its own business activities, as it operates in the service sector and office activities do not cause any major environmental pollution. In addition, Liechtenstein and Switzerland, where three-quarters of the bank's employees are employed, have enacted comprehensive legislation in the field of water ecology/waste water, and air quality (Ostluft initiative) is monitored on an ongoing basis.

Waste water and air pollution are subject to local restrictions. The mortgage portfolio is mainly focused on Liechtenstein and Switzerland, where construction standards are high. The fact that two-thirds of buildings in the portfolio were built after 1980 limits the risk that they may contain hazardous materials (e.g. asbestos). In the area of investment, broadly diversified investment portfolios may be exposed to potential adverse impacts caused by air, soil and water pollution. Due to the composition of investment portfolios, there is only minor involvement in highly polluting sectors such as agriculture, fashion and food. As a result, negative impacts are unlikely.

The topic of pollution is assessed as being non-material for VP Bank.

Water and marine resources (ESRS E3)

The relevance of water pollution in the upstream value chain for the areas of telecommunications equipment and information as well as remote services is classified as low to moderate in the relevance matrix.

As the bank is a financial services provider, water consumption associated with its own operations is low. In addition, three-quarters of the bank's employees work in Liechtenstein and Switzerland, where the water stress level according to the World Resources Institute is classified as low.

The water footprint of the real estate sector arises during the use phase and can therefore be measured locally. Water stress in Liechtenstein and Switzerland is low, which means that groundwater is replenished relatively quickly. In the area of investment, broadly diversified investment portfolios may be exposed to potential negative impacts related to water withdrawals, consumption and stress. Due to the composition of investment portfolios, there is only minor involvement in water-intensive sectors such as agriculture, fashion and food, and therefore negative impacts are unlikely.

The topic of water and marine resources is assessed as being non-material for VP Bank.

Biodiversity and ecosystems (ESRS E4)

The relevance of biodiversity in the upstream value chain for the areas of telecommunications equipment and information as well as remote services is classified as low in the relevance matrix.

Land use is the main driver of biodiversity loss. Actual impacts associated with the bank's own operations are caused primarily by its office buildings located in Liechtenstein. Art. 17(1) of the Liechtenstein Construction Act (CA; Baugesetz, BauG) stipulates the following: "Municipalities define protection zones and adopt regulations concerning: existing and necessary habitats for animals and plants". It can therefore be assumed that the impacts of the bank's buildings on biodiversity due to land use is low.

In the downstream value chain, the mortgage sector is the most important area for assessment. The bank uses the Species Protection Index (SPI) to assess its mortgage portfolio. Liechtenstein had a very high SPI figure in 2023 of 79.5. Likewise, more than 50 per cent of the land area in Liechtenstein is designated as a protected area. The analysis of investments shows that fewer than 30 per cent of companies covered have significant exposure to biodiversity-sensitive areas and fewer than 10 per cent have significant exposure to areas with a high concentration of deforestation.

The topic of biodiversity and ecosystems is assessed as being non-material for VP Bank.

Resource use and circular economy (ESRS E5)

The relevance of the circular economy in the upstream value chain for the areas of telecommunications equipment and information as well as remote services is classified as low to moderate in the relevance matrix.

VP Bank's waste paper is shredded at an internal recycling facility and pressed to briquettes. These are collected and reused by a local recycling company. Liechtenstein has enacted legislation on the responsible disposal of waste. Through its own activities, VP Bank has a small direct impact on resource consumption and recycling.

Resource use and the circular economy are playing an increasingly important role. Innovative, viable solutions still need to be developed, and the bank is closely monitoring market developments, although they still appear to be at an early stage. There is always some degree of exposure in the framework of a broadly diversified investment portfolio, although allocation is not disproportionately high in particularly affected sectors.

The topic of use of resources and the circular economy is assessed as being non-material for VP Bank.

Disclosure requirements in ESRS covered by the undertaking's sustainability statement (IRO-2)

DR	Description	Disclosure requirement

ESRS 2 – General disclosures

BP-1	General basis for preparation of sustainability statements	Mandatory
BP-2	Disclosures in relation to specific circumstances	Mandatory
GOV-1	The role of the administrative, management and supervisory bodies	Mandatory
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Mandatory
GOV-3	Integration of sustainability-related performance in incentive schemes	Mandatory
GOV-4	Statement on due diligence	Mandatory
GOV-5	Risk management and internal controls over sustainability reporting	Mandatory
SBM-1	Strategy, business model and value chain	Mandatory
SBM-2	Interests and views of stakeholders	Mandatory
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Mandatory
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	Mandatory
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	Mandatory
MDR-P	Policies adopted to manage material sustainability matters	Mandatory
MDR-A	Actions and resources in relation to material sustainability matters	Mandatory
MDR-M	Metrics in relation to material sustainability matters	Mandatory
MDR-T	Tracking effectiveness of policies and actions through targets	Mandatory

E1 – Climate change

E1 Taxonomy	Disclosures pursuant to Art. 8 of Regulation (EU) 2020/85 (Taxonomy Regulation)	Material
ESRS 2, GOV-3	Integration of sustainability-related performance in incentive schemes	Material
E1-1	Transition plan for climate change mitigation	Material
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Material
ESRS 2, IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	Material
E1-2	Policies related to climate change mitigation and adaptation	Material
E1-3	Actions and resources in relation to climate change policies	Material
E1-4	Targets related to climate change mitigation and adaptation	Material
E1-5	Energy consumption and mix	Non-material
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	Material
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	Non-material
E1-8	Internal carbon pricing	Non-material
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Material

DR	Description	Disclosure requirement

S1 – Own workforce

ESRS 2, SBM-2	Interests and views of stakeholders	Material
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Material
S1-1	Policies related to own workforce	Material
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	Material
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	Material
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Material
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Material
S1-6	Characteristics of the undertaking's employees	Material
S1-7	Characteristics of non-employees in the undertaking's own workforce	Material
S1-8	Collective bargaining coverage and social dialogue	Non-material
S1-9	Diversity metrics	Non-material
S1-10	Adequate wages	Non-material
S1-11	Social protection	Material
S1-12	Persons with disabilities	Non-material
S1-13	Training and skills development metrics	Non-material
S1-14	Health and safety metrics	Non-material
S1-15	Work-life balance metrics	Material
S1-16	Remuneration metrics (pay gap and total remuneration)	Non-material
S1-17	Incidents, complaints and severe human rights impacts	Material

S4 – Consumers and end-users

ESRS 2, SBM-2	Interests and views of stakeholders	Material
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Material
S4-1	Policies related to consumers and end-users	Material
S4-2	Processes for engaging with consumers and end-users about impacts	Material
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	Material
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	Material
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Material

G1 – Business conduct

ESRS 2, GOV-1	The role of the administrative, management and supervisory bodies	Material
ESRS 2, IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	Material
G1-1	Business conduct policies and corporate culture	Material
G1-2	Management of relationships with suppliers	Non-material
G1-3	Prevention and detection of corruption and bribery	Material
G1-4	Incidents of corruption or bribery	Material
G1-5	Political influence and lobbying activities	Material
G1-6	Payment practices	Non-material

Policies adopted to manage material sustainability matters (MDR-P)

Based on the double materiality analysis, a comprehensive internal audit was carried out in 2024 in order to ensure the systematic consideration of sustainability matters in directives. The term “directives” refers to all of the bank’s internal regulations governing duties, powers and responsibilities with binding effect, which thus have normative status. The audit involved both document analysis and interviews with internal stakeholders. The manner in which directives are developed, monitored and implemented depends on their respective scope. The allocation of responsibilities (RACI) is regulated in the respective directive. All directives are recorded centrally and archived for internal stakeholders. Directives relevant for external stakeholders are available on the VP Bank website.

VP Bank ensures that the topic of sustainability and, in particular, the aspects of climate protection, human rights, working conditions and responsible corporate action throughout the entire VC are taken into account in directives. Specifically, the Supplier Code of Conduct regulates activities in the upstream VC, while the Code of Conduct regulates conduct in the bank’s own banking operations and the Responsible Investment Policy regulates investment activity in the downstream VC with respect to both on- and off-balance-sheet items for which VP Bank makes the investment decision.

The voluntary commitments made by VP Bank have been taken into account in the auditing and review process for directives and fed into this process; these include the UN Global Compact (UNGC), the Principles for Responsible Banking (PRB), the Net-Zero Banking Alliance (NZBA), the Principles for Responsible Investments (PRI) and Advance (ADV).

The table below summarises the most relevant directives on sustainability topics that have been identified as material. Not all directives for which sustainability is relevant are explicitly listed. Further requirements on client information and client protection apply in the area of governance in particular. There are not yet any explicit guidelines for the lending business concerning the consideration of ESG criteria. VP Bank’s aim is to incorporate ESG criteria and the associated risks into the credit analysis and decision-making process. Minimum sustainability requirements are not explicitly reflected in the credit regulations and are implicitly derived from compliance requirements (see chapter G1 IRO-1). There is no explicit product range that promotes sustainability matters in the lending business.

Code	Topic	Value Chain	Policies	Objective	Account-ability	Standards / Initiatives	Stakeholders considered	Accessability
E1	Climate change	Downstream (Investments)	Responsible Investment Policy	Definition of responsible investments and sustainability criteria integrated into the investment process.	CEO	Principles for Responsible Investment, UN Global Compact, Guiding Principles for Business and Human Rights, ILO Standards, Sustainable Development Goals	Employees, Clients	External (Link)
S1	Own workforce	Own operations	Code of Conduct	Alignment of actions with ethical standards and a solid foundation of fair business principles.	BoD	Global Compact, Principles for Responsible Banking	Employees	External (Link)
S4	Consumer and end-users	Downstream (Credit)	Group Credit Standard	Requirements, standards and principles for managing the credit risk arising from all loans, financing and credit risks entered into by VP Bank Group	CRO	Principles for Responsible Banking	Employees, Clients	Internal
		Downstream (Investments)	MiFID II Framework Directive	Roles, accountabilities and responsibilities in the Group's response to investor protection-related legal and regulatory obligations.	CRO	Principles for Responsible Banking	Employees, Clients	Internal
G1	Business conduct	Own operations	Financial Crime SAR/STR Standards	Process in the event of suspicion of money laundering, predicate offences to money laundering,organized crime or terrorist financing.	CRO	Global Compact, Principles for Responsible Banking	Clients	Internal
			Conflict of Interest (incl. anti-bribery)	Minimum standard for dealing with anti-bribery and corruption (ABC) and conflicts of interest as well as the associated duties, competences and responsibilities.	CRO	Global Compact, Principles for Responsible Banking	All stake-holders	Internal
			Data Protection	Minimum standards applicable to the handling of data and data protection.	CRO	-	Employees	Internal
			Whistleblowing	Procedure for whistleblowers to address legitimate concerns, deficiencies, unlawful or potentially unlawful activities.	CRO	-	All stake-holders	Internal
			AML Surveillance and Transaction Monitoring (incl. money laundering)	Monitoring of transaction behaviour patterns in client relationships.	CRO	Global Compact, Principles for Responsible Banking	Employees	Internal
		Downstream (Investments)	Responsible Investment Policy	Definition of responsible investing and sustainability criteria incorporated into investment process.	CEO	Principles for Responsible Investment, UN Global Compact, Guiding Principles for Business and Human Rights, ILO Standards, Sustainable Development Goals	Employees, Clients	External (Link)

Actions and resources in relation to material sustainability matters (MDR-A)

In connection with the new CSRD reporting requirements on material sustainability topics and the associated requirement to carry out a double materiality analysis, VP Bank has reviewed its sustainability strategy and raised the level of its ambition in the area of sustainability. As a result, measures have already been taken and implemented, as set out in the corresponding topic-related standards. Further measures are planned for the future. A description of thematic measures concerning material sustainability topics can be found in the following chapters:

- Climate change: E1-3
- Own workforce: S1-4
- Consumers and end-users: S4-4
- Business conduct: G1 IRO-1

The revised sustainability governance regulations have resulted, among other things, in the creation of the Sustainability Governance Regulations of the Board of Directors of VP Bank and the function of the sustainability officer on the Board of Directors. This officer is responsible for supporting the Board of Directors in performing the tasks assigned to it by law and under the Articles of Association in relation to the management, supervision and control of VP Bank, insofar as these relate to environmental and social sustainability as well as the sustainable corporate governance of VP Bank. In addition, Dedicated Functional Experts (DFEs) were appointed to ensure efficient dialogue between Group Sustainability and specialist departments. Further aims include raising awareness of the topic and ensuring targeted, efficient implementation in the respective specialist areas. Detailed information concerning sustainability governance can be found in chapter ESRS 2 GOV-1.

Metrics and targets

Metrics in relation to material sustainability matters (MDR-M) and tracking effectiveness of policies and actions through targets (MDR-T)

To assess and monitor the effectiveness of sustainability measures and to ensure the sustainability of its business model, VP Bank has defined various metrics and targets. These metrics and targets were developed in consultation with the relevant internal stakeholder groups and are summarised in the table below. The findings from the double materiality analysis serve as a basis. The metrics are calculated internally. The targets relating to climate aspects are not currently based on scientific findings and are not externally validated.

In terms of business conduct, VP Bank has made reference to the statutory due diligence obligations, the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises. As this is the first report in accordance with CSRD requirements, there are no changes to the targets and the corresponding metrics or the underlying measurement methods, key assumptions, restrictions, sources and data collection procedures. Progress compared to the reference year (2024) will be assessed for the first time in the Sustainability Statement 2025.

This ESG scorecard serves to translate the sustainability strategy and targets into clearly understandable and measurable performance indicators. Based on this, specific measures are derived to ensure the achievement of targets and progress. The Sustainability Board ensures that those responsible are aware of the targets, that the measures are coordinated and that changing IROs are taken into account appropriately. The ESG scorecard is integrated into VP Bank's internal quarterly risk report, which is submitted each quarter to Group Executive Management and the Risk Committee of the Board of Directors for their information. This ensures continuous monitoring by the highest administrative, management and supervisory bodies.

In addition to the overarching targets of this ESG scorecard, detailed key figures and targets can be found in chapter E1-4, while measures to reduce financed emissions are outlined in chapter E1-3.

Code	Topic	Value Chain	Scope	Indicator	Metric	Unit	Target Year	Target	Base year	Base value	Current reporting year
E1	Climate change	Downstream (Lending)	Mortgages	Financed GHG emissions in mortgage portfolio	Outstanding amount / property value * building emissions	tCO_2e	2050	N/A [1]	2024	6,788.0	6,788.0
		Downstream (Investments)	Own investments	Financed GHG emissions through own investments	Outstanding amount / EVIC * Company emissions	tCO_2e	2050	N/A [1]	2024	222,975.7	222,975.7
S1	Own workforce	Own operations	Employees	Voluntary fluctuation rate	Voluntary departures / average headcount during the reporting period * 100	%	2026	<8.0 %	2024	7.6 %	7.6 %
S4	Consumer and end-users	Downstream (Lending)		Non-performing loan ratio		%	Con-tinuously	<2.0 %	2024	0.4 %	0.4 %
		Downstream (Investments)	Employees	MiFID II and SFDR training [2]	Number of employees who successfully completed the training / All employees * 100	%	Con-tinuously	100 %	2024	94.5 % [3]	94.5 % [3]
G1	Business conduct	Own operations	Employees	Reported cases of corruption	Number of reported cases in the reporting period	Numeric	2026	0.0	2024	0.0	0.0
		Own operations	Employees	Reported cases of bribery	Number of reported cases in the reporting period	Numeric	2026	0.0	2024	0.0	0.0
		Downstream (Lending)	Lending business	Non-performing loan ratio		%	Con-tinuously	<2.0 %	2024	0.4 %	0.4 %
		Downstream (Investments)	Own investments, portfolio management mandates, VP Bank Funds	Violations of UN Global Compact principles.	Share of investments in investee companies that have been involved in violations of the UNGC principles.	%	Con-tinuously	<2.0 %	2024	0.0 %	0.0 %
			Own investments, portfolio management mandates, VP Bank Funds	Violations of Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises. [4]	Share of investments in investee companies that have been involved in violations of the OECD Guidelines for Multinational Enterprises.	%	Con-tinuously	<2.0 %	2024	0.0 %	0.0 %

[1] Net-zero ambition: At present, there are no gross targets for Scope 3 emissions; these will be developed as part of the transition plan for climate change and published in the 2025 Annual Report.
[2] The training comprehensively covers aspects of the Markets in Financial Instruments Directive (MiFID), as well as the Swiss equivalents Financial Services Act (FIDLEG) and the Financial Institutions Act (FINIG).
[3] The delta results from staff departures during the training period.
[4] This indicator is calculated by the MSCI "Overall Red Flag Controversy Exposure" indicator.

environmental information

Disclosures pursuant to Art. 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)

EU taxonomy reporting

Art. 8 of the EU Taxonomy Regulation 2020/852 aims to increase market transparency by providing investors with information on the environmental performance of assets and economic activities of financial and non-financial undertakings. The EU Taxonomy Regulation defines criteria for environmentally sustainable economic activities; the specification of each of the six environmental objectives is carried out in accordance with Art. 10(3), Art. 11(3), Art. 12(2), Art. 13(2), Art. 14(2) and Art. 15(2) of Regulation 2020/852 through technical assessment criteria. In addition, in accordance with Art. 3(b) and/or Art. 17 of Regulation (EU) 2020/852, it is verified that economic activities do not significantly jeopardise the achievement of the other environmental objectives ("do no significant harm") and that minimum safeguards in accordance with Art. 3(c) and/or Art. 18 of Regulation (EU) 2020/852 for social and governance standards are met.

Art. 8(1) of the EU Taxonomy Regulation provides that all financial and non-financial undertakings falling within the scope of the CSRD must report on the extent to which their economic activities are classified as environmentally sustainable under the Taxonomy Regulation.

The main performance indicator for credit institutions is the green asset ratio (GAR), which indicates the ratio of risk positions from taxonomy-aligned activities (corresponding to the requirements set out in Art. 3 of Regulation (EU) 2020/852) to total assets. The GAR provides information on the extent to which credit institutions finance activities that are taxonomy-aligned, especially in relation to their core business – the credit and investment business, including loans, credits, debentures and participations.

For the 2023 reporting year, financial undertakings were required to disclose the GAR for the first time. In the 2024 reporting year, the disclosure was supplemented by the four additional environmental objectives. The disclosure was prepared according to the best-effort approach. Detailed information can be found in the notes to this report in table form.

As of 31 December 2024, the GAR of VP Bank was 0.24 per cent on the basis of turnover and 0.46 per cent on the basis of CapEx in relation to the total assets covered. Compared to the previous year, the ratio improved marginally, mostly due to the additional data availability for financial undertakings. The GAR for investments in non-financial undertakings was 9.6 per cent based on sales and 18.2 per cent based on CapEx.

From 31 December 2023, financial undertakings were subject to the reporting obligation with regard to taxonomy KPIs for the first time. In contrast to the previous year, data from financial counterparties was therefore available for the first time in the reporting period. The GAR of VP Bank in relation to financial undertakings was 1.2 percent based on turnover and 2.5 per cent based on CapEx. The bank's volume business mainly consists of its mortgage portfolio, which focuses on financing in Liechtenstein and Switzerland. There are currently no national threshold values for nearly zero-energy buildings to carry out a conformity test. Furthermore, the taxonomy information is either missing in full or in part for the undertakings the bank finances. Increasing transparency with regard to the EU taxonomy will enable realistic, relevant GAR targets to be set for investments and financing in future, and further integration into internal processes and strategies is being examined.

Overview of disclosures pursuant to Art. 8 of the EU Taxonomy Regulation

GAR by risk positions (CHF Mio.)	Total carrying amount	Taxonomy-aligned (Revenue)		Taxonomy-aligned (CAPEX)	
		carrying amount	% aligned	carrying amount	% aligned
Financial undertakings	69	1	1%	2	3%
Non-financial undertakings	219	21	9.60%	40	18.20%
Households	2'787	0	0%	0	0%
Local governments financing	0	0	0%	0	0%
Collateral obtained by taking possession: residential and commercial immovable properties	0	0	0%	0	0%
Assets excluded from the numerator for GAR calculation (covered in the denominator)	5'952	0	0%	0	0%
Total GAR assets	**9'026**	**22**	**0.24%**	**41**	**0.46%**
Assets not covered for GAR calculation	1'609				
Total assets	10'636				

Annex

EU taxonomy provides a framework for classifying sustainable activities. This chapter explains how business activities and investments meet the criteria for environmentally sustainable economic activities, including contributions to climate change mitigation and adaptation. VP Bank integrates the EU Taxonomy Regulation into its sustainability-oriented product range. As part of the Sustainable Finance Disclosure Regulation (SFDR), taxonomy-based minimum values for sustainable investments were defined for VP Bank's funds and wealth management mandates classified under Art. 8 and 9. There is a dependency on the reporting of the undertakings in which investments are made. The bank expects undertakings to become more transparent in terms of EU taxonomy, which will enable further integration into processes and strategies.

On the basis of Art. 9 of the EU Taxonomy Regulation 2020/852, the following environmental objectives apply:

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

On the following pages, you will find the reporting forms in accordance with Delegated Regulation (EU) 2021/2178, Annex VI and Annex XII relating to nuclear and fossil gas activities, as well as additional qualitative information to better understand the information.

Environmental objectives

In 2023, the EU taxonomy was expanded to include the remaining four environmental objectives (3 to 6). For the 2024 reporting year, however, activities relating to EU environmental objectives 3 to 6 are only reported by non-financial undertakings. In future, improved data availability in terms of environmental objectives 3 to 6 is also expected for financial undertakings.

Key performance indicators

The key performance indicators (KPIs) are based on sales (turnover) and capital expenditure (CapEx).

Non-financial undertakings

Non-financial undertakings have been required to report their most important taxonomy KPIs since 2023. All non-financial undertakings subject to the NFRD were taken into account, provided they were identified as such by our data provider. VP Bank expects undertakings to become more transparent in terms of EU taxonomy.

Financial undertakings

Financial undertakings have had to report their KPIs since January 2024. All non-financial undertakings subject to the NFRD were taken into account, provided they were identified as such by our data provider. The bank's reporting depends on the undertakings in which it invests and the technical verification criteria defined by the EU Taxonomy Regulation. VP Bank expects that the transparency of financial undertakings with regard to EU taxonomy will continue to improve in future.

Volume business (households)

The disclosure of the KPIs of the credit institutions relates to the private client credit portfolio, in particular the mortgage loan portfolio. This KPI is disclosed taking into account compliance with the technical screening criteria for buildings in accordance with sections 7.2, 7.3, 7.4, 7.5, 7.6 and 7.7 – from Annex I of Delegated Regulation (EU) 2021/2139 supplementing Regulation (EU) 202/852 by establishing the technical assessment criteria.

As set out in the FAQs (Draft Commission Notice) published by the EU Commission on 21 December 2023 on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Art. 8 of the EU Taxonomy Regulation (Regulation (EU) 2020/852), financial undertakings should consider the exposure to be non-taxonomy-eligible or non-taxonomy-aligned for retail loans (e.g. mortgage and motor vehicle loans) if no data or evidence is available, i.e. financial undertakings should enter a "zero value" in the numerator of the relevant KPI without further verification.

Local governments financing

The business model of VP Bank does not provide for public housing financing or other activities carried out by the public sector within the EU, meaning that there is no KPI for this.

Total GAR

The calculation of the denominator (total GAR assets) is based on the balance sheet total (assets) of VP Bank, adjusted for the mandatory omissions pursuant to Art. 10 of Delegated Regulation (EU) 2021/2178. Exposures to central governments, central banks and supranational issuers are excluded from the calculation of the denominator (assets not covered for GAR).

Green ratio for financial guarantees to financial and non-financial undertakings (FinGuar KPI)

The green ratio for financial guarantees to undertakings is defined as the proportion of financial guarantees that support debentures for the financing of taxonomy-aligned economic activities. This differs from all financial guarantees that support corporate debentures. No such financial guarantees are available in the EU at the time of reporting.

Green ratio for assets under management (AuM KPIs)

The green ratio of assets under management refers to the proportion of assets under management (equity and debt instruments) of undertakings that serve to finance taxonomy-aligned economic activities, measured against total assets under management (equity and debt instruments). Assets such as derivatives, foreign exchange, precious metals, money market positions, structured products and digital assets were not taken into account. After excluding these items, 93 per cent of assets under management (excluding custody assets) are covered.

Data basis

EU taxonomy reporting is based on the supervisory consolidation of VP Bank in accordance with the regulatory reporting of financial institutions pursuant to Regulation (EU) 575/2013 and Implementing Regulation (EU) 2021/451 (FINREP). In the area of direct investments and investment funds relating to financial undertakings and non-financial undertakings subject to NFRD, VP Bank relies on the taxonomy information of an external data provider. The data provider first identifies undertakings whose turnover comes from economic activities that can be categorised as taxonomy-eligible or taxonomy-aligned. The taxonomy-eligible or taxonomy-aligned share of turnover and capital costs is set in relation to total sales and total capital costs. Undertakings that do not meet the do-no-significant-harm (DNSH) and minimum safeguards criteria of the EU taxonomy are excluded. VP Bank only uses values reported by the undertakings and does not take into account estimates of the third-party provider. In the case of collective investment schemes, a distinction between reported and estimated values is only possible to a limited extent, which may result in exceptions.

Data restrictions

At present, VP Bank does not have the data coverage and quality required to identify and document all the activities of the bank that fall under the EU taxonomy. In the coming years, efforts to improve data coverage and quality will continue.

Since reporting by non-financial undertakings regarding the two climate objectives – climate change mitigation and adaptation – is less precise than for the total amount (CCM + CCA), the data basis of the external data provider is incomplete. As a result, there are occasional discrepancies between the amounts shown in Template 1 in accordance with Art. 8 of the Taxonomy Regulation and in the templates in accordance with Annex XII, Nuclear and fossil gas related activities.

In the area of mortgage loans, there is no national threshold for zero-energy buildings yet required for assessing taxonomy alignment in Liechtenstein. The same applies due to insufficient energy efficiency regulations, which is also important for the calculation of the GAR.

Information on GAR sectors

In Template 2, Sector information, only information for sectors with exposure is provided.

Exposure to nuclear energy and fossil gases

In Templates 1 to 5, the activities in the areas of nuclear energy and fossil gas are disclosed in accordance with Art. 8(6) and (7) and pursuant to Annex XII of the EU Taxonomy Regulation 2021/2178. VP Bank is not actively involved in the areas marked "Yes" in Template 1, but finances such activities in isolated cases through the holding of risk positions (e.g. through the purchase of debentures). A credit exposure in connection with the above activities does not exist on the reporting date.

Other disclosures

The KPI fees and commissions (Template 6) will be subject to tax from 2026. This means that the disclosure of this template in the current reporting period is not applicable. Template 4, GAR inflows, is omitted in the first year of reporting because there is no reference period. VP Bank has a small trading book in accordance with Art. 94(1) Capital Requirements Regulation (CRR: Regulation (EU) 575/2013), as a result of which the reporting obligation for the KPI on the trading book portfolio (Template 7) does not apply.

Information pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy regulation)

		Total environmentally sustainable assets (in CHF Mio.)	KPI****	KPI*****	% coverage (over total assets)***	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Main KPI	Green asset ratio (GAR) stock (based on turnover)	21.8	0.2%		84.9%	56.0%	15.1%
Main KPI	Green asset ratio (GAR) stock (based on CAPEX)	41.5		0.5%	84.9%	56.0%	15.1%
		Total environmentally sustainable activities (in CHF Mio.)	**KPI******	**KPI*******	**% coverage (over total assets)**	**% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V)**	**% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)**
Additional KPIs	GAR (flow)	-	-	-			
	Trading book*	-	-	-			
	Financial guarantees	-	-	-			
	Assets under management (based on turnover)	203.4	4.3%	n/a			
	Assets under management (based on CAPEX)	396.1	n/a	8.4%			
	Fees and commissions income**						

* For credit institutions that do not meet the conditions of Article 94(1) of the CRR or the conditions set out in Article 325a(1) of the CRR
** Fees and commissions income from services other than lending and AuM Instutitons shall dislcose forwardlooking information for this KPIs, including information in terms of targets, together with relevant explanations on the methodology applied.
*** % of assets covered by the KPI over banks´ total assets
**** based on the Turnover KPI of the counterparty
***** based on the CapEx KPI of the counterparty, except for lending activities where for general lending Turnover KPI is used
1 Across the reporting templates: cells shaded in black should not be reported.
2 Fees and Commissions (sheet 6) and Trading Book (sheet 7) KPIs shall only apply starting 2026. SMEs´inclusion in these KPI will only apply subject to a positive result of an impact assessment.

1 Assets for the calculation of GAR - Turnover based

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	Million CHF	31.12.2024																														
		Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	3,074	39	21	-	2	7	4	3	-	0	0	0	-	0	2	2	-	0	0	2	-	0	0	0	-	0	51	22	-	2	7
2	Financial undertakings	69	8	1	-	0	0	0	0	-	0	0	0	-	0	-	-	-	-	-	-	-	-	-	-	-	-	7	1	-	0	0
3	Credit institutions	44	6	0	-	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6	0	-	0	0
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	40	6	0	-	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6	0	-	0	0
6	Equity instruments	4	0	0	-	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	-	-	-
7	Other financial corporations	24	1	1	-	0	0	0	0	-	0	0	0	-	0	-	-	-	-	-	-	-	-	-	-	-	-	1	1	-	0	0
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
12	of which management companies	24	1	1	-	0	0	0	0	-	0	0	0	-	0	-	-	-	-	-	-	-	-	-	-	-	-	1	1	-	0	0
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	14	1	1	-	0	0	0	0	-	0	0	0	-	0	-	-	-	-	-	-	-	-	-	-	-	-	1	1	-	0	0
15	Equity instruments	10	-	0	-	0	0	-	0	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	0	0
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
20	Non-financial undertakings	219	31	21	-	2	7	4	3	-	0	0	0	-	0	2	2	-	0	0	2	-	0	0	0	-	0	44	21	-	2	7
21	Loans and advances	33	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including UoP	148	25	17	-	2	5	2	3	-	0	0	0	-	0	2	2	-	0	0	2	-	0	0	0	-	0	35	18	-	2	5
23	Equity instruments	37	6	3	-	0	2	2	0	-	-	-	-	-	-	0	-	-	-	-	-	-	-	-	-	-	-	9	3	-	0	2
24	Households	2,787	-	-	-	-	-	-	-	-	-					-	-	-	-									-	-	-	-	-
25	of which loans collateralised by residential immovable property[5]	1,675	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	of which building renovation loans[6]	-	-	-	-	-	-	-	-	-	-					-	-	-	-									-	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-	-																					-	-	-	-	-
28	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	5,952																														
33	Financial and Non-financial undertakings																															
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations																															
35	Loans and advances	384																														
36	of which loans collateralised by commercial immovable property	-																														
37	of which building renovation loans	-																														
38	Debt securities	661																														
39	Equity instruments	87																														
40	Non-EU country counterparties not subject to NFRD disclosure obligations																															
41	Loans and advances	2,746																														

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	Million CHF	31.12.2024																														
		Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
42	Debt securities	852																														
43	Equity instruments	54																														
44	Derivatives	87																														
45	On demand interbank loans	394																														
46	Cash and cash-related assets	479																														
47	Other categories of assets (e.g. Goodwill, commodities etc.)	208																														
48	Total GAR assets	9,026	39	21	-	2	7	4	3	-	0	0	0	-	0	2	2	-	0	0	2	-	0	0	0	-	0	51	22	-	2	7
49	Assets not covered for GAR calculation	1,609																														
50	Central governments and Supranational issuers	704																														
51	Central banks exposure	905																														
52	Trading book	0																														
53	Total assets	10,636																														
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																																
54	Financial guarantees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
55	Assets under management[7]	4,696	756	212	-	16	124	57	6	-	2	3	1	-	0	106	6	-	2	48	3	-	1	6	0	-	0	1,403	203	-	15	132
56	Of which debt securities	3,319	505	145	-	7	98	48	3	-	1	2	0	-	0	92	2	-	1	38	0	-	0	6	-	-	-	1,074	145	-	6	101
57	Of which equity instruments	1,596	251	67	-	9	26	9	3	-	1	1	0	-	0	14	3	-	1	10	3	-	1	0	0	-	0	329	58	-	9	31

1 This template shall include information for loans and advances, debt securities and equity instruments in the banking book, towards financial corporates, non-financial corporates (NFC), including SMEs, households (including residential real estate, house renovation loans and motor vehicle loans only) and local governments/municipalities (house financing).
2 The following accounting categories of financial assets should be considered: Financial assets at amortised cost, financial assets at fair value through other comprehensive income, investments in subsidiaries, joint ventures and associates, financial assets designated at fair value through profit or loss and non-trading financial assets mandatorily at fair value through profit or loss, and real estate collaterals obtained by credit institutions by taking possession in exchange in of cancellation of debts.
3 Banks with non-EU subsidiary should provide this information separately for exposures towards non-EU counterparties. For non-EU exposures, while there are additional challenges in terms of absence of common disclosure requirements and methodology, as the EU taxonomy and the NFRD apply only at EU level, given the relevance of these exposures for those credit institutions with non-EU subsidiaries, these institutions should disclose a separate GAR for non-EU exposures, on a best effort basis, in the form of estimates and ranges, using proxies, and explaining the assumptions, caveats and limitations
4 For motor vehicle loans, institutions shall only include those exposures generated after the date of application of the disclosure
* Currently, mortgages are not analyzed due to a lack of data in line with EU taxonomy alignment.
** These mortgage claims are currently being neglected due to a lack of available data.
*** There is no review of use-of-proceeds instruments yet.

		ag	ah	ai	aj	ak	al	am	an	ao	ap	aq	ar	as	at	au	av	aw	ax	ay	az	ba	bb	bc	bd	be	bf	bg	bh	bi	bj	bk
	Million CHF	31.12.2023																														
		Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	3,044	4	18	-	0	5	-	0	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	54	21	-	0	5
2	Financial undertakings	105	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3	-	-	-	-
3	Credit institutions	84	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	84	-	-		-	-	-	-		-																	2	-		-	-
6	Equity instruments	-	-	-		-	-	-	-		-																	-	-		-	-
7	Other financial corporations	21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
12	of which management companies	21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	12	-	-		-	-	-	-		-																	1	-		-	-
15	Equity instruments	9	-	-		-	-	-	-		-																	1	-		-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
20	Non-financial undertakings	265	4	18	-	0	5	-	0	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	51	21	-	0	5
21	Loans and advances	57																										6				
22	Debt securities, including UoP	173	4	16		0	3	-	0		0																	36	18		0	3
23	Equity instruments	36	-	2		0	1	-	0		-																	10	2		0	1
24	Households	2,674																														
25	of which loans collateralised by residential immovable property[5]	1,603	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	of which building renovation loans[6]	-	-	-	-	-	-	-	-	-	-					-	-	-	-									-	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-	-																					-	-	-	-	-
28	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	6,161																														
33	Financial and Non-financial undertakings	4,559																														
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	1,194																														
35	Loans and advances	382																														
36	of which loans collateralised by commercial immovable property	-																														
37	of which building renovation loans	-																														
38	Debt securities	743																														
39	Equity instruments	69																														
40	Non-EU country counterparties not subject to NFRD disclosure obligations	3,364																														
41	Loans and advances	2,386																														
42	Debt securities	914																														

		ag	ah	ai	aj	ak	al	am	an	ao	ap	aq	ar	as	at	au	av	aw	ax	ay	az	ba	bb	bc	bd	be	bf	bg	bh	bi	bj	bk
Million CHF		31.12.2023																														
		Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
43	Equity instruments	65																														
44	Derivatives	42																														
45	On demand interbank loans	772																														
46	Cash and cash-related assets	562																														
47	Other categories of assets (e.g. Goodwill, commodities etc.)	227																														
48	Total GAR assets	9,205	4	18	-	0	5	-	0	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	54	21	-	0	5
49	Assets not covered for GAR calculation	2,245																														
50	Central governments and Supranational issuers	634																														
51	Central banks exposure	1,611																														
52	Trading book	0																														
53	Total assets	11,450																														
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																																
54	Financial guarantees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
55	Assets under management[7]	24,890	41	184	184	6	98	0	4	4	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	844	204	204	7	104
56	Of which debt securities	16,078	29	146	146	5	85	0	3	3	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	659	156	156	5	88
57	Of which equity instruments	8,811	12	38	38	2	13	-	2	2	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	184	48	48	2	17

[1] This template shall include information for loans and advances, debt securities and equity instruments in the banking book, towards financial corporates, non-financial corporates (NFC), including SMEs, households (including residential real estate, house renovation loans and motor vehicle loans only) and local governments/municipalities (house financing).
[2] The following accounting categories of financial assets should be considered: Financial assets at amortised cost, financial assets at fair value through other comprehensive income, investments in subsidiaries, joint ventures and associates, financial assets designated at fair value through profit or loss and non-trading financial assets mandatorily at fair value through profit or loss, and real estate collaterals obtained by credit institutions by taking possession in exchange in of cancellation of debts.
[3] Banks with non-EU subsidiary should provide this information separately for exposures towards non-EU counterparties. For non-EU exposures, while there are additional challenges in terms of absence of common disclosure requirements and methodology, as the EU taxonomy and the NFRD apply only at EU level, given the relevance of these exposures for those credit institutions with non-EU subsidiaries, these institutions should disclose a separate GAR for non-EU exposures, on a best effort basis, in the form of estimates and ranges, using proxies, and explaining the assumptions, caveats and limitations
[4] For motor vehicle loans, institutions shall only include those exposures generated after the date of application of the disclosure
[*] Currently, mortgages are not analyzed due to a lack of data in line with EU taxonomy alignment.
[**] These mortgage claims are currently being neglected due to a lack of available data.
[***] There is no review of use-of-proceeds instruments yet.

1 Assets for the calculation of GAR - CAPEX based

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	Million CHF	31.12.2024																														
		Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	3,074	64	40	0	2	17	3	2	0	1	0	1	0	1	1	2	0	1	0	2	0	1	0	1	0	1	81	41	0	2	17
2	Financial undertakings	69	8	2	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	8	2	0	0	1
3	Credit institutions	44	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6	0	0	0	1
4	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Debt securities, including UoP	40	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6	0	0	0	0
6	Equity instruments	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	Other financial corporations	24	2	2	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	2	0	0	1
8	of which investment firms	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	Equity instruments	0	0	0		0	0	0	0		0	0	0		0	0	0		0	0	0		0	0	0		0	0	0		0	0
12	of which management companies	24	2	2	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	2	0	0	1
13	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Debt securities, including UoP	14	2	1	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	0	0	1
15	Equity instruments	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16	of which insurance undertakings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	Equity instruments	0	0	0		0	0	0	0		0	0	0		0	0	0		0	0	0		0	0	0		0	0	0		0	0
20	Non-financial undertakings	219	56	39	0	2	16	3	2	0	1	0	1	0	1	1	2	0	1	0	2	0	1	0	1	0	1	73	40	0	2	17
21	Loans and advances	33	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22	Debt securities, including UoP	148	46	30	0	1	13	2	2	0	1	0	1	0	1	1	2	0	1	0	2	0	1	0	1	0	1	59	31	0	1	13
23	Equity instruments	37	10	8	0	0	3	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	14	8	0	0	3
24	Households	2,787	0	0	0	0	0	0	0	0	0					0	0	0	0									0	0	0	0	0
25	of which loans collateralised by residential immovable property[5]	1,675	0	0	0	0	0	0	0	0	0					0	0	0	0									0	0	0	0	0
26	of which building renovation loans[6]	0	0	0	0	0	0	0	0	0	0					0	0	0	0									0	0	0	0	0
27	of which motor vehicle loans	0	0	0	0	0	0																					0	0	0	0	0
28	Local governments financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
29	Housing financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30	Other local government financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31	Collateral obtained by taking possession: residential and commercial immovable properties	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	5,952																														
33	Financial and Non-financial undertakings																															
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations																															
35	Loans and advances	384																														
36	of which loans collateralised by commercial immovable property																															
37	of which building renovation loans																															
38	Debt securities	661																														
39	Equity instruments	87																														
40	Non-EU country counterparties not subject to NFRD disclosure obligations																															
41	Loans and advances	2,746																														

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
Million CHF		31.12.2024																														
		Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
42	Debt securities	852																														
43	Equity instruments	54																														
44	Derivatives	87																														
45	On demand interbank loans	394																														
46	Cash and cash-related assets	479																														
47	Other categories of assets (e.g. Goodwill, commodities etc.)	208																														
48	**Total GAR assets**	**9,026**	**64**	**40**	**0**	**2**	**17**	**3**	**2**	**0**	**1**	**0**	**1**	**0**	**1**	**1**	**2**	**0**	**1**	**0**	**2**	**0**	**1**	**0**	**1**	**0**	**1**	**81**	**41**	**0**	**2**	**17**
49	Assets not covered for GAR calculation	1,609																														
50	Central governments and Supranational issuers	704																														
51	Central banks exposure	905																														
52	Trading book	0																														
53	Total assets	10,636																														
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																																
54	Financial guarantees																															
55	Assets under management[7]	4,696	967	378	0	26	183	75	10	0	5	5	2	0	1	76	3	0	2	38	2	0	2	1	2	0	1	1,517	396	0	27	192
56	Of which debt securities	3,319	665	268	0	15	132	62	5	0	2	3	0	0	0	67	1	0	0	32	0	0	0	1	1	0	0	1,135	280	0	15	135
57	Of which equity instruments	1,596	302	110	0	12	51	13	5	0	3	2	2	0	1	9	2	0	2	6	2	0	2	0	1	0	1	381	116	0	12	57

[1] This template shall include information for loans and advances, debt securities and equity instruments in the banking book, towards financial corporates, non-financial corporates (NFC), including SMEs, households (including residential real estate, house renovation loans and motor vehicle loans only) and local governments/municipalities (house financing).

[2] The following accounting categories of financial assets should be considered: Financial assets at amortised cost, financial assets at fair value through other comprehensive income, investments in subsidiaries, joint ventures and associates, financial assets designated at fair value through profit or loss and non-trading financial assets mandatorily at fair value through profit or loss, and real estate collaterals obtained by credit institutions by taking possession in exchange in of cancellation of debts.

[3] Banks with non-EU subsidiary should provide this information separately for exposures towards non-EU counterparties. For non-EU exposures, while there are additional challenges in terms of absence of common disclosure requirements and methodology, as the EU taxonomy and the NFRD apply only at EU level, given the relevance of these exposures for those credit institutions with non-EU subsidiaries, these institutions should disclose a separate GAR for non-EU exposures, on a best effort basis, in the form of estimates and ranges, using proxies, and explaining the assumptions, caveats and limitations

[4] For motor vehicle loans, institutions shall only include those exposures generated after the date of application of the disclosure

* Currently, mortgages are not analyzed due to a lack of data in line with EU taxonomy alignment.

** These mortgage claims are currently being neglected due to a lack of available data.

*** There is no review of use-of-proceeds instruments yet.

		ag	ah	ai	aj	ak	al	am	an	ao	ap	aq	ar	as	at	au	av	aw	ax	ay	az	ba	bb	bc	bd	be	bf	bg	bh	bi	bj	bk
	Million CHF	31.12.2023																														
		Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	3,044	5	39	0	1	13	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	90	44	0	1	13
2	Financial undertakings	105.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.0	-	-	-	-
3	Credit institutions	84.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.6	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	84.2	-	-		-	-	-	-		-																	1.6	-		-	-
6	Equity instruments	-	-	-		-	-	-	-		-																	-	-		-	-
7	Other financial corporations	20.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.4	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
12	of which management companies	20.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.4	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	12.3	-	-		-	-	-	-		-																	0.6	-		-	-
15	Equity instruments	8.6	-	-		-	-	-	-		-																	0.8	-		-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
20	Non-financial undertakings	264.9	4.9	38.9	-	0.7	13.1	-	0.0	-	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	86.9	44.1	-	0.7	13.1
21	Loans and advances	56.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.3	-	-	-	-
22	Debt securities, including UoP	172.5	4.9	32.4		0.6	9.9	-	0.0		0.0																	68.0	37.5		0.6	9.9
23	Equity instruments	35.7	-	6.6		0.2	3.1	-	0.0		-																	13.7	6.6		0.2	3.1
24	Households	2,674.2	-	-	-	-	-	-	-	-	-					-	-	-	-									-	-	-	-	-
25	of which loans collateralised by residential immovable property[5]	1,603.4	-	-	-	-	-	-	-	-	-					-	-	-	-									-	-	-	-	-
26	of which building renovation loans[6]	-	-	-	-	-	-	-	-	-	-					-	-	-	-									-	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-	-																					-	-	-	-	-
28	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	6,160.9																														
33	Financial and Non-financial undertakings	4,558.76																														
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	1,194.34																														
35	Loans and advances	382.36																														
36	of which loans collateralised by commercial immovable property																															
37	of which building renovation loans																															
38	Debt securities	743.00																														
39	Equity instruments	68.98																														
40	Non-EU country counterparties not subject to NFRD disclosure obligations	3,364.42																														
41	Loans and advances	2,385.63																														
42	Debt securities	913.76																														

		ag	ah	ai	aj	ak	al	am	an	ao	ap	aq	ar	as	at	au	av	aw	ax	ay	az	ba	bb	bc	bd	be	bf	bg	bh	bi	bj	bk
Million CHF		31.12.2023																														
		Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
43	Equity instruments	65.02																														
44	Derivatives	41.96																														
45	On demand interbank loans	771.55																														
46	Cash and cash-related assets	561.91																														
47	Other categories of assets (e.g. Goodwill, commodities etc.)	226.68																														
48	**Total GAR assets**	**9,205.15**	**5**	**39**	**0**	**1**	**13**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**90**	**44**	**0**	**1**	**13**
49	Assets not covered for GAR calculation	2,244.74																														
50	Central governments and Supranational issuers	633.57																														
51	Central banks exposure	1,610.96																														
52	Trading book	0.21																														
53	Total assets	11,450																														
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																																
54	Financial guarantees	-																														
55	Assets under management[7]	24,890	36	377	377	18	172	-	4	4	1	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,203	402	402	19	185
56	Of which debt securities	16,078	29	294	294	14	140	-	2	2	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	941	307	307	15	144
57	Of which equity instruments	8,811	7	83	83	4	32	-	2	2	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	262	95	95	5	41

[1] This template shall include information for loans and advances, debt securities and equity instruments in the banking book, towards financial corporates, non-financial corporates (NFC), including SMEs, households (including residential real estate, house renovation loans and motor vehicle loans only) and local governments/municipalities (house financing).
[2] The following accounting categories of financial assets should be considered: Financial assets at amortised cost, financial assets at fair value through other comprehensive income, investments in subsidiaries, joint ventures and associates, financial assets designated at fair value through profit or loss and non-trading financial assets mandatorily at fair value through profit or loss, and real estate collaterals obtained by credit institutions by taking possession in exchange in of cancellation of debts.
[3] Banks with non-EU subsidiary should provide this information separately for exposures towards non-EU counterparties. For non-EU exposures, while there are additional challenges in terms of absence of common disclosure requirements and methodology, as the EU taxonomy and the NFRD apply only at EU level, given the relevance of these exposures for those credit institutions with non-EU subsidiaries, these institutions should disclose a separate GAR for non-EU exposures, on a best effort basis, in the form of estimates and ranges, using proxies, and explaining the assumptions, caveats and limitations
[4] For motor vehicle loans, institutions shall only include those exposures generated after the date of application of the disclosure
[*] Currently, mortgages are not analyzed due to a lack of data in line with EU taxonomy alignment.
[**] These mortgage claims are currently being neglected due to a lack of available data.
[***] There is no review of use-of-proceeds instruments yet.

2 GAR sector information - Turnover based

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab
	Breakdown by sector - NACE 4 digits level (code and label)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Million CHF	Of which environmentally sustainable (CCM)	Million CHF	Of which environmentally sustainable (CCM)	Million CHF	Of which environmentally sustainable (CCA)	Million CHF	Of which environmentally sustainable (CCA)	Million CHF	Of which environmentally sustainable (WTR)	Million CHF	Of which environmentally sustainable (WTR)	Million CHF	Of which environmentally sustainable (CE)	Million CHF	Of which environmentally sustainable (CE)	Million CHF	Of which environmentally sustainable (PPC)	Million CHF	Of which environmentally sustainable (PPC)	Million CHF	Of which environmentally sustainable (BIO)	Million CHF	Of which environmentally sustainable (BIO)	Million CHF	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	Million CHF	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)
1	10.51	3.8	-	-	-	3.8	-	-	-	3.8	-	-	-	3.8	-	-	-	3.8	-	-	-	3.8	-	-	-	3.8	-	-	-
2	10.91	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-
3	11.01	7.4	-	-	-	7.4	-	-	-	7.4	-	-	-	7.4	-	-	-	7.4	-	-	-	7.4	-	-	-	7.4	-	-	-
4	11.05	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-
5	15.20	4.7	-	-	-	4.7	-	-	-	4.7	-	-	-	4.7	-	-	-	4.7	-	-	-	4.7	-	-	-	4.7	-	-	-
6	19.20	10.9	0.9	-	-	10.9	-	-	-	10.9	-	-	-	10.9	-	-	-	10.9	-	-	-	10.9	-	-	-	10.9	0.9	-	-
7	20.14	1.9	0.0	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	0.0	-	-
8	20.30	7.6	0.1	-	-	7.6	-	-	-	7.6	-	-	-	7.6	-	-	-	7.6	-	-	-	7.6	-	-	-	7.6	0.1	-	-
9	20.42	6.6	-	-	-	6.6	-	-	-	6.6	-	-	-	6.6	-	-	-	6.6	-	-	-	6.6	-	-	-	6.6	-	-	-
10	20.52	7.4	-	-	-	7.4	-	-	-	7.4	-	-	-	7.4	-	-	-	7.4	-	-	-	7.4	-	-	-	7.4	-	-	-
11	20.59	3.8	0.1	-	-	3.8	-	-	-	3.8	-	-	-	3.8	-	-	-	3.8	-	-	-	3.8	-	-	-	3.8	0.1	-	-
12	22.11	1.9	0.3	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	0.3	-	-
13	26.30	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-
14	27.90	2.5	0.4	-	-	2.5	-	-	-	2.5	-	-	-	2.5	-	-	-	2.5	-	-	-	2.5	-	-	-	2.5	0.4	-	-
15	28.92	2.8	-	-	-	2.8	-	-	-	2.8	-	-	-	2.8	-	-	-	2.8	-	-	-	2.8	-	-	-	2.8	-	-	-
16	29.10	1.9	0.3	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	0.3	-	-
17	35.11	22.3	7.8	-	-	22.3	0.1	-	-	22.3	-	-	-	22.3	-	-	-	22.3	-	-	-	22.3	-	-	-	22.3	7.8	-	-
18	35.12	2.9	1.2	-	-	2.9	-	-	-	2.9	-	-	-	2.9	-	-	-	2.9	-	-	-	2.9	-	-	-	2.9	1.2	-	-
19	35.13	5.8	1.1	-	-	5.8	-	-	-	5.8	-	-	-	5.8	-	-	-	5.8	-	-	-	5.8	-	-	-	5.8	1.1	-	-
20	35.22	1.5	0.0	-	-	1.5	-	-	-	1.5	-	-	-	1.5	-	-	-	1.5	-	-	-	1.5	-	-	-	1.5	0.0	-	-
21	37.00	1.9	0.6	-	-	1.9	0.0	-	-	1.9	0.0	-	-	1.9	0.0	-	-	1.9	0.1	-	-	1.9	-	-	-	1.9	0.8	-	-
22	42.11	6.3	0.9	-	-	6.3	0.0	-	-	6.3	-	-	-	6.3	-	-	-	6.3	-	-	-	6.3	-	-	-	6.3	0.9	-	-
23	46.71	8.2	-	-	-	8.2	-	-	-	8.2	-	-	-	8.2	-	-	-	8.2	-	-	-	8.2	-	-	-	8.2	-	-	-
24	46.73	3.8	0.6	-	-	3.8	-	-	-	3.8	-	-	-	3.8	-	-	-	3.8	-	-	-	3.8	-	-	-	3.8	0.6	-	-
25	47.11	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-
26	47.71	2.8	-	-	-	2.8	-	-	-	2.8	-	-	-	2.8	-	-	-	2.8	-	-	-	2.8	-	-	-	2.8	-	-	-
27	49.31	4.7	2.4	-	-	4.7	2.4	-	-	4.7	0.2	-	-	4.7	2.4	-	-	4.7	2.4	-	-	4.7	0.2	-	-	4.7	2.4	-	-
28	49.50	1.9	0.5	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	0.5	-	-
29	52.21	7.8	-	-	-	7.8	-	-	-	7.8	-	-	-	7.8	-	-	-	7.8	-	-	-	7.8	-	-	-	7.8	-	-	-
30	53.10	7.5	2.8	-	-	7.5	0.0	-	-	7.5	-	-	-	7.5	0.0	-	-	7.5	-	-	-	7.5	-	-	-	7.5	2.8	-	-
31	53.20	1.9	0.3	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	0.3	-	-
32	58.29	0.9	-	-	-	0.9	-	-	-	0.9	-	-	-	0.9	-	-	-	0.9	-	-	-	0.9	-	-	-	0.9	-	-	-
33	61.10	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-
34	61.20	13.7	0.0	-	-	13.7	0.2	-	-	13.7	-	-	-	13.7	-	-	-	13.7	-	-	-	13.7	-	-	-	13.7	0.2	-	-
35	61.30	6.9	-	-	-	6.9	-	-	-	6.9	-	-	-	6.9	-	-	-	6.9	-	-	-	6.9	-	-	-	6.9	-	-	-
36	68.20	1.9	0.4	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	0.4	-	-
37	73.11	1.9	-	-	-	1.9	0.0	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	0.0	-	-
38	73.12	1.9	-	-	-	1.9	0.0	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	0.0	-	-
39	80.10	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-
40	80.20	2.8	-	-	-	2.8	-	-	-	2.8	-	-	-	2.8	-	-	-	2.8	-	-	-	2.8	-	-	-	2.8	-	-	-
41	86.90	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-

[1] Credit institutions shall disclose in this template information on exposures in the banking book towards those sectors covered by the Taxonomy (NACE sectors 4 levels of detail), using the relevant NACE Codes on the basis of the principal activity of the counterparty

[2] The counterparty NACE sector allocation shall be based exclusively on the nature of the immediate counterparty. The classification of the exposures incurred jointly by more than one obligor shall be done on the basis of the characteristics of the obligor that was the more relevant, or determinant, for the institution to grant the exposure. The distribution of jointly incurred exposures by NACE codes shall be driven by the characteristics of the more relevant or determinant obligor. Institutions shall disclose information by NACE codes with the level of disaggregation required in the template.

2 GAR sector information - CAPEX based

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab
Breakdown by sector - NACE 4 digits level (code and label)		Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		CHF	Of which envir-onmen-tally sustain-able (CCM)	CHF	Of which envir-onmen-tally sustain-able (CCM)	CHF	Of which envir-onmen-tally sustain-able (CCA)	CHF	Of which envir-onmen-tally sustain-able (CCA)	CHF	Of which environmentally sustainable (WTR)	CHF	Of which envir-onmen-tally sustain-able (WTR)	CHF	Of which envir-onmen-tally sustain-able (CE)	CHF	Of which envir-onmen-tally sustain-able (CE)	CHF	Of which envir-onmen-tally sustain-able (PPC)	CHF	Of which envir-onmen-tally sustain-able (PPC)	CHF	Of which envir-onmen-tally sustain-able (BIO)	CHF	Of which envir-onmen-tally sustain-able (BIO)	CHF	Of which envir-onmen-tally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)	CHF	Of which envir-onmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)
1	10.51	3.8	-	-	-	3.8	-	-	-	3.8	-	-	-	3.8	-	-	-	3.8	-	-	-	3.8	-	-	-	3.8	-	-	-
2	10.91	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-
3	11.01	7.4	0.4	-	-	7.4	-	-	-	7.4	-	-	-	7.4	-	-	-	7.4	-	-	-	7.4	-	-	-	7.4	0.4	-	-
4	11.05	1.9	0.0	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	0.0	-	-
5	15.20	4.7	0.0	-	-	4.7	-	-	-	4.7	-	-	-	4.7	-	-	-	4.7	-	-	-	4.7	-	-	-	4.7	0.0	-	-
6	19.20	10.9	3.6	-	-	10.9	-	-	-	10.9	-	-	-	10.9	-	-	-	10.9	-	-	-	10.9	-	-	-	10.9	3.6	-	-
7	20.14	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-
8	20.30	7.6	0.3	-	-	7.6	-	-	-	7.6	-	-	-	7.6	-	-	-	7.6	-	-	-	7.6	-	-	-	7.6	0.3	-	-
9	20.42	6.6	0.3	-	-	6.6	0.3	-	-	6.6	-	-	-	6.6	-	-	-	6.6	-	-	-	6.6	-	-	-	6.6	0.3	-	-
10	20.52	7.4	0.1	-	-	7.4	-	-	-	7.4	-	-	-	7.4	-	-	-	7.4	-	-	-	7.4	-	-	-	7.4	0.1	-	-
11	20.59	3.8	0.0	-	-	3.8	-	-	-	3.8	-	-	-	3.8	-	-	-	3.8	-	-	-	3.8	-	-	-	3.8	0.0	-	-
12	22.11	1.9	0.4	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	0.4	-	-
13	26.30	1.9	0.1	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	0.1	-	-
14	27.90	2.5	0.3	-	-	2.5	-	-	-	2.5	-	-	-	2.5	-	-	-	2.5	-	-	-	2.5	-	-	-	2.5	0.3	-	-
15	28.92	2.8	0.0	-	-	2.8	-	-	-	2.8	-	-	-	2.8	-	-	-	2.8	-	-	-	2.8	-	-	-	2.8	0.0	-	-
16	29.10	1.9	0.5	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	0.5	-	-
17	35.11	22.3	16.2	-	-	22.3	0.1	-	-	22.3	-	-	-	22.3	-	-	-	22.3	-	-	-	22.3	-	-	-	22.3	16.3	-	-
18	35.12	2.9	2.5	-	-	2.9	-	-	-	2.9	-	-	-	2.9	-	-	-	2.9	-	-	-	2.9	-	-	-	2.9	2.5	-	-
19	35.13	5.8	4.1	-	-	5.8	-	-	-	5.8	-	-	-	5.8	-	-	-	5.8	-	-	-	5.8	-	-	-	5.8	4.1	-	-
20	35.22	1.5	0.2	-	-	1.5	-	-	-	1.5	-	-	-	1.5	-	-	-	1.5	-	-	-	1.5	-	-	-	1.5	0.2	-	-
21	37.00	1.9	0.1	-	-	1.9	-	-	-	1.9	0.0	-	-	1.9	0.0	-	-	1.9	0.0	-	-	1.9	-	-	-	1.9	0.8	-	-
22	42.11	6.3	0.9	-	-	6.3	-	-	-	6.3	-	-	-	6.3	-	-	-	6.3	-	-	-	6.3	-	-	-	6.3	0.9	-	-
23	46.71	8.2	0.1	-	-	8.2	-	-	-	8.2	-	-	-	8.2	-	-	-	8.2	-	-	-	8.2	-	-	-	8.2	0.1	-	-
24	46.73	3.8	0.8	-	-	3.8	-	-	-	3.8	-	-	-	3.8	-	-	-	3.8	-	-	-	3.8	-	-	-	3.8	0.8	-	-
25	47.11	1.9	0.1	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	0.1	-	-
26	47.71	2.8	0.4	-	-	2.8	-	-	-	2.8	-	-	-	2.8	-	-	-	2.8	-	-	-	2.8	-	-	-	2.8	0.4	-	-
27	49.31	4.7	1.7	-	-	4.7	1.7	-	-	4.7	1.3	-	-	4.7	1.7	-	-	4.7	1.7	-	-	4.7	1.3	-	-	4.7	1.7	-	-
28	49.50	1.9	0.5	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	0.5	-	-
29	52.21	7.8	0.3	-	-	7.8	-	-	-	7.8	-	-	-	7.8	-	-	-	7.8	-	-	-	7.8	-	-	-	7.8	0.3	-	-
30	53.10	7.5	3.5	-	-	7.5	0.1	-	-	7.5	-	-	-	7.5	0.0	-	-	7.5	-	-	-	7.5	-	-	-	7.5	3.5	-	-
31	53.20	1.9	0.6	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	0.6	-	-
32	58.29	0.9	0.0	-	-	0.9	-	-	-	0.9	-	-	-	0.9	-	-	-	0.9	-	-	-	0.9	-	-	-	0.9	0.0	-	-
33	61.10	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-
34	61.20	13.7	0.0	-	-	13.7	0.0	-	-	13.7	-	-	-	13.7	-	-	-	13.7	-	-	-	13.7	-	-	-	13.7	0.1	-	-
35	61.30	6.9	0.0	-	-	6.9	-	-	-	6.9	-	-	-	6.9	-	-	-	6.9	-	-	-	6.9	-	-	-	6.9	0.0	-	-
36	68.20	1.9	0.5	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	0.5	-	-
37	73.11	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-
38	73.12	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-
39	80.10	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-
40	80.20	2.8	-	-	-	2.8	-	-	-	2.8	-	-	-	2.8	-	-	-	2.8	-	-	-	2.8	-	-	-	2.8	-	-	-
41	86.90	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-	1.9	-	-	-

[1] Credit institutions shall disclose in this template information on exposures in the banking book towards those sectors covered by the Taxonomy (NACE sectors 4 levels of detail), using the relevant NACE Codes on the basis of the principal activity of the counterparty
[2] The counterparty NACE sector allocation shall be based exclusively on the nature of the immediate counterparty. The classification of the exposures incurred jointly by more than one obligor shall be done on the basis of the characteristics of the obligor that was the more relevant, or determinant, for the institution to grant the exposure. The distribution of jointly incurred exposures by NACE codes shall be driven by the characteristics of the more relevant or determinant obligor. Institutions shall disclose information by NACE codes with the level of disaggregation required in the template.

3. GAR KPI stock - Turnover based

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	% (compared to total covered assets in the denominator)	31.12.2024																														
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	1.3%	0.7%	0.0%	0.1%	0.2%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.7%	0.7%	0.0%	0.1%	0.2%	34.1%
2	Financial undertakings	11.1%	1.2%	0.0%	0.5%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	9.8%	1.2%	0.0%	0.3%	0.3%	0.8%
3	Credit institutions	14.0%	0.3%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	14.0%	0.3%	0.0%	0.2%	0.0%	0.5%
4	Loans and advances																															0.00%
5	Debt securities, including UoP	15.5%	0.3%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	15.5%	0.3%	0.0%	0.2%	0.0%	0.4%
6	Equity instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%						0.0%	0.0%	0.0%
7	Other financial corporations	5.8%	2.9%	0.0%	1.0%	1.2%	0.1%	0.1%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.1%	3.0%	0.0%	0.6%	1.0%	0.3%
8	of which investment firms																															0.0%
9	Loans and advances																															0.0%
10	Debt securities, including UoP																															0.0%
11	Equity instruments																															0.0%
12	of which management companies	5.8%	2.9%	0.0%	1.0%	1.2%	0.1%	0.1%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.1%	3.0%	0.0%	0.6%	1.0%	0.3%
13	Loans and advances																															0.0%
14	Debt securities, including UoP	10.1%	4.1%	0.0%	1.3%	1.9%	0.2%	0.1%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.7%	4.3%	0.0%	1.1%	1.5%	0.2%
15	Equity instruments	0.0%	1.2%		0.7%	0.3%	0.0%	0.0%		0.1%	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%						0.0%	0.2%	0.1%
16	of which insurance undertakings																															0.0%
17	Loans and advances																															0.0%
18	Debt securities, including UoP																															0.0%
19	Equity instruments																															0.0%
20	Non-financial undertakings	14.3%	9.4%	0.0%	0.9%	3.1%	1.9%	1.2%	0.0%	0.2%	0.1%	0.1%	0.0%	0.1%	0.9%	1.1%	0.0%	0.1%	0.1%	1.1%	0.0%	0.1%	0.0%	0.1%	0.0%	0.1%	20.1%	9.6%	0.0%	0.9%	3.2%	2.4%
21	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%
22	Debt securities, including UoP	17.0%	11.7%	0.0%	1.3%	3.3%	1.4%	1.7%	0.0%	0.3%	0.2%	0.2%	0.0%	0.2%	1.2%	1.6%	0.0%	0.2%	0.1%	1.6%	0.0%	0.2%	0.0%	0.2%	0.0%	0.2%	23.4%	11.9%	0.0%	1.3%	3.4%	1.6%
23	Equity instruments	16.2%	8.7%		0.1%	5.1%	5.3%	0.1%		0.0%	0.0%	0.0%		0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%						0.1%	5.2%	0.4%
24	Households	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%					0.0%	0.0%	0.0%	0.0%									0.0%	0.0%	0.0%	0.0%	0.0%	30.9%
25	of which loans collateralised by residential immovable property	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%					0.0%	0.0%	0.0%	0.0%									0.0%	0.0%	0.0%	0.0%	0.0%	18.6%
26	of which building renovation loans																															0.0%
27	of which motor vehicle loans																															
28	Local governments financing																															0.0%
29	Housing financing																															0.0%
30	Other local government financing																															0.0%
31	Collateral obtained by taking possession: residential and commercial immovable properties																															0.0%
32	Total GAR assets	0.4%	0.2%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.6%	0.2%	0.0%	0.0%	0.1%	100.0%

		ag	ah	ai	aj	ak	al	am	an	ao	ap	aq	ar	as	at	au	av	aw	ax	ay	az	ba	bb	bc	bd	be	bf	bg	bh	bi	bj	bk
	% (compared to total covered assets in the denominator)	31.12.2023																													
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which specialised lending	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator																														
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0.1%	0.6%	0.0%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.8%	0.7%	0.0%	0.0%	0.2%	33.1%
2	Financial undertakings	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.8%	0.0%	0.0%	0.0%	0.0%	1.1%
3	Credit institutions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.9%	0.0%	0.0%	0.0%	0.0%	0.9%
4	Loans and advances																															0.0%
5	Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.9%	0.0%	0.0%	0.0%	0.0%	0.9%
6	Equity instruments																															0.0%
7	Other financial corporations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	6.4%	0.0%	0.0%	0.0%	0.0%	0.2%
8	of which investment firms																															0.0%
9	Loans and advances																															0.0%
10	Debt securities, including UoP																															0.0%
11	Equity instruments																															0.0%
12	of which management companies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	6.4%	0.0%	0.0%	0.0%	0.0%	0.2%
13	Loans and advances																															0.0%
14	Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	4.2%	0.0%	0.0%	0.0%	0.0%	0.1%
15	Equity instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	9.6%	0.0%		0.0%	0.0%	0.1%
16	of which insurance undertakings																															0.0%
17	Loans and advances																															0.0%
18	Debt securities, including UoP																															0.0%
19	Equity instruments																															0.0%
20	Non-financial undertakings	1.4%	6.7%	0.0%	0.0%	1.7%	0.0%	0.1%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	19.3%	7.8%	0.0%	0.0%	1.7%	2.9%
21	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	10.1%	0.0%	0.0%	0.0%	0.0%	0.6%
22	Debt securities, including UoP	2.1%	9.0%	0.0%	0.0%	1.9%	0.0%	0.1%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	20.7%	10.6%	0.0%	0.0%	1.9%	1.9%
23	Equity instruments	0.0%	6.3%		0.2%	3.6%	0.0%	0.1%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	27.3%	6.4%		0.2%	3.6%	0.4%
24	Households	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%					0.0%	0.0%	0.0%	0.0%									0.0%	0.0%	0.0%	0.0%	0.0%	29.1%
25	of which loans collateralised by residential immovable property	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%					0.0%	0.0%	0.0%	0.0%									0.0%	0.0%	0.0%	0.0%	0.0%	17.4%
26	of which building renovation loans																															0.0%
27	of which motor vehicle loans																															0.0%
28	Local governments financing																															0.0%
29	Housing financing																															0.0%
30	Other local government financing																															0.0%
31	Collateral obtained by taking possession: residential and commercial immovable properties																															0.0%
32	Total GAR assets	0.0%	0.2%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.6%	0.2%	0.0%	0.0%	0.1%	100.0%

3. GAR KPI stock - CAPEX based

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	% (compared to total covered assets in the denominator)	31.12.2024																														
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	2.1%	1.3%	0.0%	0.1%	0.6%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.6%	1.3%	0.0%	0.1%	0.6%	34.1%
2	Financial undertakings	12.3%	2.5%	0.0%	0.3%	1.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	11.0%	2.5%	0.0%	0.3%	1.1%	0.8%
3	Credit institutions	14.3%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	14.3%	0.3%	0.0%	0.0%	0.0%	0.5%
4	Loans and advances																															0.0%
5	Debt securities, including UoP	15.8%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	15.8%	0.3%	0.0%	0.0%	0.0%	0.4%
6	Equity instruments	0.1%	0.1%		0.0%	0.1%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%						0.0%	0.0%	0.0%
7	Other financial corporations	8.7%	6.3%	0.0%	0.9%	4.0%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	4.9%	6.4%	0.0%	0.9%	3.2%	0.3%
8	of which investment firms																															0.0%
9	Loans and advances																															0.0%
10	Debt securities, including UoP																															0.0%
11	Equity instruments																															0.0%
12	of which management companies	8.7%	6.3%	0.0%	0.9%	4.0%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	4.9%	6.4%	0.0%	0.9%	3.2%	0.3%
13	Loans and advances																															0.0%
14	Debt securities, including UoP	15.1%	9.8%	0.0%	1.5%	6.7%	0.2%	0.1%	0.0%	0.1%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	8.5%	9.9%	0.0%	1.5%	5.3%	0.2%
15	Equity instruments	0.0%	1.7%		0.1%	0.4%	0.0%	0.1%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%						0.0%	0.2%	0.1%
16	of which insurance undertakings																															0.0%
17	Loans and advances																															0.0%
18	Debt securities, including UoP																															0.0%
19	Equity instruments																															0.0%
20	Non-financial undertakings	25.4%	17.7%	0.0%	0.8%	7.5%	1.4%	1.0%	0.0%	0.6%	0.2%	0.6%	0.0%	0.6%	0.4%	0.8%	0.0%	0.6%	0.1%	0.8%	0.0%	0.6%	0.1%	0.6%	0.0%	0.6%	33.5%	18.2%	0.0%	0.8%	7.6%	2.4%
21	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%
22	Debt securities, including UoP	31.0%	20.5%	0.0%	0.9%	8.9%	1.3%	1.5%	0.0%	0.9%	0.3%	0.9%	0.0%	0.9%	0.6%	1.2%	0.0%	0.9%	0.1%	1.2%	0.0%	0.9%	0.1%	0.9%	0.0%	0.9%	39.8%	21.1%	0.0%	0.9%	8.9%	1.6%
23	Equity instruments	26.0%	22.5%		1.2%	8.8%	2.7%	0.1%		0.0%	0.0%	0.0%		0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%						1.2%	8.8%	0.4%
24	Households	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%					0.0%	0.0%	0.0%	0.0%									0.0%	0.0%	0.0%	0.0%	0.0%	30.9%
25	of which loans collateralised by residential immovable property	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%					0.0%	0.0%	0.0%	0.0%									0.0%	0.0%	0.0%	0.0%	0.0%	18.6%
26	of which building renovation loans																															0.0%
27	of which motor vehicle loans																															
28	Local governments financing																															0.0%
29	Housing financing																															0.0%
30	Other local government financing																															0.0%
31	Collateral obtained by taking possession: residential and commercial immovable properties																															0.0%
32	Total GAR assets	0.7%	0.4%	0.0%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.9%	0.5%	0.0%	0.0%	0.2%	100.0%

		ag	ah	ai	aj	ak	al	am	an	ao	ap	aq	ar	as	at	au	av	aw	ax	ay	az	ba	bb	bc	bd	be	bf	bg	bh	bi	bj	bk
	% (compared to total covered assets in the denominator)	31.12.2023																														
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Propor-tion of total assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Pro-ceeds	Of which transi-tional	Of which en-abling			Of which spe-cial-ised lend-ing	Of which en-abling			Of which Use of Pro-ceeds	Of which en-abling			Of which Use of Pro-ceeds	Of which en-abling			Of which Use of Pro-ceeds	Of which en-abling			Of which Use of Pro-ceeds	Of which en-abling			Of which Use of Pro-ceeds	Of which transi-tional	Of which en-abling	
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0.2%	1.3%	0.0%	0.0%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.0%	1.4%	0.0%	0.0%	0.4%	33.1%
2	Financial undertakings	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.8%	0.0%	0.0%	0.0%	0.0%	1.1%
3	Credit institutions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.9%	0.0%	0.0%	0.0%	0.0%	0.9%
4	Loans and advances																															0.0%
5	Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.9%	0.0%	0.0%	0.0%	0.0%	0.9%
6	Equity instruments																															0.0%
7	Other financial corporations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	6.6%	0.0%	0.0%	0.0%	0.0%	0.2%
8	of which investment firms																															0.0%
9	Loans and advances																															0.0%
10	Debt securities, including UoP																															0.0%
11	Equity instruments																															0.0%
12	of which management companies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	6.6%	0.0%	0.0%	0.0%	0.0%	0.2%
13	Loans and advances																															0.0%
14	Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	4.6%	0.0%	0.0%	0.0%	0.0%	0.1%
15	Equity instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	9.5%	0.0%		0.0%	0.0%	0.1%
16	of which insurance undertakings																															0.0%
17	Loans and advances																															0.0%
18	Debt securities, including UoP																															0.0%
19	Equity instruments																															0.0%
20	Non-financial undertakings	1.9%	14.7%	0.0%	0.3%	4.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	32.8%	16.6%	0.0%	0.3%	4.9%	2.9%
21	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	9.3%	0.0%	0.0%	0.0%	0.0%	0.6%
22	Debt securities, including UoP	2.9%	18.8%	0.0%	0.3%	5.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	39.4%	21.7%	0.0%	0.3%	5.8%	1.9%
23	Equity instruments	0.0%	18.4%		0.5%	8.8%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	38.3%	18.4%		0.5%	8.8%	0.4%
24	Households	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%					0.0%	0.0%	0.0%	0.0%									0.0%	0.0%	0.0%	0.0%	0.0%	29.1%
25	of which loans collateralised by residential immovable property	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%					0.0%	0.0%	0.0%	0.0%									0.0%	0.0%	0.0%	0.0%	0.0%	17.4%
26	of which building renovation loans																															0.0%
27	of which motor vehicle loans																															0.0%
28	Local governments financing																															0.0%
29	Housing financing																															0.0%
30	Other local government financing																															0.0%
31	Collateral obtained by taking possession: residential and commercial immovable properties																															0.0%
32	Total GAR assets	0.1%	0.4%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.0%	0.5%	0.0%	0.0%	0.1%	100.0%

4 GAR KPI flow - Turnover based

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	% (compared to flow of total eligible assets)	31.12.2024																														
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total new assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	118.3%	12.2%	0.0%	7.3%	8.3%	14.0%	8.1%	0.0%	0.9%	0.8%	0.9%	0.0%	0.8%	6.4%	8.1%	0.0%	0.8%	0.4%	8.1%	0.0%	0.8%	0.0%	0.8%	0.0%	0.8%	-11.1%	4.3%	0.0%	7.1%	8.9%	-17%
2	Financial undertakings	-20.9%	-2.2%	0.0%	-0.9%	-0.8%	-0.1%	-0.1%	0.0%	-0.1%	-0.0%	-0.0%	0.0%	-0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-10.4%	-2.3%	0.0%	-0.6%	-0.7%	20%
3	Credit institutions	-15.5%	-0.3%	0.0%	-0.2%	-0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-11.6%	-0.3%	0.0%	-0.2%	-0.0%	22%
4	Loans and advances																															0%
5	Debt securities, including UoP	-14.0%	-0.3%	0.0%	-0.2%	-0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-10.4%	-0.3%	0.0%	-0.2%	-0.0%	25%
6	Equity instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.3%	0.0%		0.0%	0.0%	-2%
7	Other financial corporations	40.6%	20.3%	0.0%	7.3%	8.6%	0.8%	0.5%	0.0%	0.6%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%				0.0%	0.0%	0.0%	0.0%		0.0%	-23.9%	20.9%	0.0%	4.5%	6.7%	-2%
8	of which investment firms																															0%
9	Loans and advances																															0%
10	Debt securities, including UoP																															0%
11	Equity instruments																															0%
12	of which management companies	40.6%	20.3%	0.0%	7.3%	8.6%	0.8%	0.5%	0.0%	0.6%	0.0%	0.0%	0.0%				0.0%				0.0%	0.0%	0.0%	0.0%		0.0%	-23.9%	20.9%	0.0%	4.5%	6.7%	-2%
13	Loans and advances																															0%
14	Debt securities, including UoP	83.2%	34.0%	0.0%	11.0%	15.4%	1.6%	1.1%	0.0%	0.7%	0.1%	0.0%	0.0%				0.0%				0.0%	0.0%	0.0%	0.0%		0.0%	-0.1%	35.1%	0.0%	9.1%	12.3%	-1%
15	Equity instruments	0.0%	7.2%		3.8%	2.0%	0.0%	0.0%		0.5%	0.0%	0.0%										0.0%	0.0%	0.0%		0.0%	-46.7%	7.4%		0.1%	1.3%	-1%
16	of which insurance undertakings																															0%
17	Loans and advances																															0%
18	Debt securities, including UoP																															0%
19	Equity instruments																															0%
20	Non-financial undertakings	-59.8%	-6.1%		-4.0%	-4.7%	-9.0%	-5.2%	0.0%	-0.5%	-0.5%	-0.6%	0.0%				0.0%				0.0%	-0.5%	-0.0%	-0.5%		-0.5%	15.4%	-1.0%	0.0%	-4.1%	-5.2%	26%
21	Loans and advances	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%				0.0%				0.0%	0.0%	0.0%	0.0%		0.0%	24.3%	0.0%	0.0%	0.0%	0.0%	13%
22	Debt securities, including UoP	-89.3%	-7.5%		-7.7%	-6.4%	-8.9%	-9.9%	0.0%	-1.0%	-0.9%	-1.1%	0.0%				0.0%				0.0%	-1.0%	-0.0%	-1.0%		-1.0%	3.8%	2.2%	0.0%	-7.8%	-7.3%	13%
23	Equity instruments	378.3%	62.8%		-1.2%	38.2%	124.5%	-0.7%		0.0%	0.0%	0.0%										0.0%	0.0%	0.0%		0.0%	-29.5%	61.1%		-0.7%	39.6%	-1%
24	Households	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%							0.0%	0.0%	0.0%	0.0%									0.0%	0.0%	0.0%	0.0%	0.0%	-63%
25	of which loans collateralised by residential immovable property	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%							0.0%	0.0%	0.0%	0.0%									0.0%	0.0%	0.0%	0.0%	0.0%	-40%
26	of which building renovation loans																															0%
27	of which motor vehicle loans																															0%
28	Local governments financing																															0%
29	Housing financing																															0%
30	Other local government financing																															0%
31	Collateral obtained by taking possession: residential and commercial immovable properties																															0%
32	Total GAR assets	-19.7%	-2.0%	0.0%	-1.2%	-1.4%	-2.3%	-1.3%	0.0%	-0.1%	-0.1%	-0.1%	0.0%	-0.1%	-1.1%	-1.3%	0.0%	-0.1%	-0.1%	-1.4%	0.0%	-0.1%	-0.0%	-0.1%	0.0%	-0.1%	1.9%	-0.7%	0.0%	-1.2%	-1.5%	100.0%

4 GAR KPI flow - CAPEX based

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	% (compared to flow of total eligible assets)	**31.12.2024**																														
		Climate Change Mitigation (CCM)					**Climate Change Adaptation (CCA)**				**Water and marine resources (WTR)**				**Circular economy (CE)**				**Pollution (PPC)**				**Biodiversity and Ecosystems (BIO)**				**TOTAL (CCM + CCA + WTR + CE + PPC + BIO)**					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					**Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)**				**Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)**				**Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)**				**Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)**				**Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)**				**Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)**					**Propor-tion of total new assets covered**
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					**Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)**				**Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)**				**Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)**				**Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)**				**Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)**				**Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)**				
				Of which Use of Pro-ceeds	**Of which transi-tional**	**Of which en-abling**			**Of which Use of Pro-ceeds**	**Of which en-abling**			**Of which Use of Pro-ceeds**	**Of which en-abling**			**Of which Use of Pro-ceeds**	**Of which en-abling**			**Of which Use of Pro-ceeds**	**Of which en-abling**			**Of which Use of Pro-ceeds**	**Of which en-abling**			**Of which Use of Pro-ceeds**	**Of which transi-tional**	**Of which en-abling**	
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	198.6%	5.2%	0.0%	4.3%	14.7%	10.1%	7.3%	0.0%	4.4%	1.4%	4.5%	0.0%	4.3%	3.1%	5.7%	0.0%	4.3%	0.6%	5.7%	0.0%	4.3%	0.4%	4.4%	0.0%	4.3%	-30.9%	-8.8%	0.0%	4.3%	14.2%	-16.6%
2	Financial undertakings	-23.1%	-4.6%	0.0%	-0.6%	-2.7%	-0.1%	-0.1%	0.0%	-0.0%	-0.0%	-0.0%	0.0%	-0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-12.5%	-4.7%	0.0%	-0.6%	-2.1%	20.4%
3	Credit institutions	-15.8%	-0.4%	0.0%	-0.0%	-0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-11.8%	-0.4%	0.0%	-0.0%	-0.0%	22.3%
4	Loans and advances																															0.0%
5	Debt securities, including UoP	-14.3%	-0.3%	0.0%	-0.0%	-0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-10.7%	-0.3%	0.0%	-0.0%	-0.0%	24.7%
6	Equity instruments	0.1%	0.1%		0.0%	0.1%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.4%	0.1%		0.0%	0.0%	-2.4%
7	Other financial corporations	60.8%	44.4%	0.0%	6.1%	28.1%	0.7%	0.5%	0.0%	0.3%	0.1%	0.1%	0.0%	0.5%	0.0%	0.0%	0.0%				0.0%	0.0%	0.0%	0.0%		0.0%	-5.5%	45.1%	0.0%	6.0%	22.1%	-1.9%
8	of which investment firms																															0.0%
9	Loans and advances																															0.0%
10	Debt securities, including UoP																															0.0%
11	Equity instruments																															0.0%
12	of which management companies	60.8%	44.4%	0.0%	6.1%	28.1%	0.7%	0.5%	0.0%	0.3%	0.1%	0.1%	0.0%				0.0%				0.0%	0.0%	0.0%	0.0%		0.0%	-5.5%	45.1%	0.0%	6.0%	22.1%	-1.9%
13	Loans and advances																															0.0%
14	Debt securities, including UoP	124.6%	80.8%	0.0%	12.2%	55.0%	1.4%	0.7%	0.0%	0.7%	0.3%	0.3%	0.0%				0.0%				0.0%	0.0%	0.0%	0.0%		0.0%	36.9%	81.8%	0.0%	11.9%	43.9%	-0.9%
15	Equity instruments	0.0%	9.7%		0.3%	2.5%	0.0%	0.4%		0.0%	0.0%	0.0%										0.0%	0.0%	0.0%		0.0%	-45.9%	10.2%		0.3%	1.4%	-1.0%
16	of which insurance undertakings																															0.0%
17	Loans and advances																															0.0%
18	Debt securities, including UoP																															0.0%
19	Equity instruments																															0.0%
20	Non-financial undertakings	-109.9%	0.3%		-2.3%	-7.3%	-6.5%	-4.7%	0.0%	-2.8%	-0.9%	-2.9%	0.0%				0.0%				0.0%	-2.8%	-0.2%	-2.9%		-2.8%	29.8%	9.4%	0.0%	-2.3%	-7.5%	25.8%
21	Loans and advances	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%				0.0%				0.0%	0.0%	0.0%	0.0%		0.0%	22.4%	0.0%	0.0%	0.0%	0.0%	13.2%
22	Debt securities, including UoP	-169.8%	8.2%		-3.3%	-13.5%	-8.2%	-8.9%	0.0%	-5.3%	-1.7%	-5.5%	0.0%				0.0%				0.0%	-5.3%	-0.5%	-5.5%		-5.3%	37.1%	25.6%	0.0%	-3.3%	-13.7%	13.5%
23	Equity instruments	608.0%	116.2%		15.9%	8.0%	62.9%	0.7%		0.3%	0.0%	0.0%										0.0%	0.0%	0.0%		0.0%	31.4%	117.0%		15.9%	8.5%	-0.9%
24	Households	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%							0.0%	0.0%	0.0%	0.0%									0.0%	0.0%	0.0%	0.0%	0.0%	-62.8%
25	of which loans collateralised by residential immovable property	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%							0.0%	0.0%	0.0%	0.0%									0.0%	0.0%	0.0%	0.0%	0.0%	-40.0%
26	of which building renovation loans																															0.0%
27	of which motor vehicle loans																															0.0%
28	Local governments financing																															0.0%
29	Housing financing																															0.0%
30	Other local government financing																															0.0%
31	Collateral obtained by taking possession: residential and commercial immovable properties																															0.0%
	Total GAR assets	-33.1%	-0.9%	0.0%	-0.7%	-2.4%	-1.7%	-1.2%	0.0%	-0.7%	-0.2%	-0.7%	0.0%	-0.7%	-0.5%	-1.0%	0.0%	-0.7%	-0.1%	-1.0%	0.0%	-0.7%	-0.1%	-0.7%	0.0%	-0.7%	5.1%	1.5%	0.0%	-0.7%	-2.4%	100.0%

5 KPI stock off-balance sheet exposures - Turnover based

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae
	% (compared to total eligible off-balance sheet assets)	31.12.024																													
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)																														
2	Assets under management (AuM KPI)	16.1%	4.5%	0.0%	0.3%	2.6%	1.2%	0.1%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	2.2%	0.1%	0.0%	0.0%	1.0%	0.1%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	29.9%	4.3%	0.0%	0.3%	2.8%

[1] Institution shall dislcose in this template the KPIs for off-balance sheet exposures (financial guarantees and AuM) calculated based on the data disclosed in template 1, on covered assets, and by applying the formulas proposed in this template
[2] Institutions shall duplicate this template to disclose stock and flow KPIs for off-balance sheet exposures

5 KPI flow off-balance sheet exposures - TurnoverFlow based

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae
	% (compared to total eligible off-balance sheet assets)	31.12.2024																													
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)																														
2	Assets under management (AuM KPI)[3]	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

[1] Institution shall dislcose in this template the KPIs for off-balance sheet exposures (financial guarantees and AuM) calculated based on the data disclosed in template 1, on covered assets, and by applying the formulas proposed in this template
[2] Institutions shall duplicate this template to disclose stock and flow KPIs for off-balance sheet exposures
[3] Disclosure is not possible as of December 31, 2024 due to a lack of available data.

5 KPI flow off-balance sheet exposures - CAPEX based

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae
	% (compared to total eligible off-balance sheet assets)	31.12.024																													
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)																														
2	Assets under management (AuM KPI)	20.6%	8.0%	0.0%	0.6%	3.9%	1.6%	0.2%	0.0%	0.1%	0.1%	0.0%	0.0%	0.0%	1.6%	0.1%	0.0%	0.0%	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	32.3%	8.4%	0.0%	0.6%	4.1%

[1] Institution shall dislcose in this template the KPIs for off-balance sheet exposures (financial guarantees and AuM) calculated based on the data disclosed in template 1, on covered assets, and by applying the formulas proposed in this template
[2] Institutions shall duplicate this template to disclose stock and flow KPIs for off-balance sheet exposures

5 KPI flow off-balance sheet exposures - CAPEXFlow based

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae
	% (compared to total eligible off-balance sheet assets)	31.12.2024																													
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)																														
2	Assets under management (AuM KPI)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

[1] Institution shall dislcose in this template the KPIs for off-balance sheet exposures (financial guarantees and AuM) calculated based on the data disclosed in template 1, on covered assets, and by applying the formulas proposed in this template
[2] Institutions shall duplicate this template to disclose stock and flow KPIs for off-balance sheet exposures
* Disclosure is not possible as of December 31, 2024 due to a lack of available data.

Additional mandatory disclosures on the economic activities of nuclear energy and fossil gas

Template 1 Nuclear and fossil gas related activities - Turnover and CapEx based

Zeile	Tätigkeiten im Bereich Kernenergie	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	YES
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	YES
	Tätigkeiten im Bereich fossiles Gas	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	YES

Template 2 Taxonomy-aligned economic activities (denominator) - Turnover based

Row		Economic activities	Amount and proportion (in monetary amounts and as percentages)					
			CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
			Amount (in CHF)	%	Amount (in CHF)	%	Amount (in CHF)	%
TURNOVER	1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
	2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	282,339	1.3%	282,339	1.3%	-	0.0%
	3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	11,338,445	52.0%	11,338,445	52.9%	-	0.0%
	4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	2,109	0.0%	2,109	0.0%	-	0.0%
	5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	4,662	0.0%	4,624	0.0%	38	0.0%
	6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	5,671	0.0%	5,671	0.0%	-	0.0%
	7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPIc**	**10,179,130**	**46.7%**	**9,802,315**	**45.7%**	**2,594,628**	**100.0%**
	8	**Total KPI**	**21,812,355**		**21,435,503**		**2,594,666**	

Template 2 Taxonomy-aligned economic activities (denominator) - CAPEX based

Row		Economic activities	Amount and proportion (in monetary amounts and as percentages)					
			CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
			Amount (in CHF)	%	Amount (in CHF)	%	Amount (in CHF)	%
CAPEX	1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
	2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	5,058,523	12.2%	5,058,523	12.5%	-	0%
	3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	2,989,489	7.2%	2,989,489	7.4%	-	0%
	4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	245,999	0.6%	245,999	0.6%	-	0%
	5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	137,077	0.3%	137,077	0.3%	-	0%
	6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1,890	0.0%	1,890	0.0%	-	0%
	7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPIc**	**33,035,118**	**79.7%**	**32,026,315**	**79.2%**	**2,226,689**	**100.0%**
	8	**Total KPI**	**41,468,097**		**40,459,294**		**2,226,689**	

Template 3 Taxonomy-aligned economic activities (numerator) - Turnover based

Row		Economic activities	Amount and proportion (in monetary amounts and as percentages)					
			CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
			Amount (in CHF)	%	Amount (in CHF)	%	Amount (in CHF)	%
TURNOVER	1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	0%		0%	-	0%
	2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	142,891	1%		0%	-	0%
	3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	5,035,999	23%		0%	-	0%
	4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	0%		0%	-	0%
	5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	35,892	0%		0%	419,752	16%
	6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	15,122	0%		0%	-	0%
	7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	**16,582,450**	**76%**	**21,435,503**	**100%**	**2,174,914**	**84%**
	8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	**21,812,355**		**21,435,503**		**2,594,666**	

Template 3 Taxonomy-aligned economic activities (numerator) - CAPEX based

Row		Economic activities	Amount and proportion (in monetary amounts and as percentages)					
			CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
			Amount (in CHF)	%	Amount (in CHF)	%	Amount (in CHF)	%
CAPEX	1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	0%	-	0%	-	0%
	2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	3,586,997	9%	3,461,277	9%	-	0%
	3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	5,397,346	13%	4,366,691	11%	-	0%
	4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	284,559	1%	285,125	1%	-	0%
	5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	213,939	1%	203,790	1%	-	0%
	6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	3,781	0%	3,781	0%	-	0%
	7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	**31,981,475**	**77%**	**32,138,629**	**79%**	**2,226,689**	**100%**
	8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	**41,468,097**		**40,459,294**		**2,226,689**	

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities - Turnover based

Row		Economic activities	Amount and proportion (in monetary amounts and as percentages)					
			CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
			Amount (in CHF)	%	Amount (in CHF)	%	Amount (in CHF)	%
TURNOVER	1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%	-	0%	-	0%
	2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	12,654	0%	12,654	0%	-	0%
	3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	21,330	0%	21,330	0%	-	0%
	4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	5,192,806	18%	5,300,028	18%	-	0%
	5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	11,709,255	40%	11,709,255	40%	-	0%
	6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	653,374	2%	653,374	2%	-	0%
	7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**11,355,532**	**39%**	**11,248,310**	**39%**	**-**	**100%**
	8	**Total amount and proportion of taxonomy eligible but not taxonomy- aligned economic activities in the denominator of the applicable KPI**	**28,944,951**		**28,944,951**		**0**	

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities - CAPEX based

Row		Economic activities	Amount and proportion (in monetary amounts and as percentages)					
			CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
			Amount (in CHF)	%	Amount (in CHF)	%	Amount (in CHF)	%
CAPEX	1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%	-	0%	-	0%
	2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	422	0%	422	0.0%	-	0%
	3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	20,065	0%	20,065	0.1%	-	0%
	4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1,041,266	3%	1,109,891	2.8%	-	0%
	5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	7,206,434	18%	7,206,434	18.4%	-	0%
	6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	976,870	2%	976,870	2.5%	-	0%
	7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**30,005,356**	**76%**	**29,936,731**	**76.3%**	**-**	**100%**
	8	**Total amount and proportion of taxonomy eligible but not taxonomy- aligned economic activities in the denominator of the applicable KPI**	**39,250,413.09**		**39,250,413**		**0.00**	

Template 5 Taxonomy non-eligible economic activities - Turnover based

Row		Economic activities	Amount (in CHF)	%
TURNOVER	1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0.0%
	2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0.0%
	3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0.0%
	4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	12,654	0.0%
	5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator Of the applicable KPI	12,654	0.0%
	6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0.0%
	7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**5,901,436,499**	**100.0%**
	8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**5,901,436,499**	

Template 5 Taxonomy non-eligible economic activities - CAPEX based

Row		Economic activities	Amount (in CHF)	%
CAPEX	1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	21,330	0.0%
	2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0.00%
	3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	5,192,806	0.09%
	4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	5,300,028	0.09%
	5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator Of the applicable KPI	-	0.00%
	6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	11,709,255	0.20%
	7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**5,849,251,877**	**99.6%**
	8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**5,871,475,296**	

Climate change (ESRS E1)

Inclusion of sustainability-related performance in incentive systems (GOV-3)

The information on integrating sustainability-related performance in incentive systems can be found in chapter ESRS 2 GOV-3.

Transition plan for climate change (E1-1, SBM-3)

VP Bank is committed to the Paris Climate Agreement. An ESRS-compliant transition plan for climate change mitigation is not yet available. This plan will be prepared and published as part of the 2025 Sustainability Statement. The aim is to quantify and strategically respond to the risks and opportunities of climate change.

The double materiality analysis has shown that the climate issue is essential in the downstream value chain of VP Bank, specifically in the lending and investment business. Regarding greenhouse gas emissions, chapter E1-6 provides a detailed overview of VP Bank's greenhouse gas inventory and shows that these are mainly in the form of financed emissions in Scope 3, category 15.

In the lending business, the effects of climate change and adaptation can be seen primarily in the mortgage business, which accounts for a high proportion of the loan portfolio. In the context of real estate, the topics of greenhouse gas emissions, energy efficiency and the lifespan of a property are important. VP Bank has an indirect negative impact on climate change through the financing of energy-intensive buildings, in particular due to low energy efficiency and heating systems based on fossil fuels. Promoting sustainable construction and energy-efficient renovations as well as raising awareness among clients on this topic can help reduce the negative impact of the mortgage business.

The investment business in the context of the transition plan includes investments in which VP Bank makes the investment decision and thus also bears responsibility for that investment. This includes VP Bank's own investments as well as discretionary portfolio management mandates and VP Bank Funds. In principle, we see it as our fiduciary duty to understand financially significant risks and opportunities associated with the client assets we manage and to take them into account when making an investment decision. These also include physical and transition risks associated with climate change. The financial materiality of climate-related risks and opportunities in the investment business depends on a variety of factors, including the asset class, investment horizon, investment style and the region.

The impact on climate change from the investment sector is indirect and results from VP Bank's investment decisions. For example, investments in carbon-intensive industries can have negative effects on the environment and increase the frequency and intensity of physical risks. Conversely, investments in technological advances and innovative companies can have a positive impact. However, the impact of investments is difficult to measure and quantify, and may lead to negative short-term financial effects in the portfolio context. The consideration of impact aspects in investment decisions concerning client assets therefore depends on whether the client explicitly wants this, and communicates their preferences accordingly.

As a first step towards developing a comprehensive transition plan for climate change, VP Bank has begun to define initial decarbonisation targets and measures for its own reportable investments based on a sectoral decarbonisation approach (SDA). Further information can be found in chapter E1-4. The achievement of the measures and targets that have been defined is consistent with the Bank's budgeting process and strategic earnings targets, and we do not foresee that this approach will change significantly in the next reporting period.

VP Bank conducted a qualitative climate scenario analysis with two scenarios: "Disorderly" and "Hot House World". The Disorderly scenario assumes high transition risks and low physical risks, as policy responses are delayed but sufficient to achieve climate targets. In this scenario, VP Bank's qualitative analysis focuses on the potential transition risks. In the Hot House World scenario, the necessary policy response comes too late or not at all, leading to a sharp increase in physical risks while transition risks scarcely come into play. Accordingly, the qualitative analysis in this scenario concentrates on the physical climate risks aspect. The scenarios were evaluated in the context of short-, medium- and long-term horizons as defined in ESRS 2 BP-1. A quantitative analysis has not yet been carried out and is planned for the 2025 Sustainability Statement. The following analyses the potential impact of climate change on the lending and investment business, which is essential for VP Bank.

Scenario: disorderly transition

The table below shows examples of transition risks and opportunities for VP Bank in the areas of policy and law, technology, market and reputation. As a general rule, transition risks can be detrimental to the value of loan collateral. An example of this is the ban on fossil fuels for heating systems, which can lead to a loss in the value of real estate in the medium to long term. The purchase of an alternative heating system would involve additional financing costs and could affect affordability. In addition, a medium-term increase in national CO_2 levies could increase operating costs and weigh on home owners' ability to pay their mortgage. VP Bank strives continuously to identify transformation risks in the mortgage portfolio, to price them into valuations and, where appropriate, to take action.

In the area of investment business, transition risks can be reflected in market risks over the medium term via the revaluation of financial investments. VP Bank must identify these effects, risks and opportunities. Transition risks arise continuously from the transition to a low-carbon economy. This entails various uncertainties, such as those of a political or technological nature, which can appear as financial risks in the short to medium term, but also represent interesting investment opportunities. Here too, there is a tendency to focus in the medium to long term on certain regions and sectors, such as carbon-intensive industries that are more exposed to transition risks. Likewise, policy measures at national level, such as the introduction of a CO2 levy, have a direct impact on certain business locations. We aim to use the climate scenario analysis to better understand where these risks are concentrated and what the financial implications might be, and incorporate these insights in the transition plan for climate change.

Examples of transition risks and opportunities	Politics and law	Technology	Market	Reputation
Risks and opportunities	Higher pricing of greenhouse gas emissions	Replacement of existing products and services with lower-emission options	Changes in consumer behaviour	Changes in consumer preferences
	Increased emissions reporting obligations	Unsuccessful investments in new technologies	Uncertainty regarding market signals	Stigmatisation of the sector
	Mandates and regulations relating to existing products and services	Costs of the transition to lower-emission technologies	Increased raw material costs	Increased stakeholder concern
	Risk of legal disputes	–	–	Negative feedback from stakeholders
Impacts	Impairment of financial assets and loan collateral; costs of banking operations	Opportunities for new products and investment opportunities; impairment of financial assets and loan collateral (stranded assets)	Revaluations of assets (financial assets and loan collateral)	Declining income and reduced capital availability lead to revaluation of assets (financial assets and loan collateral)

Scenario: Hot House World

The following table shows examples of acute and chronic physical risks that might arise for VP Bank from different natural hazards. In the area of credit risk, in the medium to long term physical risks can reduce the value of loan collateral or the real estate financed by VP Bank. Restructuring and protection measures against environmental events might affect financing costs and thus what borrowers can afford in the medium term. To determine possible physical climate risks attached to its mortgages, VP Bank carried out an initial survey of the exposure of its mortgage portfolio to natural hazards. Avalanches, earthquakes, floods, landslides and rockfall were identified as potential risks from the natural world. Exposure potential is generally low, with individual properties exposed to increased flood risk that might pose a financial burden in the short term. As a general rule, the financial implications of these risks for VP Bank are classified as minor. In addition to Switzerland, Liechtenstein is one of the few countries in which buildings and home contents are insured against fire and natural disasters.

In the investment business, the revaluation of financial investments means that physical risks can also affect market risks for VP Bank. In terms of own investments and in the client business, VP Bank takes into account a number of criteria to ensure a broadly diversified portfolio of high quality. The relevance of the physical risks of companies and countries in which VP Bank invests depends, in particular, on region and sector. The medium- to long-term financial effects are therefore fairly low since portfolio risk can be reduced in the short term by divesting from high-risk assets. In the long term, chronic physical risks can become more relevant to investments in cases where the expected impairments on investments in the portfolio can no longer be diversified away. The climate scenario analysis that VP Bank conducts in the future will provide additional quantitative insights and, based on this, will feed continually into the transition plan for climate change.

Examples of physical risks	Temperature	Wind	Water	Solid matter	Potential financial impact	Banking risks
Chronic	Temperature changes; Heat stress	-	Change in precipitation patterns; Sea level rise	Soil erosion	Impairment of financial assets and loan collateral; Impairment of banking operations	Credit risks; Market risks; Operational risks
Acute	Heat wave; Cold spell; Forest and wildfires	Storms	Drought; Heavy rainfall; Floods	Avalanches; Landslides	Impairment of financial assets and loan collateral; Impairment of banking operations	Credit risks; Market risks; Operational risks

Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)

Material climate-related impacts, risks and opportunities (IRO) were identified and assessed along the entire VP Bank value chain. Given the sector in which we operate, climate-related impacts, risks and opportunities arise primarily from investment exposure in other companies. Both the upstream value chain and our own operations account for a minor share of the emissions caused and attributable to VP Bank (see chapter E1-6). To identify and assess IRO, VP Bank defined "hotspots" for each of the three levels of the value chain, which were used to assess materiality. For more information, please see chapter ESRS 2 IRO-1.

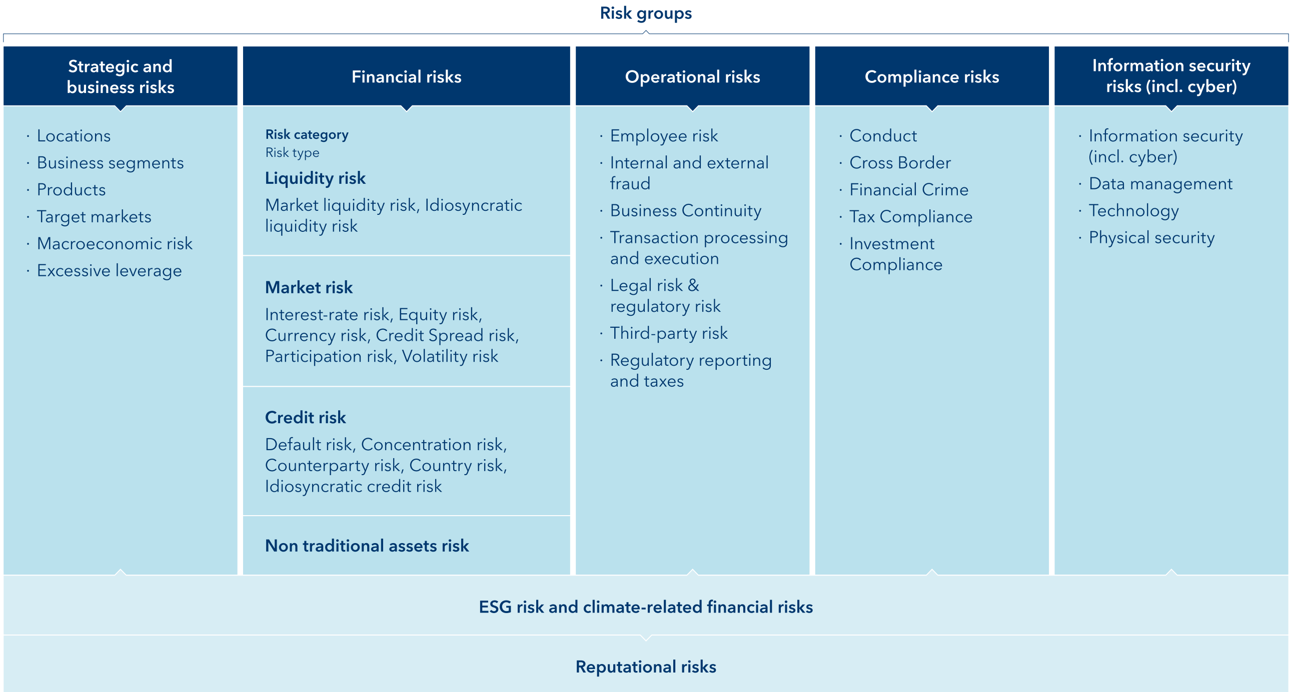
Material climate-related effects in the lending and investment business were identified for VP Bank. In the lending business, the focus is on mortgages and the emissions of the buildings they finance. In assessing the buildings, estimates were used to factor in the impacts of Scope 1 emissions (greenhouse gas [GHG] emissions caused directly, such as heating) and Scope 2 emissions (purchased GHG emissions, such as electricity generation). Scope 3 emissions (GHG emissions from residential construction) were not included. In the area of investments, the evaluation was carried out based on the sector and the region. This is due to the fact that the emissions financed by investments disproportionately result from the exposure to GHG-intensive sectors. As a result, proportionately low investment volumes in GHG-intensive industries lead to a high share of the total financed emissions. Against this background, initial measures were taken in the form of a sectoral decarbonisation approach (SDA) for VP Bank's own investments (see chapter E1-4).

Policies related to climate change mitigation and adaptation (E1-2)

VP Bank is continually developing its risk framework and at the same time seeks to identify and manage opportunities arising from climate change mitigation and adaptation. In the short term, it is focusing on transition risks resulting from regulatory changes, and aligning with client needs and preferences. Physical risks are primarily considered long-term risks. To better understand the potential adverse effects and economic consequences of natural hazards, work has begun to assess the exposure of the mortgage portfolio to natural hazards.

To classify climate risks, i.e. physical and transition risks, VP Bank has adopted the risk terminology of the TCFD framework. Qualitative information as defined in the Task Force on Climate-related Financial Disclosures (TCFD) guidelines is included in this report. It is identified as TCFD content by references to the relevant chapters of the report set out in Annex SN.5.

Where financial materiality is concerned, VP Bank refers to ESG risks and climate-related financial risks. These risks arise primarily from the Bank's exposure to its clients and counterparties, as well as from invested assets. They may manifest themselves as both financial and non-financial risks. When considering ESG risks, VP Bank focuses on financial materiality (the outside-in perspective). Accordingly, ESG risks and climate-related financial risks are integrated into VP Bank's risk management systems.



The above figure illustrates risk types, with the impact of ESG risks and climate-related financial risks as a driver in risk categories, and reputational risks as consequential risks.

Our risk management process includes comprehensive risk monitoring, which is functionally and organisationally independent of the risk-bearing units. Risk monitoring consists of risk controlling and risk reporting. VP Bank identifies and assesses ESG and climate-related financial risks using bottom-up and top-down analyses as part of the risk inventory. This forms the basis of risk identification and risk strategy. The results of the risk assessments form the basis of controlling and reporting.

The risks associated with climate change are considered financial risks to be integrated into the existing risk management framework. Risk management includes measures at all organisational levels to actively influence the bank risks classified as material. The risk appetite statement and other bank frameworks have been expanded to include ESG risks and climate-related financial risks. VP Bank is in the process of developing first-line guidelines for ESG and climate-related financial risk KPIs. At the same time, the corresponding second-line monitoring processes and risk reporting are being enhanced further.

Following the general risk management approach of VP Bank, based on the “lines of defence” framework, the same principles are applied to climate-related financial risks, with lines of defence having different roles and functions as shown in the table below.

Line of defence	Function	Description
First	Risk management	Maintain effective internal controls and implement ESG risk and control procedures in day-to-day business.
Second	Risk monitoring and compliance	Support in establishing controls in the first line of defence. Independent monitoring and reporting.
Third	Internal Audit	Internal Audit provides independent and objective auditing and advisory services.

In order to strengthen ESG risk management across the entire product universe of VP Bank Group, ESG criteria have been anchored in the architecture of the New Product Process (NPP) and the Product Review Process (PRP) since 2022. In the PRP, the results of the initial analysis are used and continuously adjusted. The assessment in the NPP is carried out by the Head of Group Sustainability or, as their deputy, by the CIO as representative in the Product and Pricing Committee (PCC). As part of the PRP, ESG criteria are incorporated as the additional “Sustainability” risk type in the scoring model.

In 2023, VP Bank introduced its Responsible Investment Policy, which factors sustainability criteria into all investments in which VP Bank makes the investment decision. VP Bank integrates sustainability criteria into all discretionary wealth management mandates, VP Bank funds and its own investments. The directive also applies to the recommendation list for advisory mandates in which the investment decision lies with the client themselves and where there may be deviations from bank policy as a result. Further information on the consideration of sustainability criteria in investment decisions can be found in chapter S4-1.

Aspects of energy efficiency and renewable energy play a role in the mortgage lending business. Energy-efficient renovations and the installation of renewable energy sources can reduce negative impacts on the environment. VP Bank does not currently offer any financing programme explicitly for energy-efficient renovations.

Actions and resources in relation to climate change policies (E1-3)

VP Bank has already implemented climate change mitigation adaptation measures, or these are currently being implemented. The following table provides a selected overview of action that has already been completed, or is planned or being implemented. Information on the resources and funding used to take this action will not be published for reasons of business confidentiality. VP Bank takes a wide range of operational measures to raise employee awareness and to reduce energy, water and paper consumption, as well as to prevent waste. It also has a system of environmental and mobility management. In addition, employees are encouraged to keep their travel as low-emission as possible.

Focus	Scope	Measures	Targets	Target achievement
Climate protection	Downstream (Investments)	For on-balance shseet investments, VP Bank reviews investments in CO_2-intensive sectors (oil and gas, cement and energy) to determine whether the counterparty has adopted a net-zero target by 2050.	Financed emissions from on-balance sheet investemnts result mainly from exposure to CO_2-intensiven sectors. In these sectors, care is therefore taken to ensure that counterparties commit to achieving net zero by 2050 at the latest.	Implemented
Climate protection	Downstream (Investments)	For on-balance sheet investments, VP Bank examines any investments in CO_2-intensive sectors (coal, oil and gas, cement and energy) to determine whether the counterparty has a minimum level of emissions-related management quality. The Transition Pathway Initiative (TPI) method is used as the assessment benchmark.	This measure aims to ensure that the communicated net-zero ambition is acccompanied by an actual transition to a net-zero emissions path by the counterparties in the CO_2-intensive sectors.	Implemented
Climate protection	Downstream (loans)	Expansion of the database for building characteristics for more accurate measurement of financed emissions.	In order to accurately determine the financed emissions and develop targeted measures to reduce them, we are continuously working to expand the database and improve data quality.	In progress
Climate change adaptation	Downstream (loans)	Collection of information on the exposure of our mortgage portfolio to natural hazards.	The recording of natural hazards in the mortgage portfolio aims to provide a better understanding of the potential financial risks.	Implemented
Climate protection	Own operations	In principle, only company cars with WLTP emissions of 95 g CO_2/km or less are allowed. It is recommended to choose fully electric or hybrid vehicles.	The restructuring of the vehicle fleet at the Luxembourg location should reduce Scope 1 emissions and thus reduce the environmental impact.	Implemented
Climate protection	Own operations	Switch from physical to digital brochures as part of the account opening process.	By eliminating the need for physical brochures, resources and costs were saved and the associated emissions were reduced.	Implemented
Climate protection	Own operations	Feasibility study regarding the possibilities at the BVI location to switch to renewable energy sources and to become energy self-sufficient.	This measure should help to further reduce VP Bank's Scope 2 emissions and thus reduce the negative effects resulting from the use of fossil fuels.	In progress
Climate change adaptation	Own operations, downstream	Carrying out climate scenario analyses as a basis for the development of adaptation strategies.	A quantitative climate scenario analysis is planned for 2025 in order to better understand the effects of climate change on VP Bank and to take appropriate targeted measures to reduce amy possible financial risk.	Planned

Targets related to climate change mitigation and adaptation (E1-4)

VP Bank focuses on the areas of the value chain with the greatest relevance to the climate. Drawing on our dual materiality assessment and in line with general industry practice, VP Bank's main climate-relevant IROs originate from our downstream activities. The focus is on activities further along the value chain on which VP Bank has the greatest direct impact. Building on the overarching objectives in chapter ESRS 2 MDR-T, the specific climate-related goals are described below.

The following table provides an overview of the overarching climate goals of VP Bank. In principle, VP Bank focuses on action to reduce emissions on the path to achieving goals. All greenhouse gas emissions reported in the current reporting year are gross figures. The metrics are calculated internally. The targets related to environmental matters are currently not based on conclusive scientific evidence and have not been validated externally.

Value chain	Scope	Scope (category)	Unit	Target year	Target Value	Reference period	Reference value	Reporting year
Own operations	Scope 1	-	tCO_2e	2030	9.9	2024	37.5	37.5
Upstream	Scope 2	market-based	tCO_2e	2030	51.7	2024	185.3	185.3
Up- and downstream	Scope 3	2, 5, 6, 7	tCO_2e	2050	n/a [1]	2024	3,837.8	3,837.8
Downstream	Scope 3	15 (own investments)	tCO_2e	2050	n/a [1]	2024	222,975.7	222,975.7

[1] Net-zero ambition: At present, there are no gross targets for Scope 3 emissions; these will be developed as part of the transition plan for climate change and published in the 2025 Annual Report.

Operational emissions

For direct Scope 1 emissions and energy-related Scope 2 emissions, VP Bank has set itself the goal of achieving net zero by 2030, as well as the corresponding time-based gross emissions targets as shown in the table. In the area of Scope 1 emissions, VP Bank aims to reduce greenhouse gas (GHG) emissions by 73.7 per cent, from 37.5 t CO2e in 2024 to 9.9 t CO2e in 2030. A key lever here is the conversion of the fleet to fully electric vehicles. For Scope 2 emissions, VP Bank aims to reduce greenhouse gas (GHG) emissions by 72.1 per cent, from 185.3 t CO2e in 2024 to 51.7 t CO2e in 2030. Where possible, VP Bank obtains energy from renewable sources to reduce its Scope 1 emissions.[1] To calculate the gross targets, we used 2024 activity data and ecoinvent 3.10 emission factors to determine how high our emissions would be with all electric vehicles and renewable energies. This amount was then used as the target value.

[1] Emissions from renewable energies are not automatically accounted for at zero under the GHG Protocol. Instead, the emission factor of the energy source in question is used. For example, emissions from the production and transportation of solar cells or wind turbines can be included in the balance sheet. This leaves a residual value in the greenhouse gas inventory even where there is a full transition to renewable energy. In contrast, net emissions are reported in Switzerland, meaning that consumption from renewable energy sources is recognised as emissions-free.

VP Bank has set itself the goal of achieving net-zero upstream and downstream Scope 3 emissions by 2050. Gross targets for Scope 3 emissions are not yet available. They will be developed as part of the transition plan for climate change and published in the 2025 Annual Report. Within Scope 3 emissions, VP Bank distinguishes between operational emissions resulting from categories 2, 5, 6 and 7, and financed emissions in category 15. For VP Bank as a financial service provider, financed emissions in category 15 are material. They are set out in detail below.

Financed emissions

Financed emissions are recorded under "Investments" in downstream Scope 3, category 15. VP Bank has developed sector-specific intensity targets and action to decarbonise its own investments. These objectives are not validated externally. VP Bank applies a sectoral decarbonisation approach (SDA) based on the Transition Pathways Initiative (TPI) methodology. The SDA adopts a sector-specific method that compares companies within a sector with each other and sector-specific benchmarks. This comparison results in the performance of an average company in terms of international emissions targets.

VP Bank applies time-based and sector-specific targets as indicated at the time of the last industry TPI assessment for the "1.5°C scenario". This scenario is consistent with the overarching goal of the Paris Climate Agreement to limit global average temperature rise to well below 2 degrees above pre-industrial levels, and make further efforts to limit temperature rise to 1.5 degrees from those levels. This corresponds to a carbon budget that limits the increase in the global average temperature to 1.5 degrees, with a probability of 50 per cent.

VP Bank builds on physical emission intensity and focuses on efficiency gains. This is in line with our goal to finance the transition to a low-carbon economy. In addition, material intensity metrics facilitate better internal progress monitoring and enhanced comparability in sectors with similar product mixes. This can reduce the impact of economic cycles and the associated business growth or contraction. At the same time, physical intensity metrics remain unaffected by an expansion of the business units included and an increase or reduction in assets under management per business unit.

Sector	NACE	Scope	Unit	Target year	Target[3]	Reference year	Reference Value[4]	Reporting year[4]
Oil & Gas	B6	1, 2, 3[1]	gCO_2e/MJ	2030	46.76	2024	71.65	71.65
Energy	D35.11	1[2]	tCO_2e/MWh	2030	0.19	2024	0.20	0.20
Cement	C23.5	1	tCO_2e/t	2030	0.42	2024	0.55	0.55
Coal	B5	1	tCO_2e	2024	0.00	2024	0.00	0.00

1 We refer to the carbon intensity of the primary energy supply in accordance with the TPI method and take into account Scope 1, 2 and 3 (category 11) emissions from the companies' own electricity generation.
2 We refer to the carbon intensity of electricity generation in accordance with the TPI method and take into account the Scope 1 emissions from the companies' own electricity generation.
3 Target values are based on the TPI methodology for the 1.5°C scenario.
4 The indicator is calculated as a weighted average based on the investment volume in the sector.

Operational action to achieve the goals described above for our own investments is based on the TPI. Accordingly, two criteria have been introduced into the investment decision-making process for the bank's own investments. These must be met if a company belongs to one of the aforementioned emissions-intensive sectors: (i) The company must commit publicly to a net zero target by 2050 or earlier, and (ii) it must have a TPI management score of three or higher. In this way, reportable investments will gradually be aligned to the net zero target.

Where own investments are concerned, debentures are held up to maturity in accordance with the VP Bank business model for financial investments and are thus recognised at amortised cost. Early sale is therefore only possible in exceptional cases. This leads to time-bound emissions and a transitional phase with regard to the operational adjustments described below to take climate-relevant criteria into account when making own investments. Assuming an average seven-year investment horizon, the last securities that were not bought according to the criteria set in 2023 will fall due around 2030.

In view of the continuing lack of data in some areas, intensity-based metrics may vary from year to year until data collection improves. Future reporting years will likely include recalibrated year-on-year figures to ensure better data availability and consistent progress monitoring. If no company-specific emissions and/or productivity data is available, a sector-specific average method is used. The industry average is based on information provided by the TPI for each industry and year.

Gross Scopes 1, 2 and 3 and total GHG emissions (E1-6)

VP Bank reports on Scope 1, Scope 2 and Scope 3 emissions in accordance with the guidelines of the Greenhouse Gas Protocol and the operational control approach (CSRD). In other words, it focuses on operational activities, relationships and assets that can be managed directly. The following Scope 3 emission categories fall within our Scope 3 emissions inventory: categories 2, 5, 6, 7 and 15. Although Scope 3 categories 2, 5, 6, and 7 were not judged to be material, VP Bank discloses them because of their fundamental relevance to the fullest possible overall picture of the greenhouse gas inventory. No Scope 3 category 1 emissions are published because of the great uncertainty currently attached to their calculation. This will be pursued and reviewed over the next years. The basis for calculating greenhouse gas emissions corresponds to the reporting entity defined in ESRS 1. No emissions are regulated under emissions trading schemes.

	Retrospective			Milestones and target years			
	Base year (2024)	Reporting year (2024)	% (2024 / 2023)	2025	2030	2050	Annual % target / Base year
Scope 1 GHG emissions							
Gross Scope 1 GHG-emissions (tCO_2e)	37.5	37.5	0.0 %	-	9.9[3]	-	19.9 %
Scope 2 GHG emissions							
Gross location-based Scope 2 GHG-emissions (tCO_2e)	507.8	507.8	0.0 %	–	–	–	–
Gross market-based Scope 2 GHG-emissions (tCO_2e)	185.3	185.3	0.0 %	–	51.7[4]	–	19.2 %
Significant scope 3 GHG emissions							
Total Gross indirect (Scope 3) GHG-emissions (tCO_2e)	537,268.0	537,268.0	0.0 %	–	–	–	–
2 Capital Goods	35.6	35.6	0.0 %	–	–	n/a[2]	–
5 Waste generated in operations	171.5	171.5	0.0 %	–	–	n/a[2]	–
6 Business travel	1,055.1	1,055.1	0.0 %	–	–	n/a[2]	–
7 Employee commuting	2,575.7	2,575.7	0.0 %	–	–	n/a[2]	–
15 Investments[1]	533,430.2	533,430.2	0.0 %	–	–	n/a[2]	–
Total GHG emissions							
Total GHG emissions (location-based) (tCO_2e)	537,813.3	537,813.3	0.0 %				
Total GHG emissions (market-based) (tCO_2e)	537,490.8	537,490.8	0.0 %				

1 Category 15 corresponds to the financed GHG emissions, which are explained in more detail later in this chapter.
2 Net-zero ambition: At present, there are no gross targets for Scope 3 emissions; these will be developed as part of the transition plan for climate change and published in the 2025 Annual Report.
3 The residual emissions result from the monthly tests of the diesel-powered emergency power generators at the various locations. These start automatically in the event of a power failure. A small proportion is also due to the annual replacement of the refrigerant fluid in the air conditioning systems.
4 The residual emissions result from «embodied emissions» from the infrastructure, maintenance, and other lifecycle activities of renewable energy sources, excluding the emissions at the point of combustion.

GHG intensity per net revenue	N (2024)	% N / N-1
Total GHG emissions (location-based) per net revenue (tCO_2e/CHF 1,000)	1.6	n/a
Total GHG emissions (market-based) per net revenue (tCO_2e/CHF 1,000)	1.6	n/a

Reconciliation of the net revenue	Reference	
Total net revenue[1]		330.5

1 The net revenue for the GHG intensity calculation corresponds to the total operating income for the current reporting year.

Operational activity data and emission factors

Primary data is used where possible for activity data for GHG emissions under Scope 1, 2 and 3 (categories 2, 5, 6, 7). This is location-specific data drawn directly from the supplier or from internal processes. To be exact, 82.6 per cent of our emissions disclosures during the reporting period are based on primary activity data. In the few cases in which no primary data was available, VP Bank used either secondary data (less than one per cent) or a mixture of primary and secondary data (16.6 per cent). "Secondary data" refers to assumptions based on national data or averages for other locations where there was no other primary data. At VP Bank Switzerland, for example, there was no information on the means of transport used by employees to get to and from work, which is why national data from the Swiss Federal Statistical Office was used.

Where possible, total emissions or the emission factor for an activity under Scope 1, 2 and 3 (categories 2, 5, 6, 7) emissions come directly from suppliers. Over the reporting period, 25.4 per cent of our total greenhouse gas emissions were calculated using our suppliers' emission factors. In cases where this data was not available, the ecoinvent 3.10 database containing 2021 Global Warming Potential 100 (GWP 100) figures from the Intergovernmental Panel on Climate Change (IPCC) was used. These figures were used for 74.4 per cent of emissions. If no emission factors were available from the supplier or ecoinvent, values from other published sources were used. These were used for less than one per cent of our corporate emissions during the reporting period and included an emission factor from the Carbon Leadership Forum applied to office renovations.

GHG Protocol indicators are used to assess data quality. These address the representative nature of data in terms of technology, time and geography, as well as the completeness and reliability of data collection. In cases where no primary data is available, assumptions and estimates are made on the basis of secondary data sources. These limitations can affect the accuracy of the greenhouse gas emissions reported. Efforts are being made to improve the accuracy and completeness of this data. To detect transcription errors and inconsistencies, all data is automatically marked if it deviates by more than five per cent from the previous year's data. To improve data quality there are plans continuously to improve data collection and emission factor data. In addition, each location must perform data plausibility checks.

Financed GHG emissions

The emissions financed by VP Bank are classified as Scope 3, category 15: "Investments" are recorded and are material to financial institutions. VP Bank reports on GHG emissions from the lending and investment business, with the latter including VP Bank's own investments, as well as client assets for which investment decisions are made by VP Bank. The methodology follows the guidelines of the Partnership for Carbon Accounting Financials (PCAF). In the lending business, VP Bank records financed emissions from commercial real estate and mortgages, as well as corporate loans.[1] The following asset classes are included when calculating financed emissions from direct investments and funds in the investment business: exchange-listed equities, corporate bonds and government bonds. VP Bank does not offer project or vehicle financing. Cash holdings and derivatives are not relevant to the calculation of financed emissions, and reduce the coverage ratio accordingly.

[1] The lombard business is a key part of VP Bank's lending business, but currently does not fall within the scope of VP Bank's greenhouse gas inventory. The lombard business is not one of the asset classes defined in the PCAF, and there are currently no guidelines for recording emissions financed by lombard loans. It is therefore unclear whether deposited collateral or intended use must be used as the basis for assessment. Furthermore, GHG emissions relating to deposited collateral are already recorded on a pro rata basis under client assets, so there is the potential for emissions to be counted multiple times.

GHG emissions from mortgage receivables are calculated using approximation values based on the PCAF database for European building emission factors (version of August 2023). The emission factors used are country-specific and differ between residential and commercial real estate. Where residential real estate is concerned, we mapped the mortgage portfolio across the single-family home, multiple-family home and residential buildings (average) categories, and applied the corresponding factors per building (t CO2e/#). For commercial real estate, we replicated the portfolio in the office, hotel and non-residential buildings (average) categories, and applied the corresponding factors per building (t CO2e/#). The trade-off for deciding to apply a uniform collection methodology to all mortgage claims was therefore lower accuracy at the individual position level. This is due to the fact that the database of internal systems regarding building characteristics for existing properties is currently still limited. For example, building characteristics required for Liechtenstein (e.g. energy sources) are not publicly available in a building and housing register.

Third-party data on the GHG emissions actually reported by companies is used to determine financed emissions from the investment business. To ensure the best possible data quality, this is reviewed manually via spot checks on companies' annual reports.

Type	Position	Account	Volume (in CHF 1'000)	Not covered (in CHF 1'000)	Coverage ratio (in %)	Emissions[1] (tCO_2)	Intensity (tCO_2/Mio. CHF)	PCAF Quality[2] (Score 1-5)
Loans	Due from clients	Mortgage receivables[4]	3,727,549	51,371	98.6 %	6,788	1.8	5.0
		Non-mortgage receivables[5]	42,140	32,756	22.3 %	290	30.9	2.0
Own investments	Receivables arising from money market papers	–	171,749	1	99.9 %	26,585	154.8	4.0
	Due from banks[3]	–	850,681	850,681	0 %	–	–	–
	Financial instruments	measured at fair value	192,990	50,633	73.8 %	17,642	123.9	2.2
		measured at amortised cost	2,227,254	178,669	92.0 %	178,748	87.3	2.8
Client assets	Assets in discretionary asset management accounts	–	4,484,700	306,692	93.2 %	261,470	62.6	2.7
	Assets in self-administered investment funds	VP Bank Fonds	806,907	28,121	96.5 %	41,906	53.8	2.5
Total			**12,503,970**	**1,498,923**	**88.0 %**	**533,430**	**48.5**	**3.5**

1 Scope 1 and 2 emissions of third-party companies are taken into account in the reported financed emissions of VP Bank.
2 Calculation of the PCAF quality score does not take into account positions in funds.
3 Balance sheet item «Due from banks» contains only sight deposits at other banks and is not relevant for the calculation of the financed issues.
4 Account «mortgage receivables» includes commercial real estate and mortgages.
5 Account «Non-mortgage receivables» refers to corporate loans.

Anticipated financial effects from material physical and transition risks and potential climate-related opportunities (E1-9)

Quantitative information on anticipated financial impacts will be published in the 2025 Annual Report. For the current financial year, VP Bank is taking the option of not providing this information, instead basing disclosures on a qualitative analysis drawn from two climate scenarios. Detailed information on this can be found in chapter E1-1.

social information

ESRS S1 Own workforce

Interests and views of stakeholders (SBM-2)

VP Bank promotes the exchange of ideas between management and the workforce via various channels. These include:

- Town halls with Q&A sessions for the Group and the individual locations.
- Members of Group Executive Management (GEM) offer meetings for exchanges of ideas with employees.
- There is an e-mail address that employees can send suggestions to. Among other things, these may include suggestions for improving the corporate culture or processes.
- News which can also be accessed on the intranet is sent to employees via internal communication channels.

VP Bank carried out a comprehensive employee survey in 2022, which was led and evaluated by an external agency. Management has held various workshops based on the survey to improve employee satisfaction.

Where possible, the insights gained from the exchange of ideas between management and employees are incorporated into the strategy either directly or indirectly.

Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)

The actual impacts on the Group's own employees stem from various factors, such as corporate culture, workload and working hours, job security and workplace ergonomics, which are characterised by predominantly office-based work. In addition to the respective specialists, the employees work in supporting areas such as Operations, Information Technology, Finance and Marketing. These are primarily employees of VP Bank, but they also include self-employed persons and employees of third-party companies. The material impacts are limited to the employees directly employed by VP Bank. All employees work in air-conditioned office buildings and perform hardly any physically demanding activities. As a result, the risk of physical overexertion is low.

Negative impacts can occur especially in the area of mental health and are usually caused by high workloads, long working hours, lack of appreciation, lack of development opportunities and insufficient work-life balance. Conversely, positive impacts can be achieved in terms of employee satisfaction and health, for example through measures designed to reconcile work and private life. These factors make an important contribution to the successful implementation of the corporate strategy and thus contribute positively to the profitability of the Group.

Risks such as increased staff turnover due to a lack of employer attractiveness are largely cushioned by attractive employment conditions with competitive wages and social benefits, as well as a positive work environment. The promotion of employee skills through various development measures that also increase the competitiveness of VP Bank is also worth mentioning in this context.

The negative impacts and/or financial risks associated with forced labour and child labour in the Group's own workforce were not identified. This is due, on the one hand, to the industry in which the company operates and, on the other hand, to the strict national legislation at the locations where VP Bank operates.

Material impacts, approaches to managing material risks and pursuing material opportunities are described in chapter S1-4.

Policies related to own workforce (S1-1)

VP Bank has formulated principles of behavior in the Code of Conduct which apply to all employees, including the Members of the Board of Directors. The principles also govern the interaction among employees, which should be characterised by respect, fairness, support, professionalism and openness and should respect the dignity, personality and privacy of all. The Code of Conduct is issued to all employees and published on the website of VP Bank. All employees receive training with respect to compliance with the Code of Conduct. Breaches of the Code of Conduct or the regulations of VP Bank will be punished by disciplinary measures and consequences within the framework permitted under employment law. Employees who report an alleged breach to the relevant bodies in good faith will not face any disadvantages as a result. This also applies if it turns out that there was no breach.

An essential principle of action is to promote the individuality and diversity of employees. VP Bank is committed to avoiding any form of discrimination based on gender, colour, ethnic or social origin, genetic characteristics, religion, beliefs, membership of a national minority, birth, disability, age, marital status or sexual orientation. This applies to interactions in day-to-day work as well as when hiring employees. The introduction of the regulations on diversity and inclusion has created an additional tool to support this principle of action.

The remuneration policy of VP Bank is another key pillar that contributes to its attractiveness as an employer. It provides a binding group-wide framework for compensation practices. Employees must be paid in accordance with uniform guidelines and the principle that the same salary is paid for equivalent activities. The amount of the fixed salary is based on function and location, while the amount of variable compensation reflects Group performance, division or team performance and individual performance. The work performance of employees is assessed using a standardised tool and internationally uniform specifications and guidelines. The remuneration policy allows for fair and attractive compensation in line with the market to enable the bank to attract, motivate and retain qualified and talented employees.

The Code of Conduct, the diversity and inclusion policy and the remuneration policy were issued by the Board of Directors. GEM is responsible for implementation and reviews compliance, which is also reported to the Board of Directors. As part of the management tasks, the provisions are conveyed to the directly subordinate employees and compliance is monitored. The control functions (Compliance, Audit, HR) are also embedded in the monitoring. All internal regulations are available electronically to all employees. Third parties can access the Code of Conduct and the two aforementioned regulations on the website of VP Bank.

The Code of Conduct implemented by VP Bank, the diversity and inclusion policy and the remuneration policy explicitly define specific human rights and how they are to be handled. This includes the prohibition of forced labour and child labour and human trafficking at all locations where VP Bank operates. VP Bank does not have a separate human rights policy that covers the implementation of the UN Human Rights Principles, the Principles and Rights at Work of the International Labour Organization (ILO) and the OECD Guidelines for Multinational Enterprises. Such regulations are to be drawn up and implemented over the next two years.

The risk of an occupational accident at VP Bank is assessed by management as low. As a result, there is no management system to prevent accidents at work. However, the principle applies that all locations are housed in premises that comply with the regulatory requirements regarding occupational safety that are binding for the Group and the respective country. VP Bank also provides accompanying preventive health measures such as flu vaccinations and sports programmes. Employees at the Liechtenstein, Swiss and Luxembourg locations have the opportunity to take advantage of employee and specialist counselling from an external service provider for operational, personal, health and financial issues (see external channel in S1-3).

Processes for engaging with own workforce and workers' representatives about impacts (S1-2)

Group process for the direct involvement of the workforce

Even if there is no framework agreement between VP Bank and workers' representatives at group level, group-wide employee surveys are conducted for the entire workforce to enable employee involvement. The most recent employee survey was carried out in 2022. Several target metrics are identified (commitment, satisfaction, employer attractiveness and recommendation of the employer). Potential and actual impacts on the workforce are evaluated by covering a wide range of issues, such as corporate culture, employee involvement and work-life balance. The survey ensures that anonymity is guaranteed. The results are presented and discussed at both GEM and Board of Directors level. Based on the findings, measures are derived and implemented at both group and division level. In this context, the effectiveness of previous measures is also reviewed and assessed. This is supported internationally and locally at all locations by means of town halls and dialogue with the CEO.

Local process for involving the workforce at the Liechtenstein location

Based on the local Employee Participation Act, VP Bank has an employee representative organisation at the Liechtenstein location. The organization represents the common interests of the employees and has various information and consultation rights. The employee representative organisation consists of five representatives elected by the employees. Employees can contact them in person or by e-mail. Concerns and topics are discussed at fortnightly meetings and personal feedback is provided. The necessary discretion is assured and guaranteed. The chair of the employee representative organisation discusses the key issues and potential impacts on the employer with the management of Group Human Resources / People & Culture on a quarterly basis. In addition, a direct dialogue takes place at least twice a year with the Group CEO, who is ultimately responsible for ensuring the operational implementation of concerns. The employee representative organisation also liaises with the local trade union (www.lanv.li) and the employee representative organisations of other banks in Liechtenstein.

The employee representative organisation is comprehensively informed by the management of Human Resources / People & Culture or the responsible Member of GEM about all company matters that they need to be aware of for the proper fulfilment of their duties. GEM must inform the employee representation organisation at least once every six months about the effects of the course of business on employment and employees. VP Bank supports the employee representative organisation in the performance of its tasks and makes rooms, tools and administrative services available for this purpose.

Local process for involving the workforce at the Luxembourg location

At the Luxembourg location, a works council is elected every five years by all employees with the corresponding voting rights (from 12 March 2024, two works councils, one for VP Bank (Luxembourg) SA with five members and five representatives and one for VP Fund Solutions (Luxembourg) SA with two members and two representatives). The works council assumes an intermediary role between the employer and employees. Its objective is to protect and defend the interests of all employees of the business in terms of working conditions, workplace safety and social status.

The employee representation organisation is informed in a timely and comprehensive manner by the management of Human Resources / People & Culture or the responsible Member of GEM about all operational matters, knowledge of which is necessary for the proper performance of its duties.

Regular meetings (each quarter or as required) with the management of Human Resources / People & Culture, the local Executive Board and the works council help to ensure that concerns and changes are promptly reported on and responded to. All employees are invited to contribute questions and topics through the works council before these meetings. They will also be informed about the content of the meetings afterwards by means of the minutes taken at each meeting. The personnel delegation maintains a digital folder in which it makes information and updates available to employees on all topics about working in Luxembourg.

In general, discretion is guaranteed when employees contact the works council. Employees can contact the works council in person or by e-mail. VP Bank supports the personnel delegation in the performance of its tasks and makes rooms, tools and working hours available for this purpose.

The bank has an obligation to provide the works council with information on a strictly confidential basis, e.g. concerning illness statistics, reference payroll and further training, which it fulfils annually (in accordance with the collective bargaining agreement for the banking sector).

Process for involving the workforce at the Zurich, Singapore, Hong Kong and BVI locations

There is no dedicated employee representative organisation at these locations; this role is assumed by the employees of Human Resources / People & Culture. Human Resources / People & Culture employees are in constant contact with employees at all levels of the organisation thanks to their broad areas of responsibility. Any concerns are addressed and discussed on an ad hoc basis directly with the local Executive Board and in cooperation with Human Resources / Group People & Culture.

Processes to remediate negative impacts and channels for own workforce to raise concerns (S1-3)

Group-wide channel for raising concerns to address negative impacts on the workforce

There is a group-wide whistleblowing process, which is set out in the Group Whistleblowing Standard and is accessible to all employees on the intranet. It determines how and via which channels (anonymous) reports about possible or actual breaches of the Code of Conduct can be made. It also describes the processes of an investigation, which parties have which responsibilities in the process and how protection or anonymity is guaranteed. This channel can also be used to draw attention to discrimination or other negative behaviour for employees. In order to protect personality and ensure anonymity, the involvement of Human Resources / People & Culture is not involved in the whistle-blowing process, unless it is determined during the investigation that involvement is required. Should the investigation ultimately lead to sanctions, they will be implemented in cooperation with the local People & Culture teams. Nevertheless, the People & Culture department is available to employees as a reporting office, with the matter at hand subsequently transferred to the regulated process.

External channel (VP Bank locations in Europe)

VP Bank offers its employees in Liechtenstein, Switzerland and Luxembourg the opportunity to receive employee and specialist advice from the external service provider Movis (www.movis.ch). This company offers professional support for operational, personal, health and financial issues around the clock. VP Bank employees can contact this support centre anonymously and free of charge. The effectiveness of this channel is reviewed by means of annual feedback discussions between the relevant HR specialist unit and Movis representatives.

Channel via employee representation (social dialogue)

Employees have the opportunity to express their concerns and needs as part of a dialogue with the employee representation organisation (cf. S1-2). This is particularly concerned with aspects that may be relevant for a group of employees or for the entire workforce (aspects related to reorganisations, communication, etc.).

Mitigating actions in the event of material negative impacts

There is a group-wide process in place to ensure that sanctions against errant employees that result in reprimands or warnings are disclosed to and reviewed by line managers and at GEM level as part of the year-end process. This ensures that these sanctions are adequately taken into account in the respective processes (salary adjustments, bonus allocations, promotions) across the Group and are applied equally.

The channels listed above can be viewed on the intranet by all employees and are proactively communicated as part of events for new employees. However, there are currently no systematic processes in place to measure and assess the effectiveness of and trust in these structures and processes.

Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions (S1-4)

This overview shows group-wide regulations and concrete measures that ensure fairness, equality and market-oriented and competitive working conditions for Group employees. These relate to the material impacts, risks and opportunities in relation to the prevailing working conditions for the employees of VP Bank.

IRO	Rules/standards	Concrete measures for managing material risks and pursuing material opportunities	Target achievement
Reasonable remuneration / fringe benefits	• Group-wide implementation of compensation comparisons based on external compensation benchmarks • Opportunity for employee stock ownership (discounted purchase of VP Bank shares) • Special conditions for banking services and loans as well as special conditions through partner benefits at various local companies	• Annual external review of salaries with external providers (Willis Towers Watson / AON / "Fair-ON-Pay" certification). These give indications, based on role and functions, regarding the appropriateness of salaries. The findings are incorporated into the relevant People & Culture processes (recruitment and annual salary adjustments). • Introduction of standardised approval processes for compensation decisions with escalation steps	Implemented
Secure employment	• Most employees have indefinite employment contracts (approx. 95 per cent) • Pension fund scheme or company pension scheme (Luxembourg) with non-mandatory savings and risk benefits • Daily sickness benefits insurance • Accident insurance (Liechtenstein, Switzerland)	• Regulations regarding social insurance: pension solutions, including retirement provision, private accident insurance cover for occupational and non-occupational accidents, health insurance premium discounts, maternity leave (Switzerland, Liechtenstein)	Implemented
Working hours, work-life balance and workplace ergonomics / employee health	• Regulation of normal working hours with corresponding flexibility (regulated in the employee handbook) • Home office regulations, taking into account the legal framework conditions • Standard market holiday and public holiday arrangements and the option to purchase additional days off • Support with external childcare, possibility of childcare in the bank building (Luxembourg) • Internal physical and mental health courses and fitness centre in the bank building (Luxembourg) • Occupational health doctor as external partner to anonymously treat psychosocial risks of individual employees (Luxembourg) • Ergonomically designed workplaces	• People & Culture Controlling prepares semi-annual reports for line management and internal audits, in which the holiday balances and unobserved block leaves (two weeks of uninterrupted absence) of employees are reported • The People & Culture Business Partner proactively brings any anomalies that could indicate an increased workload (e.g. frequent or prolonged sickness absences) to the attention of the responsible manager • As part of the annual cycle for line managers, it is pointed out on the intranet that holiday planning should be determined with employees in January and that holiday monitoring should take place every May and September • In addition to the regular holiday entitlement, there is the option of voluntarily purchasing additional days off per calendar year • Information and contact details for the external advice centre (Movis) can be found on the intranet (cf. S1-3 for details)	Implemented
Lack of appreciation and feedback culture	• The Management by Objective (MbO) process requires semi-annual discussions between employees and line managers • Employee surveys and definition of measures based on them • Benefits for long-service anniversaries (group-wide) and loyalty bonus in accordance with the collective bargaining agreement on working in the banking sector (Luxembourg) • Talent management programme • Financial support for further training	• Regular preparation of reports by People & Culture Controlling for the attention of line management, in which the completeness of performance appraisals and target agreements is recorded and addressed if necessary • Measures defined on the basis of the feedback from the employee survey are presented to Group Executive Management and the Board of Directors and followed up • E-learning on the Code of Conduct is mandatory for all employees • As part of the annual talent management process, nominations are made from a risk and development perspective and measures are derived (development interviews, organisation of the Talent Academy, etc.)	Implemented
Personal integrity / protection against harassment and discrimination	• International whistle-blowing programme (cf. S1-3) • Sanction concept ensures transparency at Group Executive Management level as part of the salary and bonus round • Employee representation • Idea management	• Stringent implementation of the Code of Conduct ("Interaction between employees", 1.10.) by managers and support from People & Culture	Implemented
Social dialogue / existence of employee representation bodies	• Employee representation • Idea management	• Offers from employee representatives (cf. S1-2) • Employees are invited to submit their ideas or suggestions for improvement via the intranet; People & Culture ensures the appropriate triage and sees they are addressed to the responsible persons	Implemented

The effectiveness of at least some of the measures listed above is tracked and evaluated in employee surveys. The bank is currently not evaluating the financial resources used to manage material impacts.

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S1-5)

There are currently no time-based and result-oriented targets related to reducing the negative impacts on own workforce and/or advancing positive impacts on own workforce and/or managing the material risks and opportunities associated with own workforce.

Characteristics of the undertaking’s employees (S1-6)

Gender	Number of employees (headcount)	FTE
Male	613	591.2
Female	411	354.2
Other	n/a	n/a
Not specified	n/a	n/a
Total number of employees	1,024	945.4

Country	Number of employees (headcount)	FTE
Liechtenstein	673	615.5
Switzerland	111	102.7
Luxembourg	149	137.2
Singapore	70	70.0
British Virgin Islands	17	16.1
Hong Kong [1]	4	4.0

[1] VP Bank withdrew from Hong Kong in 2024. Employees are still on site as part of the winding-up process.

	Female	Male	Other	Not specified	Total
Number of employees (headcount/FTE)	411/354.2	613/591.2	n/a	n/a	1024/945.4
Number of permanent employees (headcount/FTE)	396/345.8	587/574.7	n/a	n/a	983/920.5
Number of temporary employees (headcount/FTE)	15/8.5	26/16.5	n/a	n/a	41/25.0
Number of employees without guaranteed working hours (headcount/FTE)	n/a	n/a	n/a	n/a	n/a
Number of full-time employees (headcount/FTE)	250/250.0	537/537.0	n/a	n/a	787/787.0
Number of part-time employees (headcount/FTE)	161/104.2	76/54.2	n/a	n/a	237/158.4

	FL	CH	LUX	SG	HK[1]	BVI	Total
Number of employees (headcount/FTE)	673/615.5	111/102.7	149/137.2	70/70.0	4/4.0	17/16.1	1024/945.4
Number of permanent employees (headcount/ FTE)	639/594.8	106/99.5	149/137.2	69/69.0	4/4.0	16/16.0	983/920.5
Number of temporary employees (headcount/ FTE)	34/20.7	5/3.2	0/0	1/1.0	0/0	1/0.1	41/25.0
Number of employees without guaranteed working hours (headcount/ FTE)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Number of full-time employees (headcount/ FTE)	499/499.0	88/88.0	110/110.0	70/70.0	4/4.0	16/16.0	787/787.0
Number of part-time employees (headcount/ FTE)	174/116.5	23/14.7	39/27.2	0	0	1/0.1	237/158.4

[1] VP Bank withdrew from Hong Kong in 2024. Employees are still on site as part of the winding-up process.

The above figures refer to the number of persons (employees) and their total full-time equivalent employment level. No persons without guaranteed working hours are employed. The figures were collected as of 31 December 2024, based on the data recorded in the international SAP HCM system. No additional assumptions or calculations were made. The employee figures are disclosed in the general part of the annual report in the employees chapter.

The turnover rate in terms of unintended departures (voluntary terminations) at group level was 7.6 per cent in the reporting period (1 January to 31 December 2024), which corresponds to 80 employees. The turnover rate in terms of intended departures (termination by employer or mutual agreement) was 5.3 per cent, which corresponds to 56 employees (including closure of the Hong Kong location). For the calculation, the average of the reporting period is taken into account, adding up the headcount at the beginning and end of the reporting period and dividing it by two. Employees with a fixed-term employment relationship are not taken into account.

Characteristics of non-employees in the undertaking's own workforce (S1-7)

VP Bank Ltd accepts services from suppliers in very different contractual relationships and designates their employees as external employees (EXEM). EXEM comprises the entirety of employees who work with the bank and do not have a direct employment contract as internal employees. The use of EXEM can vary greatly, from a few days a year to the maximum possible annual working time. EXEM cover a wide range of activities, mainly in Group Information Technology (IT) and Group Compliance.

Prospective EXEM are subject to due diligence as part of the onboarding process, which allows the bank to treat external parties in the same way as internal parties. Contractors who are themselves subject to appropriate professional secrecy (e.g. lawyers, VP Bank auditing companies) are exempted from due diligence and the associated regulations for their activities within the scope of the relevant mandate. This is governed by the associated internal directive "External employees".

VP Bank Ltd distinguishes between four categories:

Category	Definition	Explanation	Part of S1-7
Grey	No system access, accompanied	Grey EXEM undergo a greatly simplified onboarding process; they only have to sign a non-disclosure agreement. As they often work on a day-to-day basis, they are not included in the statistics. Example: lift mechanic.	No
Grey+	No system access, unaccompanied	The grey+ category typically includes the EXEM of the external cleaning company and our two partner companies for employee catering.	No
Green	System access, unaccompanied	The green category includes by far the largest proportion of EXEM who have access to our IT systems and therefore have the same working tools as internal employees.	Yes
Green unlimited	Similar to green with extended term	Same as green category, but without an expiration date	Yes

VP Bank employed 198 external employees with system access (Green and Green unlimited categories) as of the end of 2024. Employees of the external audit company are not included in this.

Social protection (S1-11)

VP Bank is making use of the transitional provision and will provide quantitative information for the first time in the Annual Report 2025. In principle, it should be noted that employees at the Liechtenstein, Switzerland, Luxembourg and BVI locations enjoy comprehensive social protection. This includes social protection in the event of illness, unemployment, accidents at work and occupational disability, parental leave and retirement.

Work-life balance metrics (S1-15)

At all locations, there is a right to leave for family reasons (maternity/paternity leave, parental leave, carer's leave, etc.) based on legal requirements and/or applied practice. The breakdown by gender is based on the percentage of employees who took such a period of leave between 1 January and 31 December 2024. The data is collected via the local absence detection systems (SAP HCM, Interflex, PayDay). The percentages represent the number of cases compared to the number as of 31 December 2024. The status as of 1 January 2024 (number of employees: 19) was used for the Hong Kong location due to the closure during the year.

Holiday family reasons / location	% entitlement	% claims male	% claims female
Liechtenstein	100	5.8	9.9
Switzerland	100	7.1	0.0
Luxembourg	100	15.8	26
Singapore	100	56	57.8
Hong Kong	100	0.0	7.1
British Virgin Islands	100	12.5	0.0

Incidents, complaints and severe human rights impacts (S1-17)

Due to confidentiality requirements and to ensure anonymity, it is not possible to provide information on any incidents or complaints here.

ESRS S4 Consumers and end-users

Interests and views of stakeholders (SBM-2)

The clients of VP Bank, i.e. consumers and end-users, are the focus of the bank’s activities. Client trust is of central importance. VP Bank acquires this trust through active exchanges of information, a responsible approach to client funds and transparent communication and pricing. Essential building blocks for this are the bank’s structured investment process, built on its goal-based advisory model, and ensuring affordability in the lending business.

Management conducts one-on-one conversations with clients to ensure that their feedback is taken into account directly and integrated into the strategy and business model. In addition, client surveys are carried out, the results of which are communicated to management and the Board of Directors. When developing new products, the opinion of clients is taken into account by involving test clients.

Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)

As a result of the bank’s business model, its clients can be divided into two main categories: (i) intermediaries and (ii) private clients. Intermediaries are mainly external asset managers, trustees and family offices, which can be classified themselves as professional financial market participants and are therefore subject to a different level of investor protection than private clients. The IROs identified in relation to the bank’s clients primarily result from working with private clients and relate to aspects of information quality and transparency, affordability in lending and incorrect sales of financial products.

Client trust is one of the decisive factors in the long-term success of VP Bank and at the same time forms the basis for the Bank’s growth strategy. The suitability check for wealth management and advisory mandates as well as the affordability check in the mortgage business are the most important building blocks in terms of reducing negative impacts on the bank’s clients and thus further strengthening trust in VP Bank.

Policies related to consumers and end-users (S4-1)

Financing

The credit regulations are the top governance document in the lending business and apply to the whole of VP Bank. They stipulate that sustainability criteria and standards should be incorporated in particular when assessing the creditworthiness and the intrinsic value of collateral. The Board of Directors of VP Bank is responsible for the adoption of these regulations. The aim is to ensure the protection of the borrower.

Affordability calculation

In addition to real estate valuation, the affordability calculation is the most important quantitative decision-making basis in the granting of mortgage loans. The assessment of long-term solvency (affordability) must therefore be carefully carried out and documented in a comprehensible manner. The purpose of calculating affordability is to estimate the borrower's ability to repay interest and capital and to afford the normal maintenance of the real estate. Affordability must be calculated on the basis of the borrower's future income and financing costs. For the affordability calculation of each booking location, the local conditions and regulatory provisions must be taken into account. The following minimum standards generally apply:

- Permanent income is defined as the most likely future annual income, derived from the borrower's past income, which can most likely continue to be achieved under normal circumstances, taking into account all known circumstances.
- The financing costs must cover the interest and repayment of the loan, the maintenance costs of the real estate and all other fixed costs. The financing costs must also include interest and repayment on all other credit facilities of the borrower.
- If the principal debtor is a private individual who still has ten or fewer years before retirement, the affordability on retirement must also be calculated. Risk mitigating measures may need to be taken (e.g. higher repayment amounts, review of financing on retirement, etc.)

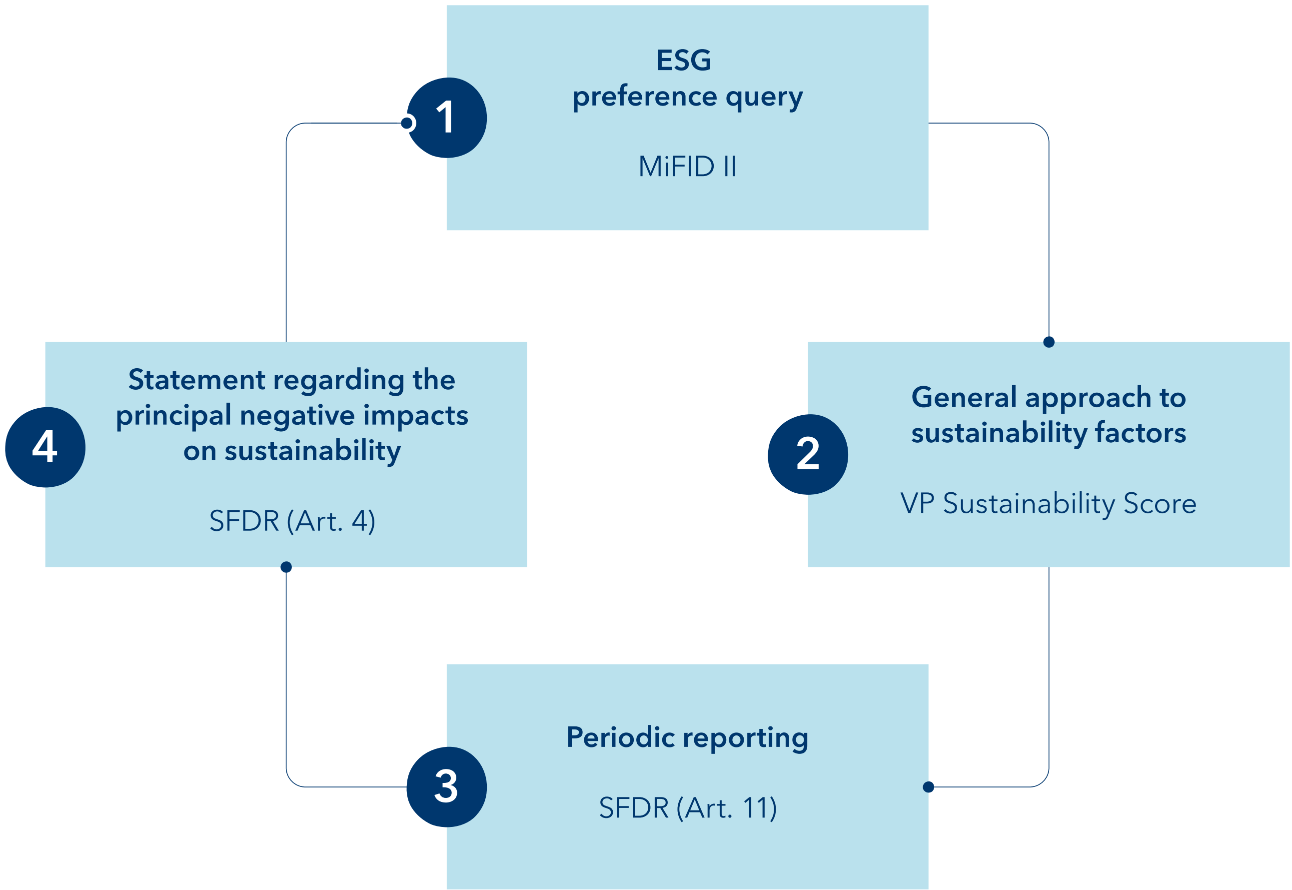
Gaps in the affordability

Real estate financing for borrowers with gaps in affordability is marked accordingly in the bank's internal system. The competent lending authority may approve the affordability gaps in real estate financing by (a) accepting pledged or blocked cash deposits and other liquid funds to cover the calculated affordability gap for 12 months or longer or (b) an unconditional total guarantee to cover the affordability gap for 12 months or longer. If the affordability gap is closed in this way, the corresponding marking will not be set or removed.

Investing

The integration of sustainability criteria into the investment and advisory process is governed by the corresponding guidelines of VP Bank, in particular in the Responsible Investment Policy. Sustainability is also integrated into general monitoring and compliance systems and processes at the portfolio level. Various committees are responsible for the development and approval of the sustainable investment approach, suitability criteria and strategies: the Investment Strategy Committee, the Investment Tactics Committee and the Product & Pricing Committee. The departments responsible for capital investments – Compliance, Internal Auditors and Group Executive Management – are responsible for the implementation of this directive within the scope of their respective duties. A detailed list of directives, including responsibilities, can be found in chapter ESRS 2 MDR-P.

The overall strategy for managing the material impacts on consumers and end-users as well as the associated material risks and opportunities of investment products is based on five pillars. The aim is to ensure investor protection when advising clients and providing financial services in general.



The five-pillar approach takes into account the suitability requirements of MiFID II, the SFDR disclosure requirements and the guidelines of the Swiss Bankers Association (SBA) on the inclusion of ESG preferences and ESG risks. As a result, potential negative impacts on the bank's clients due to non-compliance with regulatory requirements, incorrect sales of financial products and greenwashing are actively managed.

1. Target market classification

Among other things, the revised Markets in Financial Instruments Directive 2014/65/EU (MiFID II) provides for additional investor protection measures. Existing categories (client category, knowledge and experience, financial situation, risk tolerance and objectives and needs) have been supplemented by information on sustainability-related objectives and sustainability factors. As part of the target market test, VP Bank takes these criteria into account. In principle, the manufacturer information is used for third-party products. For own products, the definition is implemented as part of the New Product Process.

The bank's investment advisers ask clients about their sustainability preferences to recommend products that match them. The sustainability preferences complement the previous investment objectives which have already been taken into account in the suitability assessment.

2. Pre-contractual information

In the pre-contractual information in accordance with SFDR (EU/2019/2088), VP Bank discloses how sustainability risks are included in investment decisions, whether the respective wealth management mandate is aimed at environmental and/or social characteristics and how high the proportion of sustainable and taxonomy-compliant investments is. On this basis, VP Bank ensures that the product-specific sustainability aspects are compatible with client preferences.

3. General approach to sustainability factors in investment decisions

VP Bank applies a combination of approaches to reduce the material negative impact of investment decisions on sustainability factors and to promote the positive aspects. The most important methods are restrictions, improvements and a focus on the United Nations Sustainable Development Goals (UN SDGs). The basis for implementation is provided by the VP Bank Sustainability Score (VPSS). The VPSS method is based on third-party data but goes beyond a traditional ESG rating. VP Bank limits investments with unacceptable negative impacts (see table below). In addition, investments must meet minimum criteria in the following three areas: ESG rating, business activity and business practices. Investments that do not meet the minimum criteria are not included in the investment universe.

VP Bank has applied the VPSS, including various minimum requirements, to discretionary wealth management, investment advisory services, own funds of VP Bank and on-balance-sheet proprietary investments. These criteria are recorded in the corresponding investment, portfolio management and advisory systems and processes. The recommendations are continuously monitored for compliance with the criteria. If an investment is no longer suitable, it is no longer recommended. If such investments are included in existing portfolios, clients are informed and alternatives are proposed. In the case of discretionary wealth management mandates, financial instruments that are no longer suitable will be sold within a certain period of time.

The following table summarises the main methods to mitigate negative impacts from the bank's investment activity:

IRO focus	Basis	Motivation	Implementation
Risk	ESG Rating	We reduce ESG risks in our portfolios by avoiding companies with low ESG ratings.	A third-party provider's data is used for the ESG rating. The ratings range from AAA (best rating) to CCC (worst rating). The two lowest ratings, B and CCC, are excluded from our investment universe. For third-party and exchange-traded funds, we require a minimum level of coverage by the data provider and only allow a limited number of B- and CCC-rated investments. The permissible thresholds depend on the region, its economic structure and its level of maturity .
Risk	Business practices	We avoid companies with business practices that are illegal or violate international standards.	Business practices relate to the way companies conduct themselves. VP Bank adheres to three internationally recognised standards: the UN Global Compact, the UN Guiding Principles on Business and Human Rights and the International Labour Organization (ILO) Labour Standards. We exclude equities and bonds of companies that violate these international standards or have been identified to be subject to a 'very severe' controversy. For third-party fund and ETF recommendations, the proportion of investments with violations of international standards and 'very serious' controversies may be very low.
Risk	Business activities	We have defined minimum ethical standards that determine the areas in which the companies in which we invest should not be active.	The business activity relates to the products and services offered by a company. The critical business areas are defined as tobacco, gambling, thermal coal, nuclear power and controversial weapons. We exclude companies that generate more than a defined threshold of their revenues from these critical business areas. Third-party funds and ETFs may contain a very small proportion of companies that operate in areas classified as critical.
Oppor-tunities	ESG momentum	We finance the transition to a more sustainable future by investing in companies that demonstrate continuous improvement in their ESG performance.	This component of the VPSS measures the extent to which and direction in which the ESG rating has changed. We favour companies, governments or sovereign debtors that improve their ESG rating and penalise those that experience a downgrade. The momentum score can positively or negatively influence the overall score, but does not lead to exclusion.
Impact	Sustainable Development Goals (SDG)	We prioritise companies that have a positive impact on the environment and society by contributing to one or more of the Sustainable Development Goals (SDGs).	The SDG-Score analyses a company's products and activities in relation to the 17 UN Sustainable Development Goals (SDGs) and measures the extent to which they contribute to or conflict with the achievement of these goals. The SDG-Score can positively or negatively influence the overall score, but does not lead to exclusion.

4. Periodic reporting

For products or mandates covered by Art. 8 or 9 SFDR, compliance with environmental and social aspects is reported annually. A portfolio-specific report is prepared periodically for clients with a corresponding wealth management mandate and made available directly. The disclosure is intended to increase transparency and provide investors with valuable information on the sustainability commitment and the material impacts and risks of the funds in which they are invested and the discretionary wealth management mandates. This also closes the circle in terms of an initial survey of client preferences, the subsequent recommendation of needs-based products and, finally, proof of compliance with pre-contractual targets by means of periodic reporting.

5. Statement regarding the principal adverse impacts on sustainability (PAI statement)

Investment decisions and investment advisory services can have negative impacts on, contribute to or be directly linked to sustainability factors. For this reason, VP Bank reports annually on how the negative impacts of investment decisions on sustainability factors at company level is taken into account and how this manifests itself specifically at company level in the aggregate of all relevant discretionary wealth management mandates and the bank's own funds.

A negative sustainability impact refers to the negative impacts that an investment decision may have on the environment or society. This includes aspects such as greenhouse gas emissions, biodiversity, water, waste and social/employee matters that may be relevant to investments in companies, countries, supranational companies and real estate. The selection of the most important negative impacts considered by the investment team of VP Bank must be relevant to their investment philosophy and exposures. VP Bank is convinced that taking sustainability factors into account leads to better investment results. VP Bank considers sustainability criteria in its portfolio solutions, building blocks and product selection.

Processes for engaging with consumers and end-users about impacts (S4-2)

VP Bank provides its clients with various forms of advisory standards to inform them of impacts. During the transition phase, higher contact frequencies, including participation in events, are possible. The contact points with consumers and end-users are documented by the client advisors of VP Bank in the RM Cockpit. The client advisor always records the form of engagement in the RM Cockpit (dashboard for client advisors). This enables an evaluation per consumer or end-user, which makes engagement measurable in terms of the impacts of the business relationship.

Process: engaging with consumers and end-users

The client advisor engages with consumers and end-users about impacts via various forms of contact. This results in the following process:

Preparation of client contact

Implementation of client contact

Documentation of client contact

Archiving of the client contact in RM Cockpit

The **evaluation** of the client contact points
is transferred to Avaloq via RM Cockpit

The choice of support concept for engaging with consumers

1. Scope of support

The overview corresponds to the target image. In the transition phase or when there is potential, higher contact frequencies, including event participation, may be useful and required.

	High-net-worth individual		Affluent		Staff
	Local	**International**	**Local**	**International**	
Visits per year	1	1	1	No preference	No preference
Phone calls per year	2	2	1	1	No preference[1]
Investment ideas	Client request	Client request	Client request	Client request	Client request

[1] Ongoing review of the potential of the retail portfolio with «separate» measures based on it.

2. Depending on the service purchased

	Wealth management mandates	VP Bank Advice Premium	VP Bank Advice Comfort	VP Bank Advice Basic
Visits per year	1+	1 to 3	1 to 2	No specification
Telephone calls per year	Client request	Monthly	Around 4	No specification

Accountability – processes for engaging with consumers and end-users about impacts

Contact persons by location

Location	Contact
Liechtenstein	Head of Region Liechtenstein & BVI
Zurich	Head of Region Europe
Luxembourg	Head of Region Europe
Singapore	Chief Executive Officer Asia
Hong Kong	Chief Executive Officer Asia
British Virgin Islands	Head of Region Liechtenstein & BVI
Funds Solutions	Project Manager

Evaluation – processes for engaging with consumers and end-users about impacts

Client advisors use various forms of contact to engage with clients and record these as “touch point entries” in the core banking system. These forms of contact are summarised for the evaluation of the number of client contacts. This sum gives the absolute number of client contacts. The ratio between all client contacts per location and client segment and the number of end clients shows the average number of contact points in the reporting period.

The evaluation of the figures is based on the reporting date and reflects the contacts of client advisors with clients who were actively booked with VP Bank on 31 December 2024. When it comes to institutional clients, the denominator refers to the number of end clients. An individual evaluation of client contacts does not take place. The effectiveness of the cooperation is therefore not assessed. It is the responsibility of the client advisors to assess the effectiveness of the cooperation individually. In addition, location- and client-advisor-specific effects can occur, resulting in differences in average values.

For the 2024 financial year, the average number of client contacts per year for VP Bank was as follows:

Locations[1]	Private Banking	Institutionel clients[2]
Liechtenstein	6.0	0.9
Switzerland	5.5	0.5
Luxemburg	6.6	10.4
Singapore	27.7	11.3
British Virgin Island	2.0	-

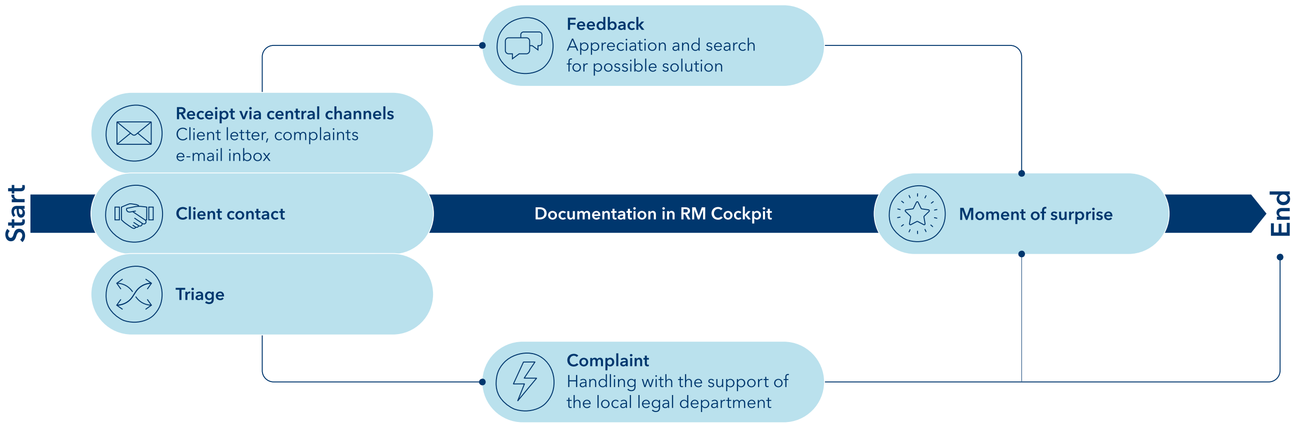
[1] Due to the closure of the Hong Kong office during the year, existing customers were reallocated to other booking centers and are therefore not shown separately.
[2] Institutional clients include business with external asset managers and trustees.

Processes to remediate negative impacts and channels for consumers and end-users to raise concerns (S4-3)

VP Bank offers external stakeholders various channels through which they can raise their concerns. The client feedback management applied by VP Bank distinguishes between feedback and complaints. Client statements can be received either directly via a client advisor or via other channels such as the contact form on the website or public e-mail addresses. In any case, the statements will be immediately forwarded to the responsible client advisor for processing. In the event of a negative statement regarding the client advisor, this will be forwarded to the line manager for processing.

Complaints management: process steps and classification of client feedback management

This triage between feedback and complaints is required to deal with the client's statement.



Classification of definitions and processing of statements

Definition of complaint

- Confrontation
- Unacceptable

A complaint is a statement by a client about a situation that is considered unacceptable. The client expects a prompt remedy to the situation or an individual solution. As a general rule, the client advisor is responsible for processing the complaint and communicating with the client. If the complaint is directed against the client advisor, the responsible line manager must be consulted. To ensure that the processing of complaints complies with local regulatory requirements, the local legal department of VP Bank is involved.

Definition of feedback

- Conversation
- Acceptable

The client expresses a personal opinion on products, services, behaviour or communications but does not expect an immediate adjustment to the situation or individual solution. If there is an existing solution or alternative to the problem, it is suggested to the client and implemented accordingly. If there is no suitable solution at this point, the process for finding a solution is considered complete for the time being.

Systematic recording of client statements

All client statements, whether feedback or complaints, positive or negative, must be recorded in the dedicated application (client journal entry). Client statements received directly by VP Bank will be treated as strictly confidential. Data protection and the protection of the privacy of the person making the statement are of central importance. However, these may vary depending on the channel chosen (see Channels to express opinions).

Involvement of other departments

Additional specialist departments may be consulted in certain cases that cannot be handled by the relevant client advisor or line manager. Examples include the following (list is not exhaustive):

- Corporate Communications
- Group Legal Services
- Group Information Security
- Group Product & Service Center

Internal reports: processing of client statements

Based on the client statements recorded by the client advisor in the dedicated application (client journal entry), reports of this client feedback (positive and negative) are sent to Group Executive Management and the relevant divisions on a quarterly basis. In specific cases, recommendations for action are given, which are processed by the relevant specialist departments.

Channels to express opinions

VP Bank has its own and external channels where external stakeholders can express their opinions. These are as follows:

VP Bank's own channels **(for the direct collection of client comments, including proactive processing by an internal team of experts)**	**External channels**
• Contact form* on website (under Client Feedback Management)	• Google Recessions (reactive processing by VP Bank)
• Dedicated e-mail address: complaintmanagement@vpbank.com	• Local ombudsman's office* / Conciliation Board:
• General contact form on the website or info address: info.li@vpbank.com	• Liechtenstein: info@schlichtungsstelle.li
• Telephone (incl. Client Service Center)	• Luxembourg: reclamation@cssf.lu
• Correspondence	• Switzerland: bankingombudsman.ch
• Personal contact with client advisors and staff at the point of sale (POS)	• Hong Kong: fdrc.org.hk
• Direct messages via VP Bank social media channels (Instagram & Facebook)	
• Messages via the client portal	
• Client satisfaction survey*	

* These channels can be used anonymously.

The channels listed are available not only to clients, but also other stakeholder groups such as suppliers. This does not apply to the channels "personal contact with client advisors", "messages via the client portal" and "client satisfaction survey", which are reserved for clients of VP Bank. In addition to the legal requirements, VP Bank is also guided in its complaints management by the best practices of its peers. VP Bank also has a team of professionals who are familiar with usability, user experience and the maintenance of social media channels and who undergo further training in these areas on an ongoing basis. All channels are managed in accordance with the applicable data protection regulations. The existing processes are reviewed by process management, while the Client Experience department also reviews these processes on a quarterly basis. With the contact forms, the complaints e-mail address and the local ombudsman's offices, VP Bank complies with the local legal requirements. These may differ slightly depending on the location.

Anonymity and the protection of personal and confidential information are the top priorities for VP Bank. It is therefore also possible to complete the complaint form or contact form for client feedback anonymously.

Effectiveness and trustworthiness of the existing channels

VP Bank proprietary channels are monitored and evaluated on an ongoing basis. The focus is also on the availability and awareness of the selected channels, and they comply as a minimum with local regulations (reference to client feedback form, local ombudsman's offices). Internal evaluations of the proprietary channels, such as the number of users of the website, including the forms sent, the e-banking messaging tool and calls in the Client Service Center, show that the channels used are known to internal and external stakeholder groups, are deemed to be trustworthy and are used, in particular the client feedback sub-site and the dedicated complaint form.

User numbers for feedback channels

User numbers distributed across the various feedback channels.

Client feedback forms sent via web form

Forms	Number (2024)
International complaint form	7
Hong Kong complaint form	0

Number of users of e-banking messaging tool

	Number
Business unit	2024
VP Bank (BVI) Ltd	51
VP Bank Ltd	2,400
VP Bank (Luxembourg) SA	205
VP Bank (Switzerland) Ltd	768
VP Bank Ltd Singapore Branch	10

* Evaluation of the number of users who used the messaging tool in e-banking in 2024 (i.e. sent at least one message)

Calls via VP Bank Client Service Center (only MS Teams 2024)

Business unit	Number	Incoming calls received
VP Bank (BVI) Ltd	Main number (+1 284 494 1100)	1,261
	e-banking (+1 284 494 1100)	Included in main number
VP Bank Ltd	Main number (+423 235 66 55)	12,557
	e-banking (+423 235 64 64)	4,286
VP Fund Solutions (Liechtenstein) AG	Main number (+423 235 67 67)	177
VP Bank (Luxembourg) SA	Main number (+352 404 770-1)	504
	e-banking (+352 404 770 555)	22
VP Fund Solutions (Luxembourg) SA	Main number (+352 404 770-297)	232
VP Bank (Switzerland) Ltd	Main number (+41 44 226 24 24)	932
	e-banking (+41 44 226 25 65)	118
VP Bank Ltd Singapore Branch	Main number (+65 6305 0050)	1,043
	e-banking (+65 6305 0050)	Included in main number
VP Wealth Management (Hong Kong) Ltd	Main number (+852 3628 99 00)	Evaluation via MS Teams is not possible
VP Bank Ltd, Hong Kong representative office	Main number (+852 3628 99 99)	Evaluation via MS Teams is not possible

Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions (S4-4)

Products

The introduction of balance sheet products incorporates environmental, social and governance (ESG) criteria into the New Product Process. ESG criteria are also taken into account in the case of suspensions and product adjustments in accordance with the New Product Process. The New Product Process includes pre-evaluation, implementation and half-year reviews.

The classification and assessment matrix (Sustainability Matrix, ESG criteria) for balance sheet products is part of the New Product Process. The ESG matrix ensures consideration in the end-to-end process.

The Product & Pricing Committee reviews and decides on applications received and processed. This is done periodically and at least quarterly. Extraordinary decisions may be made in addition to the regular times, including outside the usual deadlines, by means of a circular resolution. The Product & Pricing Committee is composed of the following: GPC (Chair, without voting right); regions (Europe, Asia, LI, BVI); functions (COO, CRO, GPO); and, optionally, Members of the Board of Directors (CIO, GTR, CRU). The effectiveness of and possible non-compliance with the ESG criteria are tracked and evaluated in a review according to the classification or assessment matrix in the product launch, including adjustments and suspensions (e.g. VP Bank Sustainability Score). From this, recommendations with targeted measures can be submitted to the Product & Pricing Committee. Depending on whether they are allocated to basic services, financing, investing, other services or digital assets, the review frequency for existing products is every year or every three years. The review intervals are derived from the risk-based scoring model. Scoring is calculated based on the seven risk types of earnings and cost situation, market trends, law, IT/process, external partners, cross-border and reputation. In the case of more than three matches, the products or product groups are subjected to the annual review. Documentation of processes and competencies is described in the Group Standard "GS-19, Product Development, Management and Pricing".

Investing

Negative impact indicators are treated differently by VP Bank regardless of their importance. The most stringent measure is exclusion: investments that violate this indication may not be recommended by analysts or by client advisors. Wealth management mandates managed by the bank, as well as the bank's own funds, must not be invested in assets that are excluded. This applies irrespective of the investor's sustainability preferences. The basis for this is the VP Bank Sustainability Score (VPSS) described above. In addition to negative impact indicators, the VPSS also maps those with a positive impact. For example, enterprises with an above-average ESG rating in their sector get a higher VPSS. This also applies to enterprises with impeccable business practices or those that make a positive contribution to one or more of the UN Sustainable Development Goals (UN SDGs).

More stringent requirements have been defined for clients with the "important" or "essential" sustainability preferences. Irrespective of clients, this also applies to in-house wealth management and the bank's own investment funds. For the financial instruments used for this purpose, it is no longer sufficient to simply not show an exclusion; they must also have higher minimum requirements, which in turn are measured by the VPSS. In addition, the weighted portfolio value must be above the respective threshold value. The basis for this is again the VPSS. In addition to the exclusion criteria listed above, this also takes into account a penalty for a below-average ESG rating, controversies or borderline business activities such as nuclear energy, pornography, small arms, genetically modified organisms (GMOs), oil sands, for-profit prisons and fur.

In addition, the aim was to have a positive effect by adding targeted asset classes that are expected to have a positive impact on society and the real economy. These include microfinance bonds that are used in the Sustainable Plus mandates. This wealth management solution also uses green and social bonds within corporate and government bonds. The coverage varies depending on the reference currency and market liquidity. The bond selection lists for advisory clients indicate whether the bond is a green or a social bond. Insurance-linked securities are also used for all clients with a mixed investment strategy, regardless of their sustainability preference.

The portfolio solutions for investors with the highest sustainability preference take into account a minimum proportion of investments that are considered sustainable within the meaning of the Disclosure Regulation. This also applies to taxonomy-compliant investments.

Measures have been taken to meet client demand for sustainable investments. These relate to both processes and products. The latter should also increase interest in sustainable investing. Sustainability factors were integrated into the investment and advisory process as part of the "Investing for Change" strategic initiative. The product developments launched since then have been designed to take the topic of sustainability into account in line with the bank's philosophy. These include:

- Sustainable Plus mandate and advisory package (2021): wealth management and advisory solution for investors with high sustainability preferences, investment strategy for the "Conservative", "Balanced" and "Growth" risk profiles
    - In 2024, the "Equity" and "Fixed Income" risk profiles were added to the product range.
- Fund line for the Sustainable Plus mandate and advisory package (2022): based on the existing strategies, a pure fund line was set up that also allows investments to be made with amounts below CHF 1 million (or equivalent).
- Responsibly Sourced Gold note (2022): the certificate offers cost-efficient access to certified green gold which has been obtained in compliance with strict social and environmental requirements.
- With the VP Bank thematic funds (2022), based on VP Bank's sustainability criteria, the financial services provider tracks current megatrends relating to society, digitisation and the environment.

The sustainability requirements described are taken into account not only by means of transparency but also via portfolio rules. Minimum requirements for financial instruments and portfolio rules have been defined depending on the sustainability preference of clients and the investment solution. These mandatory rules are laid down in all advisory, research and portfolio management tools and are monitored accordingly. The bank's own investments largely follow the approach that underpins client advisory and wealth management services.

Financing

In order to meet legal requirements and respond to client requirements in the best possible way, VP Bank continuously analyses the market environment, its competitors and its product range. No measures have been defined to date in the lending process to promote sustainability goals. Enterprises and persons associated with the following activities and business areas are excluded from financing by VP Bank: drugs and human trafficking, online gambling, player brokering activities in sport and the activities of sports officials, prostitution and unconventional weapons.

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S4-5)

Products

In addition to the legal requirements, VP Bank is continuously guided by the good practices of its industry. The product range (basic services, financing, investments, digital assets and other services) is periodically assessed and reviewed taking into account defined risk factors (return on investment, legal frameworks, IT and process, external risks, cross-border, reputation, sustainability).

ESG criteria are an essential component, based on the VPSS. Using the summary scoring of the risk factors, the products are subject to a regular product review (one year for high-risk products, three years for products with a lower score). Extraordinary reviews of the products or entire product groups are possible at any time and are carried out due to changes in individual risk factors.

The product review is carried out in four stages: 1) analysis (location, peers, trends); 2) evaluation (risks, feedback from clients and internal stakeholders); 3) summary of analysis; and 4) recommendation (adjustment, suspension of product). The recommendation is incorporated into the regular New Product Process.

Investing

VP Bank takes various aspects of sustainability into account when making investment decisions. The Responsible Investment Policy provides the framework for this. VP Bank does not make any investments in financial instruments with exposure to the negative impact indicators (negative VPSS) defined by VP Bank for the client funds it manages or its own funds.

Furthermore, within the scope of wealth management, VP Bank does not make any investments in assets with an under-average sustainability profile. On a scale from –1 to 10, the average quality of the portfolio must be equal to a VPSS of 6 ("essential" client preference) or 5 (other preference levels). In its own investments, VP Bank is guided by the highest level of sustainability ("essential"). VP Bank plans to hold bonds until maturity, which means that the bond portfolio cannot be reallocated immediately. The bank reviews the portfolio limits on an annual basis with the aim of gradually increasing the requirements. The intention is to use the same requirements as for clients with the highest preference.

VP Bank reviews the minimum rates for sustainable investments on an annual basis in accordance with the Disclosure Regulation and the proportion of taxonomy-compliant investments. This is done by the Investment Strategy Committee (ISC), which convenes every six months and is chaired by the CIO. Depending on the data situation, an ambitious, realistic ratio should be defined. The guidelines should be feasible without taking any additional risks for the portfolio.

Positive impacts are promoted for wealth management clients as part of the Sustainable Plus mandates. These are primarily, but not exclusively, geared to investors with strong sustainability preferences. The strategic asset allocation of these mandates takes green and social bonds into account within the bond quota. Alternative investments include an allocation in microfinance. Within the equity allocation, an impact alignment is pursued within the "Themes" sub-asset class. Investors can choose from five different areas based on their personal preferences.

These impact generation and impact alignment solutions are also communicated to investment advisory and intermediary clients through our research (coverage and publications) and client advisors. This is aimed at clients regardless of their sustainability preferences.

Financing

Concrete sustainability targets in terms of lending have not yet been defined. Enterprises and persons associated with the following activities and business areas are excluded from financing by VP Bank: drugs and human trafficking, online gambling, player brokering activities in sport and the activities of sports officials, prostitution and unconventional weapons.

governance information

ESRS G1 Business conduct

The role of the administrative, management and supervisory bodies (GOV-1)

The disclosure requirement for G1 GOV-1 can be found in chapter ESRS 2 GOV-1.

Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)

The identification and assessment of material impacts, risks and opportunities in connection with aspects of business conduct took place along the entire value chain of VP Bank. The guidelines of the UN Global Compact and the Principles for Responsible Banking as well as national laws and regulations on due diligence in financial transactions were taken into account. Sound business practices and legal compliance are a fundamental prerequisite for the trust of VP Bank's clients. As part of the double materiality analysis, the bank identified five areas as essential in the context of business conduct and highlighted their relevance along the value chain. The following table provides a comprehensive overview and specifies the most important directives and measures already taken for integration into business operations. This is intended to reduce (potential) negative impacts, actively manage risks and exploit opportunities.

As part of the periodic risk assessments and periodic internal controls, mitigation measures that contribute to the robustness of the bank's defence mechanisms are also examined. The focus is on training, new processes or adjustments to due diligence and monitoring measures. Specifically, additional training for transaction monitoring was carried out in 2024, and concepts for closer monitoring of certain types of transactions were developed. In addition, adjustments to the Code of Conduct were made, which were also communicated to all employees by means of accompanying training measures. In the area of conduct risk, a new software solution was introduced to monitor aspects such as conflicts of interest and third-party banking transactions. The existing software solutions are regularly reviewed and adapted to the growing challenges by means of corresponding updates.

	Business ethics and corporate culture	**Anti-corruption and anti-bribery**	**Anti-money laundering**	**Management of relationships with suppliers**	**Lobbying activities**
Description	VP Bank refers to its own integrity and responsible business practices. It also refers to the rules and practices for ensuring responsibility, fairness and transparency in its relationships with all stakeholders.	VP Bank refers to its own measures against any form of abuse of power for private gain within its value chain.	VP Bank refers to its own measures against all forms of money laundering and terrorist financing (AML/CFT) in the context of its client relationships and general business activities. VP Bank Group maintains an anti-money-laundering defence system which is composed of regulatory requirements and international best-practice standards, taking into account the group-wide risk appetite.	VP Bank refers to the strategic planning and central management of its relationships with its suppliers.	Lobbyism and lobbying activities are defined by law as any attempt to influence certain government decisions, including the adoption or rejection of laws or resolutions and other governmental activities.

	Business ethics and corporate culture	Anti-corruption and anti-bribery	Anti-money laundering	Management of relationships with suppliers	Lobbying activities
Policies	Code of Conduct	GS-24 Conflict of interest	GS-11d Group-wide monitoring of measures against money laundering and transaction monitoring	Risk Appetite Statement	n/a
	Diversity and inclusion policy	Risk Appetite Statement	GS-11j Group-wide standards for sanctions and boycotts	Supplier Code of Conduct	
	Risk Appetite Statement	GS-32 Whistle-blowing	GS-11l Group-wide SAR/ STR standards for the prevention of white-collar crime		
		GS-39 Market monitoring	GS-11e Group-wide tax compliance standards		
			GS-11k Group-wide standards for the review of the Compliance Name List in conjunction with white-collar crime		
			GS-11c Group-wide risk scoring		
			GS-11o Group-wide training on compliance and operational risks		
IRO focus	Impacts, risks and opportunities	Impacts and risks	Impacts and risks	Impacts and risks	Impacts
IRO description	Impact: psychological stress on employees	Impact: the proximity between clients and client advisors, or to suppliers, providers of financial products or other banks, which is typical for banks, can lead to knowledge of insider information.	Impacts: negative social impacts of money laundering include economic instability, social inequality the economic strengthening of criminal organisations and, in relation to the bank, generally increasing requirements on the part of regulators and international standards, which in turn leads to increased effort in identifying, monitoring and limiting risks (risk mitigation).	Impact: Dependencies from and in relation to suppliers can arise due to volumes and longer-term contracts. Through the purchase of products and services, VP Bank can generate – albeit minor – impacts in social (e.g. labour conditions in developing countries) or environmental (e.g. rare earths) areas in its upstream value chain.	Impact: lobbying can lead to certain interests in the political spectrum being given disproportionate consideration and corresponding changes or proposed legislation being pushed through in favour of a few.
	Risk: employee dissatisfaction, increased turnover, reputational damage	Risk: compliance risks and reputational risks that can translate into financial risks	Risks are inherent from a regulatory, criminal and reputational perspective.	Risk: reputational risks	
	Opportunity: employee satisfaction, high productivity, good work environment, recommendation		Opportunity: high level of trust for clients if the processes work well and reputational risks can be averted		
Value chain	Own operations	Own operations, upstream and downstream	Own operations, upstream	Upstream	Own operations
Measure(s)		Upstream: The Supplier Code of Conduct describes the expectations of VP Bank for the business practices of its suppliers. In particular, respect for human rights, including workers' rights, prevention of trafficking in human beings, forced labour and child labour are explicitly addressed here.	Upstream: national risk analysis	Upstream: To reduce the impacts of social risks, VP Bank expects its business partners to comply with internationally recognised compacts and standards. No business relationships are entered into with suppliers who are exposed to or actively attempt to commit corruption and/or bribery to influence VP Bank's decision to co-operate.	
	Own operations: The Code of Conduct, which has a long tradition at VP Bank, and the values and management principles of VP Bank underpin its commitment to ethically correct business conduct and serve as a guide to good business practices. As a result, topic-related impacts, risks and opportunities are	Own operations: The Group standard for conflicts of interest deals with potential negative impacts and risks that may arise in connection with the general compensation policy, audits, internal controls, cases of tax avoidance, conflicts of interest, shareholder rights, corruption and bribery.	Own operations: Risk assessment of existing risks in relation to money laundering, organised crime and terrorist financing and definition of effective internal control and monitoring measures to mitigate the risks within the framework of the NRA and own risk assessment. Particular mention should be made here of the organisation of the duties		Own operations: VP Bank does not exercise any active political influence and is not involved in lobbying activities. Through the bank's membership in certain industry associations in Liechtenstein, there is a possibility of it having indirect influence due to its local market power.

	Business ethics and corporate culture	Anti-corruption and anti-bribery	Anti-money laundering	Management of relationships with suppliers	Lobbying activities
	adequately addressed and managed.		of care concerning – determination and verification of the identity of the contracting party; – establishing and verifying the identity of the beneficial owner; – creation of a business profile; and – risk-adequate monitoring of the business relationship. These duties are applied on a risk basis as part of onboarding, regular reviews, event-driven reviews and ongoing monitoring, which is also reflected in the KYC processes, life cycle management, screening and transaction monitoring processes and is regularly covered by mandatory training. The internal control system verifies effectiveness.		
		Downstream: the VPSS excludes companies from the investment universe that violate the UNGC principles or exhibit significant controversies (including corruption and bribery).			
Target achievement	Implemented	Implemented	Implemented	Implemented	Implemented
Metric(s)	Voluntary turnover rate	Total financial losses resulting from legal proceedings in connection with fraud, insider trading, cartels, anti-competitive practices, market manipulation, abuse or other related laws or regulations for the financial industry	Number of investigations or reports of suspected cases to the FIU staff unit or the competent authorities at the locations; any supervisory or criminal proceedings (or the absence of such proceedings)	VP Bank's business relationships are consistent with the principles of internationally recognised standards, namely the UNGC, the UN Guiding Principles on Business and Human Rights and the standards of the International Labour Organization (ILO).	Total monetary value of direct and indirect financial contributions and contributions in kind (political contributions) in connection with political influence
Training	Yes	Yes	Yes	No	No

Business conduct policies and corporate culture (G1-1)

Corporate culture

Awareness of risk, security and compliance is important at VP Bank. A set of rules for mutually agreed directives and guidelines, as well as a group-wide Code of Conduct, provide guidance on the bank's commitment as an economically, socially and ethically responsible employer and financial partner.

In order to embed the Code of Conduct, all employees pass annual mandatory, role-specific e-learning modules with a final knowledge test. In addition, all employees have a performance objective for ethics and compliance, according to which they are measured and assessed at the end of the financial year.

VP Bank's Code of Conduct serves as an overarching behavioural compass and is communicated via e-learning as part of the onboarding of new employees. This training is mandatory for all permanent and temporary employees. Employees who only work at VP Bank for a limited period of time – such as trainees, graduates and apprentices – are also required to comply with the Code of Conduct and to demonstrate their understanding and application of it by completing an online assessment. This mandatory training is repeated every three years to ensure that the principles of behaviour, business conduct and interaction with stakeholders and society are aligned accordingly.

Group Compliance monitors the successful and timely completion of trainings on the Code of Conduct. Both non-participation and violations of the principles of behaviour described in the Code of Conduct may result in negative consequences depending on the level of severity. In addition to an entry in the personnel file and a negative performance appraisal, VP Bank reserves the right to take disciplinary measures against employees – up to and including termination of employment or criminal prosecution.

VP Bank also focuses on the three core values of "we achieve", "we explore" and "we care". Personnel practices such as recruitment, employee development, promotion, remuneration and performance appraisal are based on these values.

Leadership culture, based on six leadership principles, is a key factor in corporate culture. VP Bank promotes all employees to take on leadership responsibilities. Both the values and the leadership principles were developed collectively by numerous employees from different business units, regions and hierarchical levels and have correspondingly strong support. VP Bank strives to consistently align learning opportunities in the areas of leadership, behaviour and social skills as well as group-wide HR practices with these cultural cornerstones.

The business objectives and strategic priorities for the coming years require further development and a change of culture. In the summer of 2024, around 150 employees were interviewed in cross-departmental and cross-location focus groups, and around 35 members of key management were interviewed individually, in order to jointly devise what behaviour and mindset should be practised at VP Bank in the future. A compass was derived from the cultural vision showing the behavioural attributes that are intended to help all employees contribute to an attractive work culture.

Unlawful conduct and whistle-blowers

Corruption and bribery

VP Bank has a comprehensive set of rules for preventing corruption and bribery. These include the Code of Conduct of VP Bank, which is approved by the Board of Directors and brought to the attention of employees, as well as other operational measures that are regulated in the Group standard on conflicts of interest. VP Bank does not differentiate between employees who are more or less affected by corruption or bribery potential; it applies the same set of strict requirements to all employees.

Money laundering and terrorist financing (AML/CFT)

VP Bank has a comprehensive set of rules that defines the processes for preventing and detecting money laundering cases as well as possible terrorist financing. Employees are required to inform the local Compliance unit of any incidents that could be indicative of money laundering or terrorist financing. This is also taught in specialised training courses, which take place at least once a year.

VP Bank's due diligence procedures encompass the regulatory duties of care, which include the identification and verification of contracting parties and beneficial owners as well as the documentation in a business profile and the risk-adequate monitoring of business relationships.

These obligations are applied risk-based as part of the onboarding process, regular reviews, event-driven reviews and as part of the ongoing monitoring procedure, which is also reflected in the KYC processes, life cycle management, screening and transaction monitoring processes.

This means that roles in a business relationship are checked through Adverse Media and a comparison is made with World Check (PEPs, sanctions, etc.), counterparties to transactions are screened in real time against World Check lists that are relevant to sanctions or terrorist financing, and that transactions and their patterns are also checked. The processes are designed in such a way that they should intercept both internal and external factors and check indiscriminately whether a suspicion is directed against internal or external persons. If internal employees are affected by suspected cases, this would be coordinated via Group Legal and Group Internal Audit, and People & Culture would be involved due to the increased level of sensitivity.

Whistleblowing

VP Bank has a Group standard on whistleblowing. Potential whistleblowers can use both personal and written channels to submit their observations. For a detailed understanding of how whistleblowers can report potential suspicions and violations (anonymously), how and by whom these reports are processed and how whistleblowers are protected, please refer to Group standard GS-32, Whistleblowing, and the explanations in ESRS S-1. This Group standard is based on Directive (EU) 2019/1937, international standard ISO 37002:2021 on the establishment and operation of whistleblowing systems and the local legal and regulatory requirements of the subsidiaries.

Potential infringements and violations of the Code of Conduct and other directives are identified by anonymous or personal written or verbal reports from employees, managers, internal control bodies (Compliance, Internal Audit) or external control bodies (external, independent auditors). A violation is any case of employees failing to follow directives or not complying with instructions. This violates the duty of loyalty towards the employer. A violation may also consist of employees tolerating violations, obstructing the investigation of a suspected violation or discriminating against employees who have properly reported a violation.

Regardless of whether a suspicious activity report is initiated in person or anonymously, it is forwarded directly to the central whistleblowing unit (Group Internal Audit). Group Internal Audit decides on the scope and form of necessary investigations and clarifications. The relevant instances, procedures and processes are described in detail in Group standard GS-32, Whistleblowing.

Depending on the type of violation and the degree of fault, various sanctions are possible: a verbal reprimand, a written reprimand, a written warning or, in the case of very serious violations, termination of the employment relationship. The consequences of a verbal reprimand are at the discretion of the manager. There is no official written communication or immediate sanction. Written reprimands, warnings or dismissals are always filed in the personnel file and result in a downgrading of the performance appraisal and a reduction in variable compensation.

Sanctions that have been initiated or already implemented are assessed and confirmed in a first instance by Group Executive Management and then by the Board of Directors (NCC).

Prevention and detection of corruption and bribery (G1-3)

The results of inspections and investigations are brought to the attention of the relevant bodies such as Group Executive Management and the Board of Directors.

Corruption and bribery

The Group's Conflicts of Interest Policy governs the acceptance of gifts, third party accounts, outside employment and all other issues related to corruption and bribery. In addition, training courses on this topic, approximately two hours of training, are compulsory for all employees. These are carried out both at the start of employment with VP Bank Group and on a recurring basis. The course on the Group's Conflicts of Interest Standard checks that the learning content has been understood and that employees know where to find the information. Completion of the course and passing a final test is compulsory and monitored by an internal department. This serves to raise awareness and is supported by accompanying measures for reporting such observations to the responsible authorities.

The Board of Directors is informed once a year by the CRO about its obligations in connection with conflicts of interest (disclosure, reporting obligations, contact persons, deadlines). This information is also recorded in the minutes at meetings of the Board of Directors.

All VP Bank employees are required to annually confirm their compliance with the Code of Conduct and the relevant provisions of the Group Standard on Conflicts of Interest. These confirmations are checked for completeness and verified on a random basis (including by obtaining documents from third parties). Group Investment Compliance conducts checks to detect possible violations of the rules on corruption and bribery. These checks are carried out on the basis of information received, spot checks or anomalies, particularly in the case of transactions. In suspicious cases, Group Investment Compliance refers the matter to Group Internal Audit for an independent in-depth investigation. Group Internal Audit may conduct audits independently and autonomously as part of its risk analysis and audit planning. Group Internal Audit may also be involved in case-specific matters or conduct audits or investigations at the request or direction of the Board of Directors, for example. In doing so, Group Internal Audit acts independently of the Executive Committee and is formally accountable only to the Board of Directors.

Money laundering and terrorist financing (AML/CFT)

Internal regulations and directives implement the regulatory requirements that apply as a minimum standard within VP Bank. Of central importance in this regard is the structuring of due diligence obligations, which encompass the determination and verification of the identity of the contracting party, the determination and verification of the identity of the beneficial owner, the creation of a business profile as well as the risk-adequate monitoring of the business relationship.

VP Bank fulfils these obligations through risk-based onboarding, regular reviews, event-driven reviews and ongoing monitoring. This is also reflected in KYC processes, life cycle management, screening and transaction monitoring, and is supplemented by mandatory training. Effectiveness is monitored as part of the internal control system and through internal audit reviews.

In addition, all employees are required to annually certify compliance with applicable regulations, including those relating to the identification and treatment of suspected money laundering and terrorist financing.

Incidents of corruption or bribery (G1-4)

As part of the due diligence processes, which serve, among other things, to identify indications of money laundering, a predicate offence to money laundering, organised crime or terrorist financing, 130 cases of suspicion were identified groupwide, which resulted in a reporting obligation to the competent authorities. No cases of suspicion were confirmed during the reporting period. As a result, VP Bank was not subject to any regulatory or criminal fines in connection with corruption or bribery regulations.

	Number of Cases	Fines (in CHF)
Corruption	0	0
Bribery	0	0
Money laundering & Terrorism financing (AML/CFT)	130 [1]	0

[1] This refers to the number of suspect notifications reported to the relevant authorities on a group-wide basis for FY 2024.

Political influence and lobbying activities (G1-5)

VP Bank does not exercise any active political influence and is not involved in lobbying activities. However, through the bank's membership in certain industry associations, there is an indirect possibility of it having influence in Liechtenstein due to its local market power. In Liechtenstein, VP Bank is a member of the Liechtenstein Bankers Association (LBV), the Liechtenstein Chamber of Commerce and Industry (LIHK) and the Liechtenstein Investment Fund Association (LAFV). The membership fees for these industry organisations amounted to CHF 647,798.

Membership contributions to other associations and organisations that exceed CHF 20,000 each amounted to CHF 162,078. These include memberships of Asia Society, Business Engine, the Luxembourg Bankers Association (ABBL), the Swiss Bankers Association and ETH Zurich. VP Bank does not consider these contributions to be relevant.

Memberships and industry associations	2024
Liechtenstein Chamber of Commerce and Industry	CHF 41'698
Liechtenstein Bankers Association	CHF 496'000
Liechtenstein Investment Fund Association	CHF 110'100
other (above CHF 20'000)	CHF 162'078
Total	CHF 809'876

Annex – Continuation of general, E, S and G information

Transitional provisions

VP Bank makes use of the following transitional provisions as set out in Annex C to ESRS 1:

Disclosure Requirement	Name of the Disclosure Requirement	Scope	Phase-in or effective date (from Appendix C of ESRS 1)	Application of provision
SBM-1	Strategy, business model and value chain	All	The entity shall report the information prescribed by ESRS 2 SBM-1 paragraph 40(b) (breakdown of total revenue by significant ESRS sector) and 40(c) (list of additional significant ESRS sectors) starting from the application date specified in a Commission Delegated Act to be adopted pursuant to article 29b(1) third subparagraph, point (ii), of Directive 2013/34/EU.	Yes
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	All	The entity may omit the information prescribed by ESRS 2 SBM-3 paragraph 48(e) (anticipated financial effects) for the first year of preparation of its sustainability statement. The entity may comply with ESRS 2 SBM-3 paragraph 48(e) by reporting only qualitative disclosures for the first 3 years of preparation of its sustainability statement, if it is impracticable to prepare quantitative disclosures.	Yes
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	< 750 employees	Entities or groups not exceeding on their balance sheet dates the average number of 750 employees during the financial year (on a consolidated basis where applicable) may omit the datapoints on scope 3 emissions and total GHG emissions for the first year of preparation of their sustainability statement.	No
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	All	The entity may omit the information prescribed by ESRS E1-9 for the first year of preparation of its sustainability statement. The entity may comply with ESRS E1-9 by reporting only qualitative disclosures for the first 3 years of preparation of its sustainability statement, if it is impracticable to prepare quantitative disclosures.	Yes
E2-6, E3-5, E4-6, E5-6	Anticipated financial effects from risks and opportunities	All	The undertaking may omit the information prescribed by ESRS E2-6 for the first year of preparation of its sustainability statement.	Not material
E4 - All Disclosure Requirements	All Disclosure Requirements	< 750 employees	Entities or groups not exceeding on their balance sheet dates the average number of 750 employees during the financial year (on a consolidated basis where applicable) may omit the information specified in the disclosure requirements of ESRS E4 for the first 2 years of preparation of their sustainability statement.	Not material
S1 - All Disclosure Requirements	All Disclosure Requirements	< 750 employees	Entities or groups not exceeding on their balance sheet dates the average number of 750 employees during the financial year (on a consolidated basis where applicable) may omit the information specified in the disclosure requirements of ESRS S1 for the first year of preparation of their sustainability statement.	No
S1-7	Characteristics of non-employee workers in the entity's own workforce	All	The entity may omit reporting for all datapoints in this disclosure requirement for the first year of preparation of its sustainability statement.	No
S1-8	Collective bargaining coverage and social dialogue	All	The entity may omit this disclosure requirement with regard to its own employees in non-European Economic Area countries for the first year of preparation of its sustainability statement.	Not material
S1-11	Social protection	All	The entity may omit the information prescribed by ESRS S1-11 for the first year of preparation of its sustainability statement.	Yes
S1-12	Percentage of employees with disabilities	All	The entity may omit the information prescribed by ESRS S1-12 for the first year of preparation of its sustainability statement.	Not material
S1-13	Training and skills development	All	The entity may omit the information prescribed by ESRS S1-13 for the first year of preparation of its sustainability statement.	Not material
S1-14	Health and safety	All	The entity may omit the data points on cases of work-related ill-health and on number of days lost to injuries, accidents, fatalities and work-related ill health for the first year of preparation of its sustainability statement.	Not material
S1-14	Health and safety	All	The entity may omit reporting on non- employees for the first year of preparation of its sustainability statement.	Not material
S1-15	Work-life balance	All	The entity may omit the information prescribed by ESRS S1-15 for the first year of preparation of its sustainability statement.	No
S2 -All Disclosure Requirements	All Disclosure Requirements	< 750 employees	Entities or groups not exceeding on their balance sheet dates the average number of 750 employees during the financial year (on a consolidated basis where applicable) may omit the information specified in the disclosure requirements of ESRS S2 for the first 2 years of preparation of their sustainability statement.	Not material

Disclosure Requirement	Name of the Disclosure Requirement	Scope	Phase-in or effective date (from Appendix C of ESRS 1)	Application of provision
S3 - All Disclosure Requirements	All Disclosure Requirements	< 750 employees	Entities or groups not exceeding on their balance sheet dates the average number of 750 employees during the financial year (on a consolidated basis where applicable) may omit the information specified in the disclosure requirements of ESRS S3 for the first 2 years of preparation of their sustainability statement.	Not material
S4 - All Disclosure Requirements	All Disclosure Requirements	< 750 employees	Entities or groups not exceeding on their balance sheet dates the average number of 750 employees during the financial year (on a consolidated basis where applicable) may omit the information specified in the disclosure requirements of ESRS S4 for the first 2 years of preparation of their sustainability statement.	No

Identification of actual/potential IROs in connection with sustainability topics

Sustainability topics for which no potential and/or actual IROs have been identified in step B of EFRAG's ESRS implementation guidance documents (IG 1) are not used to assess and identify material IROs in step C. Therefore, they are not reported within the ambit of disclosure requirements for these topics. No potential and/or actual IROs were identified for the sustainability topics listed in the following table.

Code	Topic	Sub-topic	Sub-sub topic
S1	Own workforce	Working conditions	Secure employment
			Adequate wages
			Health and safety
		Other work-related rights	Child labour
			Forced labour
			Adequate housing
			Privacy
S3	Affected communities	Communities' economic, social and cultural rights	Adequate housing
			Adequate food
			Water and sanitation
			Land-related impacts
			Security-related impacts
		Communities Civil and political rights	Freedom of expression
			Freedom of assembly
			Impacts on human rights defenders
		Particular rights of indigenous communities	Free, prior and informed consent
			Self-determination
			Cultural rights
S4	Consumers and end-users	Information-related impacts of consumers and/or end-users	Freedom of expression
		Personal safety of consumers and/or end users	Health and safety
			Security of a person
			Protection of children
G1	Business conduct	Animal welfare	-
		Management of relationships with suppliers including payment practices	-

Data points from other EU legislation

If the undertaking omits the information prescribed by a data point that derives from other EU legislation listed in Annex B ESRS 2, it shall explicitly state that the information in question is not material.

General information

Disclosure requirement	Data point	Description	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Reference
ESRS 2 GOV-1	21 (d)	Board's gender diversity	x		x		ESRS 2 GOV-1
ESRS 2 GOV-1	21	Percentage of board members who are independent			x		ESRS 2 GOV-1
ESRS 2 GOV-4	30	Statement on due diligence	x				ESRS 2 GOV-4
ESRS 2 SBM-1	40 (d) i	Involvement in activities related to fossil fuel activities	x	x	x		Non-material
ESRS 2 SBM-1	40 (d) ii	Involvement in activities related to chemical production	x		x		Non-material
ESRS 2 SBM-1	40 (d) iii	Involvement in activities related to controversial weapons	x		x		Non-material
ESRS 2 SBM-1	40 (d) iv	Involvement in activities related to cultivation and production of tobacco			x		Non-material

Environmental information

Disclosure requirement	Data point	Description	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Reference
E1-1	14	Transition plan to reach climate neutrality by 2050				x	ESRS E1-1
E1-1	16 (g)	Undertakings excluded from Paris-aligned Benchmarks		x	x		Non-material
E1-4	34	GHG emission reduction targets	x	x	x		
E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	x				Non-material
E1-5	37	Energy consumption and mix	x				Non-material
E1-5	40 bis 43	Energy intensity associated with activities in high climate impact sectors	x				Non-material
E1-6	44	Gross Scopes 1, 2, 3 and Total GHG emissions	x	x	x		ESRS E1-6
E1-6	53 bis 55	Gross GHG emissions intensity	x	x	x		ESRS E1-6
E1-7	56	GHG removals and carbon credits				x	Non-material
E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks			x		Non-material
E1-9	66 (a)	Disaggregation of monetary amounts by acute and chronic physical risk		x			Non-material
E1-9	66 (c)	Location of significant assets at material physical risk		x			Non-material
E1-9	67 (c	Breakdown of the carrying value of its real estate assets by energy-efficiency classes		x			Non-material
E1-9	69	Degree of exposure of the portfolio to climate-related opportunities			x		Non-material
E2-4	28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	x				Non-material
E3-1	9	Water and marine resources	x				Non-material
E3-1	13	Dedicated policy	x				Non-material
E3-1	14	Sustainable oceans and seas	x				Non-material
E3-4	28 (c)	Total water recycled and reused	x				Non-material
E3-4	29	Total water consumption in m3 per net revenue on own operations	x				Non-material
E-4 IRO-1	16 (a) i	(Data points in SBM-1)	x				Non-material
E-4 IRO-1	16 (b)	(Data points in SBM-1)	x				Non-material
E-4 IRO-1	16 (c)	(Data points in SBM-1)	x				Non-material
E4-2	24 (b)	Sustainable land / agriculture practices or policies	x				Non-material
E4-2	24 (c)	Sustainable oceans / seas practices or policies	x				Non-material
E4-2	24	Policies to address deforestation	x				Non-material
E5-5	37 (d)	Non-recycled waste	x				Non-material
E5-5	39	Hazardous waste and radioactive waste	x				Non-material

Social information

Disclosure requirement	Data point	Description	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Reference
S-1 SBM-3	14 (f)	Risk of incidents of forced labour	x				ESRS S-1 SBM-3
S-1 SBM-3	14 (g)	Risk of incidents of child labour	x				ESRS S-1 SBM-3
S1-1	20	Human rights policy commitments	x				ESRS S1-1
S1-1	21	Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8			x		ESRS S1-1
S1-1	22	Processes and measures for preventing trafficking in human beings	x				ESRS S1-1
S1-1	23	Workplace accident prevention policy or management system	x				ESRS S1-1
S1-3	32(c)	Grievance/complaints handling mechanisms	x				ESRS S1-3
S1-14	88 (b) und (c)	Number of fatalities and number and rate of work-related accidents	x		x		ESRS S1-14
S1-14	88	Number of days lost to injuries, accidents, fatalities or illness	x				ESRS S1-14
S1-16	97 (a)	Unadjusted gender pay gap	x		x		ESRS S1-16
S1-16	97 (b)	Excessive CEO pay ratio	x				ESRS S1-16
S1-17	103 (a)	Incidents of discrimination	x				ESRS S1-17
S1-17	104 (a)	Non-respect of UNGPs on Business and Human Rights and OECD Guidelines	x		x		ESRS S1-17
S-2 SBM 3	11 (b)	Significant risk of child labour or forced labour in the value chain	x				Non-material
S2-1	17	Human rights policy commitments	x				Non-material
S2-1	18	Policies related to value chain workers	x				Non-material
S2-1	19	Non-respect of UNGPs on Business and Human Rights and OECD Guidelines	x		x		Non-material
S2-1	19	Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8			x		Non-material
S2-4	36	Human rights issues and incidents connected to its upstream and downstream value chain	x				Non-material
S3-1	16	Human rights policy commitments	x				Non-material
S3-1	17	Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD Guidelines	x		x		Non-material
S3-4	36	Human rights issues and incidents	x				Non-material
S4-1	16	Policies related to consumers and end-users	x				ESRS S4-1
S4-1	17	Non-respect of UNGPs on Business and Human Rights and OECD Guidelines	x		x		ESRS S4-1
S4-4	35	Human rights issues and incidents	x				ESRS S4-4

Governance information

Disclosure requirement	Data point	Description	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Reference
G1-1	10 (b)	United Nations Convention against Corruption	x				ESRS G1-1
G1-1	10 (d)	Protection of whistle-blowers	x				ESRS G1-1
G1-4	24 (a)	Fines for violation of anti-corruption and anti-bribery laws	x		x		ESRS G1-4
G1-4	24 (b)	Standards of anti-corruption and anti- bribery	x				ESRS G1-4

TCFD

Topic	Description	Reference
Governance	Board's oversight of climate-related risks and opportunities.	ESRS 2 GOV-1
	Management's role in assessing and managing climate-related risks and opportunities	ESRS 2 GOV-1
Strategy	Climate-related risks and opportunities the company has identified over the short, medium, and long term.	ESRS E1 SBM-3 ESRS E1-1
	Impact of climate-related risks and opportunities on the company's businesses, strategy, and financial planning.	ESRS E1 SBM-3 ESRS E1-1
	Resilience of the company's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	ESRS E1-9
Risk Management	Processes for identifying and assessing climate-related risks	ESRS E1 IRO-1
	Processes for managing climate-related risks.	ESRS E1-2
	Processes for identifying, assessing, and managing climate-related risks are integrated into the company's overall risk management.	ESRS E1-2
Metrics & Targets	Metrics used by the company to assess climate-related risks and opportunities in line with its strategy and risk management process.	ESRS 2 MDR-M
	Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	ESRS E1-6
	Targets used by the company to manage climate-related risks and opportunities and performance against targets.	ESRS 2 MDR-T ESRS E1-4

UN Global Compact

Topic	Principle	Description	Reference
Human Rights	1	Businesses should support and respect the protection of internationally proclaimed human rights.	ESRS 2 GOV-4 ESRS 2 MDR-P ESRS S1-17
	2	Businesses should make sure that they are not complicit in human rights abuses.	ESRS 2 GOV-4 ESRS 2 MDR-P ESRS S1-17
Labour	3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	ESRS S1-2
	4	Businesses should uphold the elimination of all forms of forced and compulsory labour.	ESRS G1 IRO-1
	5	Businesses should uphold the effective abolition of child labour.	ESRS G1 IRO-1
	6	Businesses should uphold the elimination of discrimination in respect of employment and occupation	ESRS S1-1 ESRS S1-3 ESRS S1-4
Environment	7	Businesses should support a precautionary approach to environmental challenges	ESRS 2 MDR-A ESRS E1
	8	Businesses should undertake initiatives to promote greater environmental responsibility.	ESRS 2 MDR-A ESRS E1-3
	9	Businesses should encourage the development and diffusion of environmentally friendly technologies.	ESRS E1
Anti-Corruption	10	Businesses should work against corruption in all its forms, including extortion and bribery.	ESRS G1 IRO-1 ESRS G1-1 ESRS G1-3

Responsible Banking Progress Statement for PRB signatories

This section contains the Principles for Responsible Banking (PRB) Summary Table for VP Bank AG for the fiscal year 2024. In order to keep this statement concise, not all necessary information is included in this short summary. Interested readers are referred to the relevant chapters of this Sustainability Report, as referenced in the tables below.

	Principle 1: Alignment	**Principle 2: Impact & Target Setting**	**Principle 3: Clients & Customers**
Content	VP Bank's business model and strategy encompass several core areas. First and foremost, VP Bank is a partner for financial intermediaries as well as wealthy private clients on an international level. In its home market of Liechtenstein, VP Bank also offers comprehensive retail and commercial banking services. VP Bank is divided into the Liechtenstein & BVI, International (Europe & Asia) and Asset Servicing segments. VP Bank Asset Servicing encompasses the fund administration and custodian bank activities within VP Bank Group. VP Bank works continuously on economically viable sustainability measures and their targeted anchoring in the various business areas. VP Bank can contribute to the achievement of global sustainability goals primarily through its range of products and services. It is convinced that this will create long-term added value for its stakeholders. VP Bank recognises environmental, social and corporate governance factors as relevant to long-term financial success and ensures that the management of the core business units takes responsibility for sustainability measures. As part of responsible business practice, minimum protective measures are applied to minimise the negative impact of our business activities. ☒ UN Guiding Principles on Business and Human Rights ☒ International Labour Organization fundamental conventions (ILO) ☒ UN Global Compact (UNGC) ☒ Task Force on Climate-related Financial Disclosures (TCFD) ☒ Net-Zero Banking Alliance (NZBA) ☒ Principles for Responsible Investment (PRI)	In the 2023/24 period, VP Bank conducted a double materiality analysis based on the EFRAG IG 1 implementation guidelines. VP Bank began the DMA process with an in-depth review of the business model, the operational structure and the value chain. The upstream suppliers, operational activities and downstream activities in relation to clients as well as the lending and investment business were systematically analysed. Based on this, actual and potential impacts, risks and opportunities were identified and assessed. As a result of the double materiality analysis, sustainability topics were identified as material for VP Bank in the following topic-related ESRS standards: - Climate change (E1) - Own workforce (S1) - Consumers and end users (S4) - Corporate governance (G1)	VP Bank's clients, i.e. consumers and end users, are at the centre of our activities. The trust of our clients is of central importance. VP Bank earns this trust through active dialogue, responsible handling of client funds and transparent communication and pricing. The structured investment process, which is based on the goal-based advisory model, as well as the assurance of affordability in the lending business are key elements in this regard. The impacts, risks and opportunities identified in relation to our clients result primarily from our collaboration with private clients and relate to aspects of information quality and transparency, affordability in lending and mis-selling of financial products.
Links & references	ESRS 2 SBM-1 ESRS 2 SBM-2 ESRS G1 IRO-1	ESRS 2 SBM-3 ESRS 2 IRO-1 ESRS 2 MDR-M ESRS 2 MDR-T ESRS E1-1 ESRS E1 SBM-3	ESRS S4 SBM-2 ESRS S4 SBM-3 ESRS S4-1

	Principle 4: Stakeholders	**Principle 5: Governance & Culture**	**Principle 6: Transparency & Accountability**
Content	For VP Bank, stakeholders include all organisations and persons that place financial, legal, operational or professional demands on the undertaking. Stakeholder dialogue plays a central role in the implementation and review of the bank's sustainability efforts (see Table 1). VP Bank engages in dialogue with internal and external stakeholder groups. Detailed information on stakeholder engagement in the double materiality analysis process and how this process has been shaped by VP Bank's stakeholders can be found in chapter IRO-1. The sustainability-related measures and targets defined with reference to strategic objectives are identified based on the results of the materiality analysis. This means that stakeholders' opinions and expectations are incorporated into strategic adjustments.	VP Bank attaches great importance to a culture that fosters cross-team and cross-location collaboration and to actively living its corporate values: 'we achieve', 'we explore', 'we care'. VP Bank strives to promote a culture of responsible action by means of group-wide training and awareness-raising measures. The Board of Directors defines the sustainability strategy and coordinates it with the corporate strategy, including sustainability targets. The Board of Directors bears overall responsibility for risk management, including ESG risks and climate-related financial risks. A progress report in the form of the ESG scorecard is submitted to the Board of Directors as part of the Quarterly Risk Report. This contains the metrics and targets as well as the current status of the risks, opportunities and impacts (IRO) identified as part of the DMA. No specific sustainability aspects are taken into account regarding compensation for the Members of the Board of Directors.	PwC Switzerland, as independent external auditor, has performed a limited assurance engagement on the consolidated sustainability reporting of VP Bank AG (the Group), which is included in the section 'Sustainability Statement' in the Annual Report 2024, for the year ended 31 December 2024.
Links & references	ESRS 2 SBM-2 ESRS 2 IRO-1 Corporate Governance and Compensation Report / Corporate Governance	ESRS 2 GOV-1 ESRS 2 GOV-2 ESRS 2 GOV-3 ESRS S1-4 Fiscal Year 2024 / Employees	Auditor's report

Auditor's report

Auditor's limited assurance report

on the consolidated Sustainability Statement 2024 to the Shareholders of VP Bank AG, Vaduz

Limited assurance conclusion

We have conducted a limited assurance engagement on the consolidated sustainability statement of VP Bank AG (the Group) included in the section "Sustainability Statement" (pages 224 to 323) in the Annual Report 2024 (the consolidated Sustainability Statement), for the year ended 31 December 2024.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the consolidated Sustainability Statement is not prepared, in all material respects, in accordance with articles 1096b to 1096i and article 1121 para. 3a et seq. Persons and Companies Act (PGR) implementing article 29(a) of EU Directive 2013/34/EU, (the Criteria) including:

- compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by Management to identify the information reported in the consolidated Sustainability Statement (the Process) is in accordance with the description set out in the subsection "Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)"; and
- compliance of the disclosures in subsection EU Taxonomy in the Environmental section of the consolidated Sustainability Statement with article 8 of EU Regulation 2020/852 (the EU Taxonomy Regulation).

Basis for conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), "*Assurance engagements other than audits or reviews of historical financial information*" (ISAE 3000 (Revised)), issued by the International Auditing and Assurance Standards Board and the additional requirements applicable in the Principality of Liechtenstein.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the Auditor's responsibilities section of our report.

Our independence and quality management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour and relevant independence and ethical requirements as transposed in the Principality of Liechtenstein by Liechtenstein Association of Certified Public Accountants.

PricewaterhouseCoopers AG applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Board of Director's responsibilities for the consolidated Sustainability Statement

The Board of Directors is responsible for designing and implementing a process to identify the information reported in the consolidated Sustainability Statement in accordance with the ESRS and for disclosing this Process as included in the subsection "Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)" of the consolidated Sustainability Statement. This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;

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- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

The Board of Directors is further responsible for the preparation of the consolidated Sustainability Statement in accordance with article 1096b to 1096i and article 1121 para. 3a et seq. PGR, implementing article 29(a) of EU Directive 2013/34/EU, including:

- Compliance with the ESRS;
- Preparing the disclosures as included in subsection EU Taxonomy in the Environmental section of the consolidated Sustainability Statement, in compliance with article 8 of the Taxonomy Regulation;
- Designing, implementing and maintaining such internal control and risk management system that the Board of Directors determines is necessary to enable the preparation of the consolidated Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- The selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

Inherent limitations in preparing the consolidated Sustainability Statement

In reporting forward-looking information in accordance with the ESRS, the Board of Directors of the Group is required to prepare the forward-looking information based on disclosed assumptions about events that may occur in the future and possible future actions by the Group. The actual outcome is likely to be different since anticipated events frequently do not occur as expected.

The accuracy and completeness of the data and information in the consolidated Sustainability Statement (including the GHG emissions) are subject to inherent limitations given their nature and methods for determining, calculating and estimating such data. In addition, the quantification of the data and information in the consolidated Sustainability Statement (including the GHG emissions) is subject to inherent uncertainty because of incomplete scientific knowledge used to determine factors related to the data and information and the values needed to combine e.g. emissions of different gases. Our assurance report will therefore have to be read in connection with the basis of preparation used by the Group, its definitions and procedures in the consolidated Sustainability Statement.

Auditor's responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the consolidated Sustainability Statement is free from material misstatement, whether due to fraud or error and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the consolidated Sustainability Statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities in respect of the Process include:

- Obtaining an understanding of the Process, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- Considering whether the information identified addresses the applicable disclosure requirements of the ESRS; and
- Designing and performing procedures to evaluate whether the Process is consistent with the Group's description of its Process, as disclosed in the subsection "Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)".

Our other responsibilities in respect of the consolidated Sustainability Statement include:

- Identifying where material misstatements are likely to arise, whether due to fraud or error; and
- Designing and performing procedures responsive to where material misstatements are likely to arise in the consolidated Sustainability Statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Our assurance procedures related only to the information for the financial year 2024, therefore we do not express any conclusions on other information.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the consolidated Sustainability Statement. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise in the consolidated Sustainability Statement, whether due to fraud or error.

In conducting our limited assurance engagement, with respect to the Process, we:

- Obtained an understanding of the Process by:
  - performing inquiries to understand the sources of the information used by Management (e.g., stakeholder engagement, business plans and strategy documents); and
  - reviewing the Group's internal documentation of its Process; and
- Evaluated whether the evidence obtained from our procedures with respect to the Process implemented by the Group was consistent with the description of the Process set out in the subsection "Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)".

In conducting our limited assurance engagement, with respect to the consolidated Sustainability Statement, we:

- Obtained an understanding of the Group's reporting processes relevant to the preparation of the consolidated sustainability reporting;
- Assessed whether the information obtained as part of the process is included in the consolidated sustainability reporting;
- Assessed whether the structure and presentation of the consolidated sustainability reporting is consistent with the ESRS;
- Conducted interviews with relevant employees on selected information in the consolidated sustainability reporting;
- Conducted reviews to verify selected information in the consolidated sustainability reporting;
- Compared the information in the consolidated sustainability reporting with the corresponding information in the annual report;
- Evaluated the methods, assumptions and data without developing one's own estimates and without reviewing the data underlying the estimates;
- Analysed of relevant internal and external documentation at group level for selected disclosures based on samples;
- Obtained an understanding of the group's process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the consolidated sustainability reporting; and
- Verified whether the disclosures made to meet the reporting requirements for each environmental objective under the EU Taxonomy Regulation are consistent with the group's underlying records and are consistent or coherent with

the sustainability reporting and comply with the reporting requirements of the EU Taxonomy Regulation, including the format in which the activities are presented.

PricewaterhouseCoopers AG

Roman Berlinger Patrick Wiech

Zurich, 11 March 2025

The maintenance and integrity of VP Bank AG's website and its content are the responsibility of the Board of Directors. The work carried out by us as the statutory auditor does not involve consideration of the maintenance and integrity of the VP Bank AG's website, accordingly, we accept no responsibility for any changes that may have occurred to the reported the consolidated Sustainability Statement or Criteria since they were initially presented on the website.

VP Bank Group

VP Bank Ltd is a bank domiciled in Liechtenstein and is subject to supervision by the Financial Market Authority (FMA) Liechtenstein, Landstrasse 109, 9490 Vaduz, Liechtenstein, www.fma-li.li

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Imprint

This annual report has been produced with the greatest possible care and all data have been closely examined. Rounding, typeset or printing errors, however, cannot be ruled out.

This annual report includes information and forecasts relating to the future development of VP Bank Group. Those forecasts represent estimates based on all information available at the time of publication. Any such forward-looking statement is subject to risks and uncertainties that could lead to significant variances in actual future results. No guarantee can be made as to the reliability of the prognoses, planned quantities or forward-looking statements contained herein.

This annual report has been produced in German and English, whereas the German version shall prevail in case of doubt.

In this annual report of VP Bank, references to persons are generally used in both the masculine and feminine forms. In favour of better readability, only the masculine form is used, particularly in tables. In all cases where this is not explicitly excluded, it applies to both genders.

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Agenda 2025	
Annual results	13 March 2025
Annual general meeting of shareholders	25 April 2025
Dividend payment	2 May 2025
Semi-annual results	26 August 2025

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