

This document (the "**Document**") does not constitute a prospectus within the meaning of Regulation (EU) No 2017/1129 of the European Parliament and of the Council of 14 June 2017 as amended (the "**Prospectus Regulation**"). Neither the Financial Market Authority, the *Finanzmarktaufsichtsbehörde*, nor any other "competent authority" (as defined in the Prospectus Regulation) has approved this Document or reviewed information contained in this Document.

This Document is a convenience translation of VOLKSBANK WIEN AG's prospectus for its Debt Issuance Programme and solely the approved German version of the VOLKSBANK WIEN AG's prospectus is legally binding and valid. The convenience translation of VOLKSBANK WIEN AG's prospectus may neither be used by any person in relation to an offer of securities to the public within the meaning of Article 2 (d) of the Prospectus Regulation nor in relation to a listing of securities on a regulated market within the meaning of Article 2 (a) and (j) of the Prospectus Regulation.

No securities will be offered, sold or delivered on the basis of this Document.

This Prospectus constitutes a base prospectus of VOLKSBANK WIEN AG within the meaning of Article 8 (6) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (as amended, the "Prospectus Regulation").

PROSPECTUS DATED 17 MAY 2024



VOLKSBANK WIEN AG

Debt Issuance Programme

Pursuant to the terms of the programme for the issue of notes (the "Programme") set out in this base prospectus (the "Prospectus" or the "Base Prospectus") and in accordance with applicable law VOLKSBANK WIEN AG (the "Issuer" or "VOLKSBANK WIEN") may issue senior, "preferred senior", "non-preferred senior", subordinated and covered bonds, to be issued in accordance with the Austrian Covered Bond Act, Federal Law Gazette I No. 199/2021 (*Pfandbriefgesetz – PfandBG*), subordinated and covered notes in percentage form (the "Notes"). The Notes are governed by Austrian law.

Each issue of Notes will be made using one of the form of terms and conditions described in the section entitled "Terms and Conditions" beginning on page 83 of the Prospectus, which are structured in four different options ("Options") which may contain further sub-options for Notes issued under this Programme (the "Form of Terms and Conditions"). The Form of Terms and Conditions will be supplemented for each Series of Notes by final terms (the "Final Terms") (together, the "Terms and Conditions"), in that the Final Terms will declare by reference one of the Options of the Form of Terms and Conditions to be applicable to the relevant issue and will select the information items optionally set out in the Form of Terms and Conditions and supplement the information items missing from the Form of Terms and Conditions. A form of the Final Terms can be found on the pages 174 et seq of the Prospectus. The relevant Final Terms, together with the relevant Form of Terms and Conditions, if any, constitute the relevant Terms and Conditions for a particular Series of Notes under which the rights and obligations of the Issuer and the Holders arise.

This Prospectus replaces the Prospectus dated 19 May 2023 (the "Prospectus 2023") as of the date of this Prospectus. Notes of the Issuer issued after the date of this Prospectus shall be subject to the provisions of this Prospectus. Issues issued under the Prospectus 2020 (the "Prospectus 2020"), the Prospectus 2021 (the "Prospectus 2021"), the Prospectus 2022 (the "Prospectus 2022") and the Prospectus 2023 (the "Prospectus 2023"), i.e. issues of VOLKSBANK WIEN with a commencement date of the offer period from 16 July 2020 up to and including 17 May 2024, whose Final Terms are published on the website of the Issuer (www.volksbankwien.at; currently at <http://kurse.volksbankwien.at/anleihen/volksbank-emissionen>) (the "Old Issues"), may be increased under this Prospectus in such a way that they form a uniform series with such Old Issues and are offered to the public under this Prospectus.

Notes of the Issuer issued as of the date of this Prospectus are subject to the provisions of this Prospectus. This Prospectus has been prepared in accordance with Annexes 6, 14, 15, 22, and 28 of Delegated Regulation (EU) 2019/980, as amended, and has been approved by the Austrian Financial Market Authority (the "FMA" - *Finanzmarktaufsichtsbehörde*) in its capacity as competent authority pursuant to Article 20 of the Prospectus Regulation in conjunction with the Capital Market Act 2019, as amended.

The correctness of the content of the information provided in this Prospectus is not the subject of the examination of the Prospectus by the FMA within the framework of the legal requirements in this respect. The FMA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Article 20 of the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer and the quality of the Notes that are the subject of this Prospectus and investors should make their own assessment as to the suitability of investing in the Notes. The assessment of the regulatory eligibility of the Notes as own funds under the relevant regulatory provisions is not part of the FMA's approval procedure.

The Issuer has applied for admission of the Programme to trading on the Official Market of the Vienna Stock Exchange and for inclusion of the Programme to trading in the Vienna MTF, which is a multilateral trading facility ("MTF") operated by the Vienna Stock Exchange. Application may be made for a Series of Notes to be admitted to trading on the Official Market of the Vienna Stock Exchange, which is a regulated market within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directives 2002/92/EC and 2011/61/EU (*Markets in Financial Instruments Directive II - "MiFID II"*) and for a Series of Notes to be admitted to trading in the Vienna MTF, which is a MTF. Unlisted Series of Notes may also be issued under this Prospectus. The relevant Final Terms applicable to a Series of Notes will specify whether or not such Series of Notes are listed. Each Series of Notes will be represented by a non-digital or digital global note in bearer form (the "Global Note") from the issue date. Each Global Note will be held by or on behalf of a Clearing System until all obligations of the Issuer under the Notes have been satisfied. "Clearing System" means (i) the central securities depository VOLKSBANK WIEN AG - "VOLKSBANK WIEN" with its business address at 1030 Vienna, Dietrichgasse 25, (ii) the central securities depository OeKB CSD GmbH ("CSD") with its business address at 1010 Vienna, Strauchgasse 1-3, (iii) Clearstream Banking AG, Germany, (iv) Clearstream Banking S.A., société anonyme, Luxembourg, and (v) Euroclear Bank SA/NV, Belgium, and each successor in function.

Prospective investors should bear in mind that an investment in the Notes involves risks and that the realisation of one or more risks, in particular any of those described in the section entitled "Risk Factors", may result in the loss of all or a substantial portion of the amount invested. A prospective investor should make its investment decision only after making its own thorough investigation (including its own economic, legal and tax analysis), as any assessment of the appropriateness of an investment in the Notes for the relevant investor will depend on the future development of its financial and other circumstances.

The Prospectus is valid for twelve months after its approval until 21 May 2025. The obligation to prepare a supplement to the Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply if the Prospectus has become invalid.

Arranger
Erste Group Bank AG

Dealer
Erste Group Bank AG

GENERAL INFORMATION

This Prospectus contains, together with the information incorporated by reference and the Final Terms, all information, which, according to the particular nature of the Issuer and its consolidated subsidiaries (together the "VOLKSBANK WIEN Group") and the Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses, and prospects of the Issuer and of the rights attached to the Notes.

Purpose of the Prospectus - No Offer of Securities. *This Prospectus has been solely drawn up for the purpose of facilitating a public offering of the Notes in Austria; any other use of this Prospectus is prohibited. This Prospectus solely serves as information for potential investors. Neither this Prospectus nor any other information supplied in connection with the Securities should be considered as a recommendation to purchase or subscribe for Securities or as a solicitation to make an offer for the sale of Securities. If investors have any doubt concerning the content or the meaning of any information contained in this Prospectus, they are required to contact their own advisers.*

Responsibility for this Prospectus. *The Issuer accepts the responsibility for the information contained in this Prospectus and hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.*

Exclusive relevance of this Prospectus. *No person has been authorised to give any information or to make any representation other than those contained in this Prospectus (including the relevant Final Terms) in connection with an issue or an offer of Notes. If given or made, such representation must not be relied upon as having been authorised by the Issuer, the Arranger or any Dealer (as each is defined below). Any information or undertakings given or made in connection with the offer, subscription for or sale of the Notes which exceeds the information contained in this Prospectus, are irrelevant.*

Limited Future Reliability and Supplements to the Prospectus. *Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that the information contained in this Prospectus in relation to the and/or the VOLKSBANK WIEN Group is accurate at each date after the date of this Prospectus or, where applicable, after the date of the latest supplement thereto. In particular neither the delivery of this Prospectus nor the sale or the delivery of the Notes shall be taken as implication that there have not been any adverse changes or negative events, which lead or could lead to a negative change in the assets, the financial position and/or in the income situation of the Issuer and/or VOLKSBANK WIEN Group since the date of this Prospectus, or, if earlier, since the date referred to in the information contained in this Prospectus. This applies notwithstanding the obligation of the Issuer pursuant to Art 23 Prospectus Regulation to prepare a supplement to this Prospectus and to submit it for approval within a maximum of five working days in the same manner as the Prospectus to the competent authority and to publish it in accordance with the same rules as applied to the publication of the original Prospectus pursuant to Art 21 Prospectus Regulation, if, during the period of validity of the prospectus, any significant new factor, material mistake or inaccuracy relating to the information included in the prospectus which is likely to affect the assessment of the debt securities and which arises or is discovered between the time when the prospectus is approved and the final closing of the offer to the public or, if later, the time when trading on a regulated market begins. The Prospectus therefore also includes any supplements.*

Restrictions on the Selling and Distribution. *The distribution of this Prospectus and the offer and sale of Notes may be subject to legal restrictions (see page 199 of this Prospectus for a description*

relating to the distribution of this Prospectus and offers and sales of Notes). Persons into whose possession this Prospectus comes have a duty to the Issuer, the Arranger and the Dealers to inform themselves about and to observe any such restrictions.

No Information Obligations of the Arranger and the Dealers. *The Arranger and the Dealers are under no obligation to monitor the financial condition, results of operations or other condition of the Issuer for the duration of the Programme, nor are they under any obligation to disclose or otherwise share with investors any information about the Issuer or the Securities that comes to their attention.*

Basis for Investors' Decisions. *Each decision to invest in the Notes of the Issuer shall solely be based on a due and careful review of this Prospectus (including the documents incorporated by reference and any published supplements) together with the relevant Final Terms considering that each summary or description of the legal provisions, corporate structures or contractual relationships contained in this Prospectus serve for information purposes only and shall not be deemed as a legal or tax advice concerning the interpretation or enforceability of its provisions or relationships.*

The Prospectus contains the information necessary for investors to form an informed opinion about the Issuer and the Notes, but is not a substitute for investors' own assessment, which is necessary in each individual case, of the Issuer and the merits and risks involved in investing in Notes of the Issuer and/or, in the event of doubt as to the content or significance of the information contained in this Prospectus, advice from appropriate advisers to investors.

Tax legislation. *The attention of potential Holders is drawn to the fact that the tax legislation of the Holders Member State and of the State of incorporation of the Issuer may affect the income from the Notes. Prospective Holders should consult their tax advisers regarding the tax consequences of holding and disposing of the Notes.*

INFORMATION INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with the following parts of the documents referred to below which have already been published or will be published simultaneously with this Prospectus and filed with the FMA and which are incorporated by reference (pursuant to Art 19 Prospectus Regulation) into this Prospectus and form an integral part thereof:

Document / Heading	Page reference
The audited consolidated financial statements of the Issuer for the fiscal year ended 31 December 2023 (the "Consolidated Financial Statements 2023") included in the Issuer's Annual Report 2023	
Consolidated Statement of Comprehensive Income	30
Consolidated Balance Sheet as of 31 December 2023	31
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The audited consolidated financial statements of the Issuer for the fiscal year ended 31 December 2022 (the "Consolidated Financial Statements 2022") included in the Issuer's Annual Report 2022	
Consolidated Statement of Comprehensive Income	30
Consolidated Balance Sheet as of 31 December 2022	31
Consolidated Statement of Changes in Equity	32
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The audited annual report of the Association of Volksbanks for the year ended 31 December 2023 (the "Association Report 2023") included in the Association Report	
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Verbund Balance Sheet as of 31 December 2023	19
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The audited annual report of the Association of Volksbanks for the year ended 31 December 2022 (the "Association Report 2022") included in the Association Report

Combined Statement of Comprehensive Income	18
Verbund Balance Sheet as of 31 December 2020	19
Development of the Association's Equity and Business Shares	20
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Any information not included in the above list is not incorporated by reference into this Prospectus and does not form part of this Prospectus because it is either not relevant to investors or is already included elsewhere in this Prospectus.

The documents listed above, which incorporate by reference information contained in this Prospectus, are currently available on the Issuer's website at the following links:

Annual Report 2023

https://www.volksbankwien.at/m101/volksbank/zib/downloads/geschaeftsberichte/2023/240326_vbw_gb_2023_d_online_gesperrt.pdf

Annual Report 2022

https://www.volksbankwien.at/m101/volksbank/zib/downloads/geschaeftsberichte/2022/vbw_gb_2022_d_online_gesperrt.pdf

Association Report 2023

https://www.volksbankwien.at/m101/volksbank/zib/downloads/geschaeftsberichte/2023/240325_verbundbericht_2023_d_online_gesperrt.pdf

Association Report 2022

https://www.volksbankwien.at/m101/volksbank/zib/downloads/geschaeftsberichte/2022/verbundbericht_2022_d_online_gesperrt.pdf

SOURCES OF INFORMATION

Unless otherwise stated, statistical and other data provided in this Prospectus has been extracted from the audited consolidated financial statements of the Issuer as at 31 December 2023 and 31 December 2022 and the association reports of the Association of Volksbanks as at 31 December 2023 and 31 December 2022.

Information on the rating of the Issuer and the Association of Volksbanks (as defined below) have been derived from the websites of Moody's Deutschland GmbH (www.moody.com), Fitch Ratings Ltd. (www.fitchratings.com) and Sustainalytics (www.sustainalytics.com). The Prospectus furthermore contains data of the Basel Committee on Banking Supervision (the "**BCBS**") (www.bis.org), data of the European Commission (www.ec.europa.eu) and data of the legal information centre (*Rechtsinformationssystem*) of the Republic of Austria (www.ris.bka.gv.at).

The Issuer confirms that such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information published by the sources of such information, no facts have been omitted which would render the reproduced information inaccurate or misleading.

FORWARD-LOOKING STATEMENTS

This Prospectus contains statements that are, or may be deemed to be, forward-looking statements. Such forward-looking statements (the "**Forward-Looking Statements**") include all statements that are not historical facts and statements about the Issuer's intentions, beliefs or current expectations regarding, among other things, the results of its operations, financial condition, liquidity, outlook, growth, strategies and dividend policy and the industry and markets in which the Issuer operates.

In some cases, Forward-Looking Statements can be identified by the use of forward-looking terminology such as "believe", "estimate", "anticipate", "expect", "intend", "aim", "may", "will", "plan", "continue" or "should" or, in each case, their negative formulations or variations or comparable terminology or by discussion of strategies, plans, objectives, future events or intentions. The Forward-Looking Statements contained in this Prospectus include certain targets. They may also include objectives that the Issuer intends to achieve. Forward-looking Statements are not assurances of future performance or achievement of objectives. Potential investors should therefore not place any reliance on these Forward-Looking Statements.

By their nature, Forward-Looking Statements involve known and unknown risks and uncertainties because they relate to events and circumstances that may or may not occur in the future. Some of these factors, if in the opinion of the Issuer material, are described in more detail in the section entitled "Risk Factors". Should one or more of the risks described in this Prospectus materialise, or should any of the underlying assumptions prove incorrect, actual returns or other developments may differ materially or entirely from those described in this Prospectus as expected, believed or estimated.

The Prospectus has been prepared on the basis of the law and practice in force at the time of approval. These may change at any time, also to the detriment of the investors.

CONSENT TO THE USE OF THE PROSPECTUS

The Issuer grants its express consent to all credit institutions as financial intermediaries which are authorised in an EEA Member State within the meaning of Directive 2013/36/EU, which have their registered office in the relevant Member State and which are authorised to issue or distribute the Notes (the "**Financial Intermediaries**"), to use this Prospectus, including all documents incorporated by reference and any supplements, for the distribution of Notes issued under this Prospectus in Austria. The Issuer declares that it accepts responsibility for the contents of the Prospectus also with regard to any subsequent resale or final placement of the Notes by Financial Intermediaries. The Issuer accepts no responsibility for any acts or omissions of the Financial Intermediaries. Financial Intermediaries may only use the Prospectus in accordance with the following provisions and on condition that they indicate on their website that they are using the Prospectus with the consent of the Issuer. The offer period during which the subsequent resale or final placement of the Notes by Financial Intermediaries may take place will be specified in the Final Terms.

The consent expressly does not release the Financial Intermediary from compliance with the selling restrictions applicable to the respective offer, from compliance with any regulations on the target market and distribution channels set out in the Final Terms under "MiFID II Product Governance" and "MiFIR Product Governance" all applicable regulations. The Financial Intermediary is not thereby released from compliance with the statutory provisions applicable to it.

The Issuer draws attention to the requirement to inform investors of the terms and conditions of any offer of the Notes at the time of the offer and to indicate on the website of the Financial

Intermediary that it is using the Prospectus with the consent of the Issuer and in accordance with the conditions to which such consent is subject.

The consent is given for the duration of the validity of the Prospectus. The Issuer reserves the right to revoke the declaration contained herein at any time and without notice with effect for the future without stating reasons.

TRANSLATION

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1. RISK FACTORS

1.1 RISKS RELATING TO THE ISSUER AND THE ASSOCIATION OF VOLKSBANKS

Potential holders of Notes (the "**Holders**") should carefully consider the risk factors described below and other information contained in this Prospectus before deciding whether to invest in any Notes. Potential Holders should note that the risks described below do not include all risks affecting the Issuer. The Issuer describes in this section only those risks currently apparent to it in connection with its business, results of operations and financial condition and prospects and which it considers to be specific to the Issuer and/or the Notes and which, in the opinion of the Issuer, are material to an informed investment decision. Additional risks not currently apparent to the Issuer or not considered by it to be material and/or specific may well exist and any such risk may have the effects described below.

Prospective Holders should also read the detailed information elsewhere in this Prospectus and consult their own advisers (including financial, tax and legal advisers) and make up their own minds before making any decision to invest in Notes.

Any of the risk factors discussed in this section 1.1 may have a material adverse effect on the Issuer's business, results of operations and financial condition or prospects, which in turn may have a material adverse effect on payments of principal and interest (if any) to Holders under the Notes. In addition, any of the risk factors described below may adversely affect the market value of the Notes or the rights of investors under the Notes, which may cause investors to suffer a partial or total loss of their investment.

The Issuer believes that the following factors may affect its ability to meet its obligations under the Notes. Most of these factors are uncertainties that may or may not occur. The Issuer sets out below its view of the likelihood of the occurrence of such uncertainties as at the date of this Prospectus.

The Issuer believes that the factors described below represent the principal risks associated with the Notes, however, other causes not apparent to or deemed material by the Issuer based on currently available information may also adversely affect the Issuer's ability to service payment obligations of interest (if any) and principal under or in connection with the Notes.

Recent developments in Russia and Ukraine may have further effects on the classification and ranking of the following risk factors according to their materiality and probability of occurrence, which, however, are currently not discernible for the Issuer on the basis of the information currently available and do not allow any precise statements to be made in this regard.

The following risk factors are categorised according to their nature (for each category, the most material risks according to the Issuer's assessment, taking into account the negative impact on the Issuer and the likelihood of their occurrence, are listed first):

1.1.1 Risk factors relating to the Issuer's business activities

Economic and/or political developments and/or an economic downswing in Austria may have materially negative effects on the business activities of the Issuer.

The Issuer's business activities are concentrated in the Republic of Austria and to a very small extent (approximately 4 per cent. of customer exposure and approximately 10% of total exposure) also include business in neighbouring countries (in particular Germany or EU countries). As a result, the Issuer's business activities are highly exposed to economic and other factors that influence the Austrian banking market, the creditworthiness of the Issuer's Austrian customers and other factors that affect the Austrian economy in general and the Association of Volksbanks in particular.

The aforementioned factors include, but are not limited to, an economic downturn triggered, for example, by a global financial market and economic crisis. Similarly, a sharp rise (inflation) in production costs (wages/energy/commodities), for example, can trigger an economic downturn. A sustained strong economic downturn (recession) in Austria would therefore inevitably have an impact on the earnings and asset situation of the Issuer and other members of the Association of Volksbanks in the form of higher loan defaults and would also reduce the deposit and securities custody business by new or existing customers.

But also, falling real estate prices or general turmoil on the property markets could lead to higher loan defaults for the Issuer, as it has granted a high proportion of its loans for the financing of private and commercial property projects. At the same time, a recession triggered by a European sovereign debt crisis, deflation, hyperinflation, unemployment, threat of terrorism or financial crises can also be cited here as factors that influence the Austrian economy.

Despite the concentration of the Issuer's business activities on the Austrian market, current developments triggered by Russia's aggression war against Ukraine since February 2022 may lead to an increased geopolitical and economic risk. In this context, the associated sanctions against Russia may have an impact on the results of operations and financial condition of the Issuer and other members of the Association of Volksbanks. Rising prices for raw materials and energy and other consumer goods and services, but also the inflation rate possibly remaining at a high level, as can currently be observed due to the acts of war in Ukraine and its effects, may lead to a deterioration in the financial situation of the Issuer's customers and consequently to a deterioration in the creditworthiness of the Issuer's customers as well as to no fulfilment of obligations towards the Issuer and thus have a material negative impact on the Issuer's risk costs.

There is a risk of impairments of collateral and/or commercial and real estate loans, which could reduce the collateralisation ratio.

Due to changing conditions in the money and capital markets and/or in the yield expectations of investors, changes and material impairments of the collateral and/or the Issuer's loan portfolio may occur. A decline in the market prices of the collateral would lead to a reduction in the collateralisation ratio of the Issuer's existing loan portfolio and to reduced opportunities to realise the collateral in the event of default by the Issuer's borrowers. With a total exposure of around EUR 33.7 billion as at 31 December 2023, the customer exposure in the Association of Volksbanks amounts to around EUR 26.8 billion, of which around 78% is collateralised. At VOLKSBANK WIEN AG, the customer exposure as at 31 December 2023 amounts to around

EUR 6.8 billion, of which around 83% is collateralised. The total exposure of VOLKSBANK WIEN AG amounts to around EUR 13.3 billion.

Interest rate volatility may negatively affect the operating result of the Issuer (interest rate risk).

Net interest income represents approximately 50% of the Issuer's operating income (source: own calculations, as per Consolidated Financial Statements 2023). Interest rate fluctuations may have a negative impact on the Issuer's interest margin and thus reduce its interest income, especially if the changes occur unusually quickly. Changes in market interest rates may mean that they cannot be recognised in full, only in part or with a delay in the customer conditions. This circumstance may reduce the Issuer's income.

Affected by interest rate volatility is the margin between the interest rate that the Issuer must pay on deposits and issues of debt instruments and the interest rate that the Issuer receives on loans granted and other receivables. A decrease in the interest rates on loans which the Issuer charges to its customers reduces the net interest margin, unless the interest rates on deposits and other debt cannot be lowered accordingly. Falling interest rates up to potential negative interest rates represent the greatest interest rate risk for the Issuer, especially since negative interest rates may not be passed on to the majority of customer deposits in Austria.

An increase in the interest rates charged by the Issuer to its customers may also have a negative impact on its net interest income. On the one hand, this could result in fewer funds being borrowed by its customers and/or, for reasons of competition and in order to maintain liquidity, the Issuer may be forced to increase interest rates on deposits without raising interest rates on loans granted accordingly. On the other hand, the higher interest rates could result in valuation losses for assets, which would be reflected either in hidden charges or in the result.

Due to the change of Interbank Offered Rates (IBOR) in the course of the implementation of the Regulation (EU) 2016/1011 as amended ("**Benchmarks Regulation**"), successor indicators may deviate from the EURIBOR rates. Therefore, the Issuer may experience changes or even lower income in the interest result.

There is a risk that the Issuer's refinancing possibilities may deteriorate and only be available at higher costs (refinancing risk/funding cost risk).

Refinancing risk or funding cost risk describes the risk of an unexpected increase in refinancing costs. Refinancing costs may increase, for example, due to a negative change in the Issuer's own credit rating or due to an intensified competitive environment for customer deposits for the Issuer as well as due to external factors.

The Issuer's refinancing options depend in part on the national and international capital markets. The Issuer's ability to find refinancing opportunities in the future at reasonable economic conditions depends on the economic development and situation of the Issuer and the Association of Volksbank and, in addition, on market-related factors, such as the interest rate level, the availability of liquid funds or the situation of other institutions in the financial sector, over which the Issuer has no influence. The Issuer may not be able to obtain refinancing on reasonable terms on the capital market in the future. If the Issuer is unable to find acceptable refinancing opportunities on the capital market, this could reduce the Issuer's ability to obtain liquidity and consequently limit its ability to make payments on the Notes.

The Issuer may have insufficient access to liquidity to fulfil its payment obligations or such liquidity may only be obtained by the Issuer under unfavourable conditions (liquidity risk/insolvency risk).

The Issuer is exposed to a liquidity risk, i.e. the risk of not having sufficient liquid funds available to fulfil payment obligations (insolvency risk).

In the case of insolvency risk, the Issuer may not be able to meet its payment obligations in full when they fall due. The Issuer is exposed to insolvency risk if liabilities falling due cannot be refinanced (rollover risk), depositors or investors unexpectedly withdraw their money prematurely (call risk), agreed cash inflows are not received or are received late (forward risk) and any additional liquid assets lose value (market liquidity risk).

The liquidity situation of the Issuer may also be negatively affected by the liquidity situation of other members of the Association of Volksbanks. VOLKSBANK WIEN is responsible for liquidity management throughout the Association and acts as a lender of last resort for the credit institutions assigned to it. The assigned credit institutions cover their refinancing requirements via VOLKSBANK WIEN and invest their surplus liquidity. The liquidity situation of the Issuer is therefore significantly influenced by the liquidity situation of the entire Association of Volksbanks.

Due to its business model as a retail bank, the Issuer's risk of insolvency mainly consists of a bank run (call risk). This occurs when customers withdraw large volumes of deposits within a short period of time due to a loss of confidence and, at the same time, alternative refinancing sources are not (or no longer) available to the Issuer.

The Issuer's hedging strategies may prove to be ineffective.

The Issuer uses a range of instruments and strategies to hedge against risks. Due to unforeseeable market developments, such as the current developments in Russia and Ukraine or the change of reference values (e.g. due to the Benchmarks Regulation), different reference (interest) rates may be applied in the underlying or customer business on the one hand and the related hedge business on the other hand. The resulting basis risk between the two reference (interest) rates may have a negative impact on the result. Such, or other market developments, may have a material impact on the effectiveness of the hedging measures (hedge efficiency) and thus increase the volatility of the Issuer's business results.

1.1.2 Risk factors relating to legal and regulatory risks of the Issuer

There is a risk that the Issuer's obligations under the Association of Volksbanks may have an adverse effect on the Issuer's net assets, financial position and results of operations due to the obligation to make financial contributions (association risk).

VOLKSBANK WIEN as the central organisation, the legally independent Volksbanks and a special credit institution form an association of credit institutions based on an association agreement (the "**Association Agreement**") on the basis of the approval granted by the European Central Bank (the "**ECB**") (as the competent authority) pursuant to § 30a BWG. The Association of Volksbanks is based, among other things, on (usually unlimited) mutual assumption of liability (e.g. in liquidity emergencies or in the event of a threatening deterioration in the financial position of a member of the Association of Volksbanks) by the central organisation and the associated credit institutions ("**Liquidity and Joint Liability Scheme**").

The issuer is obliged to make contributions to a trust fund for the Association of Volksbanks so that (e.g. in the event of a liquidity crisis of a member of the Association of Volksbanks) appropriate (intervention) measures can be taken in accordance with the provisions of the Association Agreement.

In this context, economic difficulties of one or more members of the Association of Volksbanks may have a negative impact on the other members - and thus also on the Issuer - due to the financial contribution obligation. This means that the Issuer must support other members with capital and/or liquidity that would no longer be available to it to carry out its own business activities.

Regulatory changes may lead to higher risk weights, especially in the new standardised approach for credit risk, and may thus have an adverse effect on the capital ratios of the Association of Volksbanks.

Expected regulatory changes include the new revision of Regulation (EU) No. 575/2013 as amended (*Capital Requirements Regulation - "CRR"*), which is expected to implement a new standardised approach for credit risk. Currently available information on the planned standardised approach for credit risk indicates that the risk weights for certain types of real estate financing will increase. In particular, for those financings of the issuer that are repaid from the cash flows of the financed properties, this may lead to an increase in the risk weights and subsequently to an adverse effect on the own funds ratios of the Association of Volksbanks.

The Issuer and the Association of Volksbanks are subject to a number of strict and extensive regulatory rules and requirements.

VOLKSBANK WIEN, the legally independent Volksbanks and a special credit institution form the Association of Volksbanks pursuant to § 30a BWG on the basis of the Association Agreement. § 30a BWG refers, *inter alia*, to the criteria in Article 10(1) CRR.

As Austrian credit institution and association of Austrian credit institutions, the Issuer and the Association of Volksbanks must comply with a number of regulatory rules and requirements at all times which continuously change and become more extensive and stricter.

- **EU Banking Reform Package**

On 27 October 2021, the European Commission adopted a package of revisions to the CRR and the Directive 2013/36/EU as amended (*Capital Requirements Directive – "CRD"*). On 14 December 2023, the European Parliament and the Council agreed on the final elements of the package. It was confirmed that the new CRR rules will apply from 1 January 2025 and that the new provisions contained in the CRD must be transposed into national law by the member states before they apply. However, the new regulations must still be adopted by the European Parliament and the Council and the legal texts must be published in the Official Journal of the EU.

These new rules aim to ensure that EU banks are better prepared for possible economic shocks, while contributing to Europe's recovery from the coronavirus (COVID-19) pandemic and the transition to climate neutrality. This package comprises the following legislative elements:

- implementing Basel III (for details, see the amended BCBS Standards below);

- sustainability (ESG); and
- stronger enforcement tools.

- **Revised BCBS Standards**

On 7 December 2017 and on 14 January 2019, the Basel Committee on Banking Supervision ("**BCBS**") published amended standards for its international regulatory framework for credit institutions developed by the BCBS. Within the EU, the revised standards must be transposed into EU law for being applicable. These Basel III reforms include, *inter alia*, the following key measures which are a specific and material risk to the Issuer if transposed into EU law:

- revision of the standardized approach and the internal ratings-based approach for the calculation of credit risks;
- revision to the credit valuation adjustment (CVA) framework;
- revision of the standardized approach for operational risk;
- revision to the measurement of the leverage ratio; and
- the finalized revised market risk framework.

The revised BCBS standards came into force on 1 January 2023 (due to a postponement caused by COVID-19) and will be introduced gradually over a period of five years. On 7 December 2017, the BCBS also published a discussion paper on the regulatory treatment of sovereign exposures, which would lead to higher risk weights for certain sovereign exposures for the Issuer. In addition, on 31 March 2021, the BCBS published documents relating to the principles for operational risk and operational resilience.

Compliance with these regulatory rules and requirements, in particular including the ongoing monitoring and implementation of new or amended rules and regulations cause significant costs and additional effort for the Issuer and any (factual or even only alleged) breach of such rules and requirements may result in major regulatory measures and bear a main legal and reputational risk. Furthermore, stricter regulatory rules and requirements result in additional capital demand for the Issuer and/or result in constraints and limitations on risk related business and other business of the Issuer; the latter may negatively affect the income and revenues of the Issuer.

In addition, further regulatory changes and innovations (e.g. the *Kreditinstitute-Immobilienfinanzierungsmaßnahmen-Verordnung* (KIM-VO), *Verordnung zur Begrenzung der systemischen Risiken bei Fremdkapitalfinanzierungen von Wohnimmobilien*) and the requirements relating to sustainability risks (in particular climate and environmental risks) may have cost- and expense-increasing effects and a negative impact on the Issuer's income and revenues.

The Issuer must comply with its applicable regulatory capital requirements at any time.

The Issuer and the Association of Volksbanks must comply with certain regulatory capital requirements (on an individual and/or consolidated basis) at any time:

- The Issuer and the Association of Volksbanks is required to satisfy the applicable minimum capital requirements pursuant to Article 92 CRR (so-called "Pillar 1

requirements") at all times. This includes a Common Equity Tier 1 ("CET 1") capital ratio of 4.5%, a Tier 1 capital ratio of 6% and a total capital ratio of 8%.

- In addition, the Association of Volksbanks is required to satisfy at all times the capital requirements that are imposed by the ECB following the SREP (so-called "Pillar 2 requirements") ("SREP add-on"), which consists of a minimum own funds requirement and an additional own funds requirement. As of the date of this Prospectus, the SREP add-on for the Association of Volksbanks is 2.25%. In addition, the Association of Volksbanks is required to satisfy the so-called "Pillar 2 guidance".
- Furthermore, the Issuer and the Association of Volksbanks must satisfy at all times the combined buffer requirement within the meaning of § 22a BWG in the form of Common Equity Tier 1 (CET 1) instruments. For the Association of Volksbanks, the combined buffer requirement consists of the sum of the capital buffer requirement for compliance with (i) the capital conservation buffer of 2.5%, (ii) the countercyclical capital buffer for relevant credit exposures in Austria of 0.0%¹, (iii) the systemic risk buffer of 0.5%, (iv) the capital buffer requirement for other systemically important institutions (O-SII) of 0.90% based on the total risk exposure calculated pursuant to Article 92(3) CRR. For VOLKSBANK WIEN AG, the capital conservation buffer of 2.5% and the countercyclical capital buffer for relevant credit exposures in Austria of 0% apply.
- In addition, the Issuer shall meet MREL in accordance with BaSAG/the Regulation (EU) No 806/2014 as amended ("SRMR", Single Resolution Mechanism Regulation) upon request of the resolution authority. This MREL target shall be determined by the resolution authority and shall be calculated as the amount of own funds and eligible liabilities (a) of the total risk exposure amount (TREA) calculated in accordance with Article 92(3) CRR; and (b) of the leverage ratio exposure calculated in accordance with Articles 429 and 429a CRR.

In addition, there are further statutory and regulatory requirements, in particular regarding capital adequacy and liquidity, with which the Issuer and/or the Association of Volksbanks must comply. Failure by the Issuer and/or the Association of Volksbanks to comply with applicable regulatory requirements (in particular capital adequacy and liquidity requirements) may result in increased regulatory measures (including the dissolution of the Association of Volksbanks) and (unplanned) additional (quantitative or qualitative) capital requirements for the Issuer and the Association of Volksbanks and/or restrictions and limitations on the Issuer's and the Association of Volksbanks' risk-related business and other business; the latter would have a negative impact on the Issuer's and the Association of Volksbanks' earnings and revenues.

The Issuer is obliged to pay contributions to the Single Resolution Fund and the Deposit Protection Fund.

The Single Resolution Fund ("SRF") was established by the SRMR and is composed of contributions from credit institutions (including the Issuer) and certain investment firms in the participating member states of the banking union. The SRF was gradually built up over an initial period of eight years (2016 - 2023) and has reached the target level of 1% of the covered deposits of all credit institutions (including the Issuer) of the banking union as of 31 December

¹ Institution-specific countercyclical capital buffer (for material credit risk positions not located in Austria) of < 0.1%.

2023. On 15 February 2024, the SRB announced that no contributions are to be made for 2024.

An annual review of the target level will be conducted in the future to confirm that the financial resources available to the SRF amount to at least 1% of the amount of covered deposits of all credit institutions authorised in the participating Member States. Should the outcome of such a review so dictate, the SRB will resume the regular collection of contributions to the SRF. The banks will be informed accordingly.

If necessary, the Issuer may also be obliged to make certain (*ex post*) contributions to the SRF.

The Issuer is a member of Einlagensicherung AUSTRIA Ges.m.b.H. ("**ESA**"), the legally binding (Austrian) protection scheme within the meaning of the Austrian Deposit Guarantee Schemes and Investor Compensation Act ("**ESAEG**"). The ESAEG provides for a target level of the ESA's *ex ante* financed deposit protection fund of 0.8% of the covered deposits, which must be fully built up by contributions from its members (including the Issuer) by 3 July 2024. If necessary (in the event of a crisis of a member institution), the Issuer may also be obliged to make certain (*ex post*) contributions to the deposit protection fund.

The obligation of the Issuer to make such contributions may lead to additional financial burdens for the Issuer and have a negative impact on its financial position and results of operations.

There is a risk for the Issuer and/or the Association of Volksbanks that the fulfilment of the minimum amount of eligible liabilities could lead to a significant additional financial burden.

The Association of Volksbanks is currently required to meet the minimum amount of eligible liabilities at the consolidated level under the Single Resolution Mechanism ("**SRM**"). These minimum requirements are to be set by the resolution authority and are calculated as a percentage of the amount of own funds and eligible liabilities (a) in the total risk exposure amount (TREA) calculated in accordance with Article 92(3) CRR; and (b) in the leverage ratio exposure calculated in accordance with Articles 429 and 429a CRR. The Single Resolution Board ("SRB"), implemented by decision of the FMA dated 3 May 2023, required the Volksbank Group to meet own funds and eligible liabilities (MREL) on a consolidated basis in the amount of 23.37% of its total risk exposure amount (TREA, plus 3.95% combined buffer requirement) and 5.91% of its total risk exposure measure (leverage ratio exposure - LRE) as of 31 December 2024 and to comply with it at all times thereafter.

The minimum required eligible liabilities can be fulfilled in future by issuing new capital instruments (CET 1, AT 1, Tier 2) and/or non-preferred senior liabilities and/or possible other senior liabilities. In future, VOLKSBANK WIEN AG, as the central organisation of the Association of Volksbanks, may be entrusted with the task of carrying out the issues in part or in full to fulfil the MREL ratio. There is a risk that MREL instruments to be issued in future can only be issued at significantly higher costs. This would entail higher costs for the Association of Volksbanks and could have a negative impact on the Issuer's earnings situation.

There is a risk that a credit rating agency suspends, downgrades or withdraws a credit rating of the Issuer and/or the Association of Volksbanks, all of which could lead to a credit and liquidity risk (risk of credit rating changes).

The Issuer has a rating from the credit rating agencies Moody's Deutschland GmbH and Fitch Ratings, Inc. A credit rating represents an assessment of creditworthiness prepared by a credit rating agency, i.e. a forecast or indicator of the solvency of the Issuer and/or the Association of Volksbanks (in the latter case indirectly also of the Issuer).

A credit rating agency may suspend, downgrade or withdraw a credit rating at any time in justified cases. Any such action may seriously impact the credit rating and liquidity of the Issuer and have an adverse effect on the market price of the Notes. The credit rating of the Association of Volksbanks may also be negatively affected in particular by a deterioration of the creditworthiness of one or more individual members of the Association of Volksbanks. A downgrading of the credit rating may also lead to a restriction of access to funds and, consequently, to higher refinancing costs for the members of the Association of Volksbanks, including the Issuer. A credit rating may also be suspended or withdrawn if the Association of Volksbanks or the Issuer were to terminate the agreement with the relevant credit rating agency or to determine that it would not be in its interest to continue to supply financial data to a credit rating agency.

A suspension, downgrade or withdrawal of a rating of the Association of Volksbanks may undermine confidence in the Issuer, increase the Issuer's refinancing costs, restrict access to refinancing and capital markets or restrict the range of counterparties to enter into transactions with the Issuer.

If the credit rating of the Issuer's covered bonds (*gedeckte Schuldverschreibungen*) would no longer be an investment grade ("**Investment Grade**") rating, the Issuer's covered bonds could no longer be deposited at the ECB as collateral, which could lead to a liquidity.

If the relevant conditions are met, the resolution authority shall apply resolution actions in relation to the Issuer.

Directive 2014/59/EU, as amended ("**BRRD**", Bank Recovery and Resolution Directive) and the SRMR form the main legal basis for the recovery and resolution of credit institutions (including the Issuer) in the Banking Union.

If the conditions for resolution are met, the resolution authority shall take resolution actions (i.e. resolution tools and resolution powers) in relation to the Issuer in order to be able to exercise an orderly resolution, if the Issuer is failing (or likely to fail) and to preserve the financial stability.

The conditions for resolution of the Issuer are:

- the determination that the Issuer is failing or likely to fail has been made by the competent authority or the resolution authority; and
- having regard to timing and other relevant circumstances, there is no reasonable prospect that any alternative private sector measures, or supervisory action, including early intervention measures or the write-down or conversion of relevant capital instruments and eligible liabilities taken in respect of the Issuer, would prevent the failure of the Issuer within a reasonable timeframe; and
- a resolution action is necessary in the public interest.

The resolution authority has so-called resolution powers, which it may exercise individually or in any combination in relation to or for the preparation of the application of a resolution

tool in relation to the Issuer. The various resolution tools are: (i) the sale of business tool; (ii) the bridge institution tool; (iii) the asset separation tool; and (iv) the bail-in tool.

By applying the bail-in tool the resolution authority may write down eligible liabilities in a cascading contribution to loss absorption of the Issuer or convert them into instruments of ownership. Moreover, the resolution authority can separate the performing assets from the impaired or under-performing assets and transfer the shares in the Issuer or all or part of the assets of the Issuer to a private purchaser or a bridge institution without the consent of the shareholders.

1.1.3 Risk factors relating to other risks affecting the Issuer

The occurrence of sustainability risks may have a negative impact on the value of assets or on the net assets, financial position and results of operations as well as the reputation of the Issuer and/or the Association of Volksbanks.

Sustainability risks refer to events or conditions relating to climate, the environment, social issues or corporate governance, the occurrence of which could have a negative impact on the value of assets or on the net assets, financial position and results of operations as well as the reputation of the Issuer and/or the Association of Volksbanks. Sustainability risks arise because climate, environmental, social and corporate governance concerns may affect counterparties, customers and other contractual partners of the Issuer and/or the Association of Volksbanks. For example, physical risks may arise as a result of changes in climatic and/or environmental conditions (e.g. environmental disasters, extreme weather events) or transition risks as a result of the adjustment process towards a lower-carbon and more environmentally sustainable economy (e.g. additional investment needs, depreciation of fixed assets, costs due to political measures to protect the climate and the environment, new technologies).

Significant unexpected losses may occur due to inadequacies or failures of internal processes, people, systems or external events (operational risk).

Operational risk is understood by the Issuer as the risk of unexpected losses occurring as a result of the inadequacies or failure of the Issuer's internal controls, processes, people, systems or external events, including legal risk. Legal risk is understood by the Issuer to mean, for example, the lack of authority of a counterparty of the Issuer to enter into a transaction, contractual deficiencies or incomplete documentation of transactions, which may result in claims of the Issuer arising from transactions being legally unenforceable. Such operational risks include the risk of unexpected losses for the Issuer as a result of individual events arising, *inter alia*, from defective information systems, inadequate organisational structures or ineffective control mechanisms. Such risks also include the risk of higher costs or losses for the Issuer due to generally unfavourable economic or trading trends. Damage to the Issuer's reputation that it could suffer as a result of one of these events also falls into this risk category.

If operational risk occurs, this may lead to unexpectedly high losses and consequently significantly reduce the Issuer's ability to make payments under the Notes and have a materially negative impact on the market price of the Notes.

1.2 GENERAL RISKS IN CONNECTION WITH THE NOTES

Potential holders of Notes which are the subject of this Prospectus and the relevant Final Terms should consider the risk factors described below which are specific to the Notes and

material to making an informed investment decision and should only make such a decision on the basis of this entire Prospectus, including the relevant Final Terms and the Issue Specific Summary.

No person should acquire the Notes without having a thorough understanding of the operation of the relevant Note and being aware of the risk of possible loss. Each potential Holder should carefully consider whether an investment in the Notes is suitable for it in the circumstances and in light of its personal circumstances and financial position.

Prospective investors should also read the detailed information elsewhere in this Prospectus and consult their own advisers (including financial advisers, accountants, tax and legal advisers) and make up their own minds before making any investment decision.

Terms and expressions defined in section "5 Terms and Conditions" shall have the same meanings in this section "1.2 General Risks in connection with the Notes".

The following risk factors are categorised according to their nature (for each category, the most significant risk factor is listed first):

1.2.1 Risk factors relating to the interest rate structure of the Notes

Holders of fixed rate Notes or Notes with fixed rate periods with respect to such periods bear the risk that the market price of such Notes will decline due to changes in the level of market interest rates.

Holders of fixed rate Notes (or Notes with fixed rate periods in respect of such periods) bear the risk that the market price of such Notes will decline due to changes in the level of market interest rates. While the nominal interest rate on fixed rate Notes is fixed in advance during the term of such Notes (or, in the case of Notes with fixed rate periods, with respect to such periods), the interest rate in the capital markets for comparable Notes (the "**market interest rate level**") typically changes daily and causes the market price of the Notes to change daily.

As the market interest rate level fluctuates, the market price of fixed rate Notes or fixed period Notes typically changes in the opposite direction from the market interest rate level. If the market interest rate level rises, the market price of fixed rate Notes or Notes with fixed rate periods typically falls until the yield on such Notes is approximately equal to the market interest rate level.

Interest rate risk arises when fixed rate Notes or Notes with fixed interest periods are sold before final maturity. The longer the period to final maturity of fixed rate Notes or fixed period Notes and the lower the interest rate of fixed rate Notes or fixed period Notes, the greater the fluctuations in the market price of fixed rate Notes or fixed period Notes when market interest rates change. The same applies to Notes with an increasing fixed interest rate (step-up Notes) if the market interest rates for comparable Notes are higher than the interest rates applicable to such Notes.

Changes in market interest rates have a greater impact on the market prices of Zero Coupon Notes than on the market prices of other Notes.

Zero Coupon Notes do not have a coupon. A Holder of Zero Coupon Notes bears the risk that the market price of such Notes may decline due to changes in the level of market interest rates. The market price of Zero Coupon Notes behaves more volatile than the market price of interest-bearing Notes and is more sensitive to changes in the level of market interest rates

than interest-bearing Notes of similar maturity. Zero Coupon Notes may therefore experience a significantly higher adverse impact on their market price due to changes in market interest rates.

Holders of floating rate Notes or Notes with floating rate periods with respect to such periods bear the risk of fluctuating interest rate levels and uncertain interest income.

Holders of floating rate Notes (or floating rate Notes with respect to such periods) bear the risk of fluctuating market interest rate levels and uncertain interest income. Because of the fluctuating level of market interest rates, it is not possible to determine in advance the yield on floating rate Notes or Notes with floating rate periods with respect to such periods. If floating rate Notes or Notes with floating rate periods are structured with respect to such periods in such a way that they contain multipliers (participation factors), maximum interest rates or minimum interest rates, or a combination of such features, the market price may be more volatile than that of floating rate Notes or Notes with floating rate periods that do not contain such features.

The performance of floating rate Notes or Notes with floating rate periods with respect to such periods depends in particular on the development of the market interest rate level, the supply and demand on the secondary market and the creditworthiness of the Issuer. Changes in one or more of these factors may therefore lead to fluctuations in the market price of these Notes. Changes in the level of market interest rates during an interest period may also adversely affect the level of interest in subsequent interest periods.

In the case of Notes with a fixed-to-floating or a fixed-to-fixed interest rate, the interest rate after switching from a fixed interest rate to a floating interest rate or another fixed rate may be less advantageous for Holders than the previously fixed interest rate.

The change from a fixed to a floating interest rate or from one fixed interest rate to another fixed interest rate affects the market price of the Notes. When switching from a fixed to a floating interest rate or from one fixed to another fixed interest rate, the floating or the fixed interest rate may be lower than that of the fixed interest period and that of a comparable floating or fixed rate Note.

In the case of Notes with a target coupon, the Holder bears the risk of early redemption as soon as a certain interest amount is reached.

If Notes include a target coupon, the Holder bears the risk of early redemption once the aggregate interest paid under such Notes reaches a certain amount. This may adversely affect the Holder's liquidity planning. As a result of the early redemption, the Holder may lose expected income, as the amount it receives upon early redemption may be lower than the market price and/or the redemption amount of the Notes (see also the risk factor "*In the case of Notes with a right to early redemption by the Issuer, the Holder also bears a higher market price risk (risk of early redemption) in addition to the risk of early redemption.*").

Changes in Benchmarks upon which the Notes may be based may have a material adverse effect on the market price of and payments under the Notes.

The Euro Interbank Offered Rate (EURIBOR), ICE Swap Rates and comparable indices may be used as reference (interest) rates, so-called benchmarks, in relation to the Notes. These benchmarks may qualify as a benchmark ("**Benchmark**") within the meaning of the Benchmarks Regulation, the provisions of which have largely been applicable since 1 January

2018. Under the Benchmarks Regulation, a Benchmark cannot be used as such if its administrator has not applied for approval, is not registered or is not domiciled in any EU Member State, as a result of which (depending on applicable transitional provisions) the conditions for equivalence are not met, it is not recognised pending such decision or it is not approved for such purposes. Consequently, it would not be possible to continue to use a Benchmark as a reference (interest) rate for the Notes. In such a case, the Notes could be adjusted, delisted or otherwise affected, depending on the relevant Benchmark and the relevant Final Terms.

This aforementioned Benchmarks Regulation, as well as a variety of other proposals, initiatives and studies in this context, may have an impact on the Benchmarks. As a result of the implementation of one or more of these potential reforms, the manner in which the Benchmarks are administered could change, causing them to function differently than in the past, or Benchmarks could be eliminated altogether, or there could be other consequences that are not currently foreseeable. In June 2023, the publication of the London Interbank Offered Rate (LIBOR) was discontinued as one such consequence.

Any changes to a Benchmark as a result of the Benchmarks Regulation or other initiatives could have a material adverse effect on the cost of funding a Benchmark or on the costs and risks of administering or otherwise participating in the establishment of a Benchmark and complying with such rules and requirements. Such factors could have the effect of discouraging market participants from continuing to administer or participate in certain Benchmarks. Further, these factors could change the rules and methodologies used for certain Benchmarks, adversely affect the operation of a Benchmark or result in the elimination of certain Benchmarks. Potential investors should be aware of the risk that any changes in the relevant Benchmarks could have a material adverse effect on the market price and payments under the Notes.

Notes that have certain features that are advantageous to Holders, such as a minimum interest rate, may also have features that are disadvantageous to Holders, such as a maximum interest rate or a higher issue price.

Floating rate Notes and Notes that have floating rate periods may have certain features that are beneficial to Holders, such as a minimum interest rate, but typically also have features that may be more detrimental to Holders (such as a maximum interest rate or a higher issue price) than the features of comparable Notes that do not have a minimum interest rate. If a maximum interest rate has been set, the level of the floating rate will never rise above it and therefore the Holder will not be able to benefit from a favourable movement in the reference (interest) rate above the maximum interest rate. The yield on the Notes could therefore be considerably lower than that of similarly structured Notes without a maximum interest rate.

1.2.2 Risk factors relating to the ranking of the Notes

1.2.2.1 Risk factors relating to Covered Bonds

To the extent that claims of Holders under the Covered Bonds are not covered by the assets of the cover pool, the Holders are exposed to the risk of a statutory loss sharing obligation.

The Single Resolution Mechanism shall provide the relevant resolution authorities with uniform and effective resolution tools and resolution powers in order to achieve the resolution objectives.

The main resolution tool is the bail-in tool. When applying the bail-in tool, the resolution authority shall exercise the write-down and conversion powers in accordance with the following sequence (also called "loss absorbing cascade"): (i) CET 1 instruments; (ii) AT 1 instruments; (iii) Tier 2 instruments; (iv) subordinated debt that is not AT 1 or Tier 2 capital; (v) unsecured claims resulting from debt instruments which meet the conditions pursuant to § 131(3)(1) to (3) BaSAG (so-called "non-preferred senior debt instruments"); and (vi) the rest of bail-inable liabilities (such as any liabilities under the Covered Bonds which are not covered by the assets of the relevant cover pool) in accordance with the hierarchy of claims in bankruptcy proceedings, including the ranking provided for deposits in § 131 BaSAG, to the extent required.

To the extent claims of Holders under the Covered Bonds are not covered by the assets of the relevant cover pool, these claims may be subject to the bail-in tool and thus be fully or partially written down or converted into instruments of ownership. For the avoidance of doubt, the aforesaid applies also to claims under Covered Bonds which are not covered by the assets of the relevant cover pool issued as green bonds or social bonds.

In case of an insolvency of the Issuer, certain deposits and certain other claims have a higher ranking than claims resulting from the Covered Bonds if and to the extent their claims are not covered by the assets of the relevant cover pool.

According to § 131 BaSAG, in bankruptcy proceedings opened over the Issuer's assets, the following insolvency hierarchy applies to deposits and senior unsecured claims:

- (a) (i) covered deposits; and (ii) deposit guarantee schemes subrogating to the rights and obligations of covered depositors in insolvency;
- (b) (i) that part of eligible deposits from natural persons and micro, small and medium-sized enterprises which exceeds the covered deposits; and (ii) deposits that would be eligible deposits from natural persons and micro, small and medium-sized enterprises if they had not been made through branches (located outside the EU) of institutions established within the EU;
- (c) the liquidity reserve within a liquidity association pursuant to § 27a BWG and within a credit institution association pursuant to § 30a BWG, in each case, to the extent required by § 27a BWG;
- (d) claims of ordinary senior unsecured creditors (such as any claims of Holders under the Covered Bonds which are not covered by the assets of the relevant cover pool); and
- (e) unsecured claims resulting from debt instruments (unbesicherte Forderungen aus Schuldtiteln) which meet the conditions pursuant to § 131(3)(1) to (3) BaSAG (so-called "non-preferred senior debt instruments"), i.e. debt instruments that meet the following conditions: (i) the original contractual maturity of the debt

instruments is of at least one year; (ii) the debt instruments contain no embedded derivatives and are not derivatives themselves; and (iii) the relevant contractual documentation and, where applicable, the prospectus related to the issuance explicitly refer to the lower ranking under § 131(3) BaSAG.

To the extent the assets of the relevant cover pool are not sufficient to satisfy all claims of the Holders under the Covered Bonds, Holders may claim such amounts in case of bankruptcy proceedings opened over the assets of the Issuer, but only taking into account the ranking of claims pursuant to § 131 BaSAG. Therefore, in case of bankruptcy proceedings opened over the assets of the Issuer, claims of Holders under the Covered Bonds which are not covered by the assets of the relevant cover pool would be junior to claims listed above in points (a) to (c). Therefore, they will only receive payment of such claims if and to the extent that their claims (which are senior to them) have been discharged in full. This insolvency hierarchy is also relevant for the sequence of write-down and conversion where the Issuer is placed under resolution.

If the relevant Final Terms provide for conditions for a maturity extension, Covered Bonds may be redeemed after their Maturity Date and in case a maturity extension for a specific Series of Covered Bonds is triggered, if applicable, Holders of other Series of Covered Bonds whose maturity date would fall within the period of the maturity extension of a specific Series of Covered Bonds will not receive their principal amount as expected on the relevant maturity date.

The relevant Final Terms may provide that upon the occurrence of the objective trigger event (as set out in the Terms and Conditions of the Covered Bonds) the maturity of the Covered Bonds will be postponed once by up to 12 months to the Extended Maturity Date. In the event of a maturity extension, repayment of the outstanding aggregate principal amount will be postponed and, notwithstanding the statutory regime on acceleration and liquidation of the cover asset pool, shall become due and payable on the Extended Maturity Date, together with accrued interest, if any, to, but excluding, the Extended Maturity Date. In such case, interest will continue to accrue on the outstanding aggregate principal amount of the Covered Bonds during the period from, and including, the (original) Maturity Date to, but excluding, the Extended Maturity Date at the relevant rate of interest set out in the relevant Final Terms and will be payable by the Issuer on each Interest Payment Date from, and excluding, the (original) Maturity Date to, and including, the Extended Maturity Date (each as set out in the relevant Final Terms) in accordance with the relevant Terms and Conditions of the Covered Bonds. However, such extension of maturity will not constitute an event of default and Holders will not receive any compensation for such extension (other than that interest will accrue). Thus, Holders must not expect repayment of the outstanding aggregate principal amount on the (original) Maturity Date and are not entitled to terminate the Covered Bonds if the term of the Covered Bonds is extended. Furthermore, Holders may receive lower interest payments during such extended period as the relevant applicable rate of interest may be lower than the (respective) rate of interest which applied in the preceding interest periods. The Holders shall not be entitled to any further interest payments as from the Extended Maturity Date.

Furthermore, a maturity extension must not change the sequence of the original maturity schedule of the covered bond programme. Consequently, if a maturity extension by up to

12 months for a specific Series of Covered Bonds is triggered, if applicable, the maturity of other Series of Covered Bonds within a covered bond programme shall be deemed postponed (regardless of whether they provide for maturity extension structures or not), in each case, for so long as necessary to maintain the sequence of the original maturity schedule. As a result, Holders of such other Series of Covered Bonds whose maturity date would fall within the period of the maturity extension by up to 12 months of a specific Series of Covered Bonds bear the risk that, if applicable, they do not receive their principal amount as expected on the relevant maturity date. Such Holders will receive their principal amount on a later date once all payments under the specific Series of Covered Bonds for which the maturity extension was triggered have been serviced in full on the Extended Maturity Date determined for such Series of Covered Bonds. Such payment deferral for the other Series of Covered Bonds does not constitute an event of default of the Issuer for any purpose and does not give the Holders of such other Series of Covered Bonds any right to accelerate or terminate the Covered Bonds. Holders should also be aware that the repayment of another Series of Covered Bonds after a maturity extension by up to 12 months of such Series of Covered Bonds might result in the available assets of the relevant cover pool being reduced or depleted, thereby causing the necessity of a maturity extension of the Covered Bonds of the respective Holders.

Finally, as a maturity extension will be initiated by a special administrator, and the Extended Maturity Date will be set by such special administrator without the Issuer having any discretion in it, Holders should be aware that they have no right to request such maturity extension, and it therefore might occur that no maturity extension will be made and cover pool assets might be liquidated at a time of market disruptions and/or low prices, resulting in the liquidation proceeds being less than if the maturity had been extended by the special administrator.

The cover assets or the liquidity buffer for the Covered Bonds may not at all times be sufficient to cover the Issuer's obligations under the Covered Bonds and/or replacement values may not be added in due time to the relevant cover fundpool.

Covered Bonds are secured or covered (gedeckt) by assets (Vermögenswerte) which meet the requirements set out in the PfandBG. Payment claims of Holders of Covered Bonds are collateralized through different (types of) cover pools (Deckungsstöcke) with different cover assets (Vermögenswerte).

In the event of insolvency, resolution or enforcement proceedings regarding the Issuer and/or its assets, the relevant cover assets are separated from the Issuer's other assets and may not be used to satisfy claims of creditors of the Issuer other than the Holders of Covered Bonds which are covered by these cover assets.

However, the cover assets of the cover pool relevant for the respective Covered Bonds may not at all times be sufficient to cover the obligations under the respective Covered Bonds or replacement values may not be added in due time to the relevant cover pool. Furthermore, loan receivables that will be originated after 8 July 2022 may only be entered in the cover register as cover assets with the consent of the borrower. Without the legally required consent, an entry is not deemed to have been made, and in such case loan receivables entered in the cover register would cease to be cover assets and thus other

cover assets or replacement assets which an Issuer might not necessarily have available at all times would need to be added to the cover pool.

The cover pools are managed separately and do not collateralize all Covered Bonds, but only those which are allocated to the relevant cover pool. Accordingly, investors should not rely on the assets of any other cover pool than the one to which their Covered Bonds have been allocated to being used to satisfy their claims.

There is also the risk that no or a not sufficient liquidity buffer within the meaning of § 21 PfandBG will be built up from assets eligible to cover the net liquidity outflow of the covered bond programme for the Covered Bonds. Also, even if such liquidity buffer can be built up, it may not at all times be sufficient to cover the net liquidity outflow of the covered bond programme.

1.2.2.2 Risks in connection with the senior Notes

Holders of the senior Notes are exposed to the risk of statutory loss absorption.

The Single Resolution Mechanism shall provide the relevant resolution authorities with uniform and effective resolution tools and resolution powers in order to achieve the resolution objectives.

The main resolution tool is the bail-in tool. When applying the bail-in tool, the resolution authority shall exercise the write-down and conversion powers in accordance with the following sequence (also called "loss absorbing cascade"): (i) CET 1 instruments; (ii) AT 1 instruments; (iii) Tier 2 instruments; (iv) subordinated debt that is not AT 1 or Tier 2 capital; (v) unsecured claims resulting from debt instruments which meet the conditions pursuant to § 131(3)(1) to (3) BaSAG (so-called "non-preferred senior debt instruments"); and (vi) the rest of bail-inable liabilities (such as the senior Notes) in accordance with the hierarchy of claims in bankruptcy proceedings, including the ranking provided for deposits in § 131 BaSAG, to the extent required.

Furthermore, where the Issuer meets the conditions for resolution and the resolution authority decides to apply a resolution tool to the Issuer, the resolution authority shall exercise the write down or conversion power in relation to relevant capital instruments (i.e. CET 1, AT 1 and Tier 2 instruments) and certain eligible liabilities before applying any resolution tool (other than the bail-in tool).

If the power of write-down or conversion of relevant capital instruments and eligible liabilities or bail-in tool is applied to the Issuer, the principal amount of senior Notes may be fully or partially written down or converted into instruments of ownership, although claims of other creditors of the Issuer might not be affected. For the avoidance of doubt, the aforesaid applies also to senior Notes issued as green bonds or social bonds.

In case of an insolvency of the Issuer, certain deposits and certain other claims have a higher ranking than claims resulting from the senior Notes.

According to § 131 BaSAG, in bankruptcy proceedings opened over the Issuer's assets, the following insolvency hierarchy applies to deposits and senior unsecured claims:

- (a) (i) covered deposits; and (ii) deposit guarantee schemes subrogating to the rights and obligations of covered depositors in insolvency;

- (b) (i) that part of eligible deposits from natural persons and micro, small and medium-sized enterprises which exceeds the covered deposits; and (ii) deposits that would be eligible deposits from natural persons, micro, small and medium-sized enterprises if they had not been made through branches (located outside the EU) of institutions established within the EU;
- (c) the liquidity reserve within a liquidity association (*Liquiditätsverbund*) and a credit institution association (*Kreditinstitute-Verbund*) pursuant to § 30a BWG, in each case, to the extent required by § 27a BWG;
- (d) ordinary unsecured claims (such as claims resulting from the senior Notes); and
- (e) unsecured claims resulting from debt instruments which meet the conditions pursuant to § 131(3)(1) to (3) BaSAG (so-called "non-preferred senior debt instruments"), i.e. debt instruments that meet the following conditions: (i) the original contractual maturity of the debt instruments is of at least one year; (ii) the debt instruments contain no embedded derivatives and are not derivatives themselves; and (iii) the relevant contractual documentation and, where applicable, the prospectus related to the issuance explicitly refer to the lower ranking under § 131(3) BaSAG.

Therefore, in case of bankruptcy proceedings and any comparable proceedings (such as resolution proceedings) opened in relation to the Issuer, claims resulting from the senior Notes are junior to the claims listed in points (a) to (c). For this reason, any payments on claims resulting from the senior Notes would only be made, if and to the extent any senior ranking claims have been fully satisfied.

1.2.2.3 Risks in connection with eligible Notes

Holders of the eligible Notes are exposed to the risk of statutory loss absorption.

The Single Resolution Mechanism shall provide the relevant resolution authorities with uniform and effective resolution tools and resolution powers in order to achieve the resolution objectives.

The main resolution tool is the bail-in tool. When applying the bail-in tool, the resolution authority shall exercise the write-down and conversion powers in accordance with the following sequence (also called "loss absorbing cascade"): (i) CET 1 instruments; (ii) AT 1 instruments; (iii) Tier 2 instruments; (iv) subordinated debt that is not AT 1 or Tier 2 capital; (v) unsecured claims resulting from debt instruments which meet the pursuant to § 131(3)(1) to (3) BaSAG (so-called "non-preferred senior debt instruments", such as the non-preferred senior Notes); and (vi) the rest of bail-inable liabilities (such as the preferred senior Notes) in accordance with the hierarchy of claims in bankruptcy proceedings, including the ranking in § 131 BaSAG, to the extent required.

Furthermore, where the Issuer meets the conditions for resolution and the resolution authority decides to apply a resolution tool to the Issuer, the resolution authority shall exercise the write down or conversion power in relation to relevant capital instruments (i.e. CET 1, AT 1 and Tier 2 instruments) and certain eligible liabilities (such as non-preferred senior Notes) before applying any resolution tool (other than the bail-in tool).

If the power of write-down or conversion of relevant capital instruments and eligible liabilities or bail-in tool is applied to the Issuer, the principal amount of the eligible Notes may be fully or partially written down or converted into instruments of ownership, although claims of other creditors of the Issuer might not be affected. For the avoidance of doubt, the aforesaid applies also to non-preferred senior eligible Notes issued as green bonds or social bonds.

In case of an insolvency of the Issuer, certain deposits and certain other claims as well as potentially also senior unsecured claims have a higher ranking than claims resulting from the eligible Notes.

According to § 131 BaSAG, in bankruptcy proceedings opened over the Issuer's assets, the following insolvency hierarchy applies to deposits and senior unsecured claims:

- (a) (i) covered deposits; and (ii) deposit guarantee schemes subrogating to the rights and obligations of covered depositors in insolvency;
- (b) (i) that part of eligible deposits from natural persons and micro, small and medium-sized enterprises which exceeds the covered deposits; and (ii) deposits that would be eligible deposits from natural persons, micro, small and medium-sized enterprises if they had not been made through branches (located outside the EU) of institutions established within the EU;
- (c) the liquidity reserve within a liquidity association and a credit institution association pursuant to § 30a BWG, in each case, to the extent required by § 27a BWG;
- (d) ordinary unsecured claims (such as claims resulting from the preferred senior Notes); and
- (e) unsecured claims resulting from debt instruments which meet the conditions pursuant to § 131(3)(1) to (3) BaSAG (so-called "non-preferred senior debt instruments", such as the non-preferred senior Notes), i.e. debt instruments that meet the following conditions: (i) the original contractual maturity of the debt instruments is of at least one year; (ii) the debt instruments contain no embedded derivatives and are not derivatives themselves; and (iii) the relevant contractual documentation and, where applicable, the prospectus related to the issuance explicitly refer to the lower ranking under § 131(3) BaSAG.

Therefore, in case of bankruptcy proceedings and any comparable proceedings (such as resolution proceedings) opened in relation to the Issuer, claims resulting from the preferred senior Notes are junior to the claims listed in points (a) to (c) and claims resulting from the non-preferred senior Notes are junior to the claims listed in points (a) to (d). For this reason, any payments on claims resulting from the eligible Notes would only be made, if and to the extent any senior ranking claims have been fully satisfied.

The eligible Notes may be redeemed at the option of the Holders (if at all) only subject to the prior permission of the Resolution Authority.

If such right is foreseen in the Final Terms, Holders of the eligible Notes will have the right to call for the early redemption of their eligible Notes, provided however, only subject to certain conditions, in particular essentially the prior permission of the Resolution Authority.

Therefore, Holders of the eligible Notes may be required to bear the financial risks of an investment in the eligible Notes until their final maturity.

The Issuer's rights to early redemption or repurchase of the eligible Notes is subject to the prior permission of the Resolution Authority.

The Issuer may - subject to the prior permission of the competent authority - at its sole discretion, early redeem the eligible Notes at any time either for reasons of taxation (if such right is foreseen in the Final Terms) and/or regulatory reasons. In addition, if the Final Terms provide for such right, the Issuer may at its sole discretion redeem the eligible Notes before their stated maturity on a specified call redemption date or if at any time the outstanding aggregate principal amount of a series of eligible Notes held by persons other than the Issuer falls below a threshold defined in the relevant Final Terms. For each early redemption and repurchase of the eligible Notes, the conditions for early redemption and repurchase (as described in the Terms and Conditions of the eligible Notes) must be met.

Any early redemption and any repurchase of the eligible Notes are subject to the prior permission of the Resolution Authority. Under the CRR, the Resolution Authority may only permit institutions to early redeem or repurchase eligible liabilities instruments (such as the eligible Notes) if certain conditions are met with. These conditions, as well as a number of technical rules and standards relating to regulatory capital requirements applicable to the Issuer, should be taken into account by the Resolution Authority in its assessment of whether or not to permit any early redemption or repurchase. It is uncertain how the Resolution Authority will apply these criteria in practice and such rules and standards may change during the term of the eligible Notes. It is therefore not possible to assess whether, and if so, on what terms, the Resolution Authority will grant its prior permission for any early redemption or repurchase of the eligible Notes.

Furthermore, even if the Issuer would be granted the prior permission of the Resolution Authority, any decision by the Issuer as to whether it will early redeem the eligible Notes will be made at the sole discretion of the Issuer with regard to external factors (such as the economic and market impact of exercising an early redemption right, regulatory capital requirements and prevailing market conditions). Therefore, there is the risk that the Issuer will not exercise any early redemption right in relation to the eligible Notes and that the Holders will stay invested in the eligible Notes until their maturity date.

Holders of the eligible Notes are exposed to the risk that the Issuer may issue further (senior) debt instruments or incur further (senior) liabilities.

There are no restrictions (contractual or otherwise) on the amount of ordinary unsecured or subordinated debt or other liabilities that the Issuer may (or may have to) issue, borrow and/or incur, ranking senior to the eligible Notes.

Any issue of such instruments and/or any incurring such liabilities may reduce the amount recoverable by Holders of the eligible Notes upon the Issuer's insolvency. For the avoidance of doubt, the aforesaid applies also to eligible Notes issued as green bonds or social bonds. A green bond or social bond classification does not affect the status of the eligible Notes in terms of subordination and regulatory classification as eligible liabilities instruments.

The eligible Notes may be redeemed at any time for reasons of taxation and/or regulatory reasons.

If such right is foreseen in the relevant Final Terms, the Issuer may – subject to the prior permission of the competent authority – at its sole discretion, early redeem the Eligible Notes before their stated maturity, at any time for reasons of taxation.

The Issuer may - subject to the prior permission of the competent authority - at its sole discretion, early redeem the eligible Notes before their stated maturity, at any time for regulatory reasons.

Therefore, it may be that the eligible Notes will be early redeemed and thus, investors will not be able to hold the eligible Notes until the stated maturity and accordingly, might not achieve the expected yield.

The eligible Notes do not give the Holders the right to terminate the eligible Notes or otherwise accelerate the redemption of the eligible Notes and also may not be subject to set-off or any guarantee.

The Terms and Conditions of the eligible Notes do not provide for any events of default and the Holders of the eligible Notes do not have the right to terminate or otherwise accelerate the redemption of their eligible Notes. For the avoidance of doubt, the aforesaid applies also to Holders of Subordinated Notes issued as green bonds, sustainable bonds or social bonds.

Furthermore, the eligible Notes are not subject to any set off or netting arrangements that would undermine their capacity to absorb losses in resolution and are neither secured nor subject to a guarantee or any other arrangement that enhances the seniority of the claims under the eligible Notes.

1.2.2.4 Risks in connection with subordinated Notes

Holders of the subordinated Notes are exposed to the risk of statutory loss absorption.

The Single Resolution Mechanism shall provide the relevant resolution authorities with uniform and effective resolution tools and resolution powers in order to achieve the resolution objectives.

The main resolution tool is the bail-in tool. When applying the bail-in tool, the resolution authority will exercise the write-down and conversion powers in accordance with the following sequence (also called "loss absorbing cascade"): (i) CET 1 instruments; (ii) AT 1 instruments; (iii) Tier 2 instruments (such as the subordinated Notes); (iv) subordinated debt that is not AT 1 or Tier 2 capital; (v) unsecured claims resulting from debt instruments which meet the conditions pursuant to § 131(3)(1) to (3) BaSAG (so-called "senior non-preferred debt instruments"); and (vi) the rest of bail-inable liabilities in accordance with the hierarchy of claims in bankruptcy proceedings, including the ranking provided for deposits in § 131 BaSAG, to the extent required.

Furthermore, where the Issuer meets the conditions for resolution and the resolution authority decides to apply a resolution tool to the Issuer, the resolution authority shall exercise the write down or conversion power in relation to relevant capital instruments (i.e.

CET 1, AT 1 and Tier 2 instruments) and certain eligible liabilities before applying any resolution tool (other than the bail-in tool).

If the power of write-down or conversion of relevant capital instruments or the bail-in tool is applied to the Issuer, the principal amount of the subordinated Notes may be fully or partially written down or converted into instruments of ownership, although claims of other creditors of the Issuer might not be affected. For the avoidance of doubt, the aforesaid applies also to Preferred Senior Eligible Notes issued as green bonds, sustainable bonds or social bonds.

In case of an insolvency of the Issuer, certain deposits and certain other claims and senior unsecured claims have a higher ranking than claims resulting from the Subordinated Notes.

According to § 131 BaSAG, in bankruptcy proceedings opened over the Issuer's assets, the following insolvency hierarchy applies to deposits and senior unsecured claims:

- (a) (i) covered deposits; and (ii) deposit guarantee schemes subrogating to the rights and obligations of covered depositors in insolvency;
- (b) (i) that part of eligible deposits from natural persons and micro, small and medium-sized enterprises which exceeds the covered deposits; and (ii) deposits that would be eligible deposits from natural persons, micro, small and medium-sized enterprises if they had not been made through branches (located outside the EU) of institutions established within the EU;
- (c) the liquidity reserve within a liquidity association and a credit institution association pursuant to § 30a BWG, in each case, to the extent required by § 27a BWG;
- (d) ordinary unsecured claims; and
- (e) unsecured claims resulting from debt instruments which meet the conditions pursuant to § 131(3)(1) to (3) BaSAG (so-called "non-preferred senior debt instruments"), i.e. debt instruments that meet the following conditions: (i) the original contractual maturity of the debt instruments is of at least one year; (ii) the debt instruments contain no embedded derivatives and are not derivatives themselves; and (iii) the relevant contractual documentation and, where applicable, the prospectus related to the issuance explicitly refer to the lower ranking under § 131(3) BaSAG.

Further, according to § 90(3) BaSAG which implements Article 48(7) BRRD in Austria, all claims resulting from own funds items (such as the Subordinated Notes, to the extent the Subordinated Notes qualify as own funds items) have, in bankruptcy proceedings, a lower priority ranking than any claim that does not result from an own funds item. If an instrument is only partly recognised as an own funds item, the whole instrument shall be treated as a claim resulting from an own funds item and shall rank lower than any claim that does not result from an own funds item.

In the event of bankruptcy proceedings being opened against the assets of the Issuer, the insolvency hierarchy set out in § 131 BaSAG shall apply. Therefore, in the event of bankruptcy or similar proceedings (e.g. liquidation proceedings) being opened against the

Issuer, claims under the Subordinated Notes will be subordinated to (i) deposits, (ii) senior unsecured claims and (iii) certain subordinated claims (including any obligations of the Issuer under Tier 2 instruments and/or claims arising from other former own funds items, both of which are no longer recognised as own funds items, if any).

Therefore, in case of bankruptcy proceedings and any comparable proceedings (such as resolution proceedings) opened in relation to the Issuer, claims resulting from the subordinated Notes are junior to the claims listed in points (a) to (e) and junior to the claims under any other subordinated liabilities of the Issuer which, in accordance with the relevant Conditions or pursuant to mandatory statutory provisions, rank or are intended to rank senior to the Issuer's obligations under the Subordinated Notes at the relevant time. For this reason, any payments on claims resulting from the subordinated Notes would only be made, if and to the extent any senior ranking claims have been fully satisfied.

The rights of the Issuer to early redeem or repurchase the subordinated Notes are subject to the prior permission of the Competent Authority.

The Issuer may, at its sole discretion, early redeem the subordinated Notes at any time either for reasons of taxation or regulatory reasons. In addition, if the relevant Final Terms provide for such right, the Issuer may at its sole discretion redeem the subordinated Notes before their stated maturity, but not earlier than five years after the date of their issuance, on a specified optional redemption date or if at any time the outstanding aggregate principal amount of a series of the subordinated Notes held by persons other than the Issuer falls below a threshold defined in the relevant Final Terms. For each early redemption and repurchase of the subordinated Notes, the conditions for early redemption and repurchase (as described in the Terms and Conditions of the subordinated Notes) must be met.

Any early redemption and any repurchase of the subordinated Notes are subject to the prior permission of the Competent Authority. Under the CRR, the Competent Authority and the Resolution Authority may only permit institutions to early redeem or repurchase Tier 2 instruments (such as the subordinated Notes) if certain conditions are met. These conditions, as well as a number of technical rules and standards relating to regulatory capital requirements applicable to the Issuer, should be taken into account by the Competent Authority in its assessment of whether or not to permit any early redemption or repurchase. It is uncertain how the Competent Authority will apply these criteria in practice and such rules and standards may change during the term of the subordinated Notes. It is therefore not possible to assess whether, and if so, on what terms, the Competent Authority will grant its prior permission for any early redemption or repurchase of the subordinated Notes.

Furthermore, even if the Issuer would be granted the prior permission of the Competent Authority, any decision by the Issuer as to whether it will early redeem the subordinated Notes will be made at the sole discretion of the Issuer with regard to external factors (such as the economic and market impact of exercising an early redemption right, regulatory capital requirements and prevailing market conditions). Therefore, there is the risk that the Issuer will not exercise any early redemption right in relation to the subordinated Notes and that the Holders will stay invested in the Subordinated Notes until their maturity date.

Holders of the subordinated Notes are exposed to the risk that the Issuer may issue further debt instruments or incur further liabilities.

There are no restrictions (contractual or otherwise) on the amount of (ordinary unsecured or subordinated) debt that the Issuer may (or may have to) issue and/or borrow, ranking *pari passu* with or senior to the subordinated Notes.

Any issue of such instruments and/or any incurring such liabilities may reduce the amount recoverable by Holders of the subordinated Notes upon the Issuer's insolvency. For the avoidance of doubt, the aforesaid applies also to Subordinated Notes issued as green bonds, sustainable bonds or social bonds. A green bond or social bond classification does not affect the status of the Subordinated Notes in terms of subordination and regulatory classification as own funds or eligible liabilities instruments.

The subordinated Notes do not give the Holders the right to terminate the subordinated Notes or otherwise accelerate the redemption of the subordinated Notes and also may not be subject to set-off or any guarantee.

The Terms and Conditions of the subordinated Notes do not provide for any events of default and Holders of the subordinated Notes do not have the right to terminate or otherwise accelerate the redemption of the subordinated Notes. For the avoidance of doubt, the aforesaid applies also to Holders of Subordinated Notes issued as green bonds, sustainable bonds or social bonds.

Furthermore, the subordinated Notes are not subject to any set off or netting arrangements that would undermine their capacity to absorb losses in resolution and are neither secured nor subject to a guarantee or any other arrangement that enhances the seniority of the claims under the subordinated Notes.

The subordinated Notes may not be redeemed at the option of the Holders.

Holders of the subordinated Notes will have no rights to call for the early redemption of their subordinated Notes.

Therefore, Holders of the subordinated Notes may be required to bear the financial risks of an investment in the subordinated Notes until their final maturity.

The subordinated Notes may be redeemed at any time for reasons of taxation or regulatory reasons.

The Issuer may - subject to the prior permission of the Competent Authority - at its sole discretion, early redeem the subordinated Notes before their stated maturity (also before five years after the date of their issuance), at any time for reasons of taxation.

Similarly, the Issuer may at its sole discretion, early redeem the subordinated Notes before their stated maturity (also before five years after the date of their issuance), at any time for regulatory reasons.

Therefore, it may be that subordinated Notes will be early redeemed and thus, investors will not be able to hold the subordinated Notes until the stated maturity and accordingly, might not achieve the expected yield.

1.2.3 Risk Factors relating to certain provisions in the Terms and Conditions of the Notes

In the case of Note that do not provide for a right of Holders to early redemption, Holders may not have the option to terminate their investment early.

The Notes may provide that the Holders have no right of early redemption. If this is the case, a Holder therefore generally bears the risk of having to remain invested in the Notes until the end of their term and not being able to demand early redemption. Furthermore, investors should bear in mind that the Issuer may terminate Notes that do not bear fixed interest and for which the Issuer is granted a right of early redemption even in the event of a development of the relevant reference (interest) rate that is disadvantageous for the Issuer, which may deprive the Holders of the opportunity to obtain a higher yield. Conversely, in the event of a development of the reference (interest) rate that is disadvantageous to the Holders, the Holders will not be entitled to early redemption of the Notes and the Issuer could benefit from the development of the reference (interest) rate that is advantageous to it until the end of the term of the Notes.

Notes containing options are subject to risks associated with a possible change in the value of the options.

Certain Notes may contain or be combined with an option (such as a right of termination and early redemption by the Issuer). Such options themselves have a market price (i.e. it represents a value in itself to be able to exercise such an option, the "Option Price"). The Option Price may change and such change may also affect the market price of the Notes. The Option Price typically decreases towards the Expiration Date, after which the Option is completely worthless. Holders of such Notes bear the risk of an unfavourable development of the Option Price of any options attached to the Notes.

In the case of Notes with a right to early redemption by the Issuer, the Holder also bears a higher market price risk (risk of early redemption) in addition to the risk of early redemption.

If the Terms and Conditions of the Notes provide for a right of early redemption by the Issuer, the Issuer may redeem the Notes early at a specified amount (Optional Redemption Amount, Amortisation Amount or Early Redemption Amount) to the Holders either on specified dates (Optional Redemption Dates) or upon the occurrence of specified events (e.g. change of law, hedging disruption, increased hedging costs or for regulatory or tax reasons). In this context, the Holder bears the risk that the amount received upon early redemption is lower than the market price and/or the redemption amount and/or the amortisation amount of the Notes.

As all Holders are subject to the risk of early redemption by the Issuer (which constitutes an option), this exercise risk is also reflected in the market price of such Notes. This may lead to fluctuations in the price of the Notes if there are changes in interest rates or volatility.

1.2.4 Risk factors relating to the pricing of, costs associated with, market of and settlement of the Notes

The Issuer may be wholly or partially prevented or prohibited from making interest and/or principal repayments on the Notes.

Holders are exposed to the risk that the Issuer may be wholly or partially unable or prohibited from making the interest payments and/or principal repayments to which it is obligated under

the relevant Terms and Conditions of the Notes. The lower the Issuer's credit rating, the higher this risk (credit risk). If this risk materialises, the Issuer may fail to make interest payments and/or repay the principal in whole or in part (total default).

Holders are exposed to the risk of adverse developments in the market prices of their Notes (market price risk).

The development of the market prices of the Notes depends on various factors, such as the creditworthiness of the Issuer, fluctuations in the level of market interest rates, the policies of central banks, macroeconomic developments, inflation rates or a lack of or excess demand for the relevant type of Notes. The significance of the individual factors is not directly quantifiable and fluctuates over time.

Holders are therefore exposed to the risk of negative market price developments of the Notes, which may materialise if Holders sell the Notes prior to their final maturity. If the net proceeds received by a Holder on a sale of Notes (including any distributions made on the Notes in the meantime) are less than the price (including any expenses and fees) at which the Holder acquired the Notes, the Holder will suffer a net loss.

Changes in the credit spread, i.e. the spread that the Issuer must pay to a Holder as a premium for the credit risk assumed by the Holder or the premium on the risk-free interest rate, also affect the market price of the Notes. If the Issuer's credit spread widens, the market price of the Notes will decline.

Furthermore, the market price of Notes issued at a significant discount or premium is generally more volatile in response to general changes in interest rates than market prices for conventional interest-bearing Notes.

Holders bear the risk that they may not be able to invest income from the Notes on the same or more favourable terms than those securitised in the Notes (reinvestment risk).

Reinvestment risk describes the risk associated with reinvesting the funds released from the Note.

For Holders of Notes, the yield of a Note depends not only on its price and nominal interest rate but also on whether interest income earned during the term of the Note can be reinvested at an interest rate equal to or better than the interest rate applicable to the Note. The risk that the general market interest rate will fall below the interest rate on the Notes during the term of the Notes is referred to as reinvestment risk. The amount of the reinvestment risk also depends on the structure of the respective Notes.

Incidental costs associated with the purchase and sale of Notes may materially affect the potential return on the Notes.

When buying or selling Notes, various types of incidental costs (including transaction fees and commissions) are usually incurred in addition to the purchase or sale price. Financial sector institutions usually charge commissions and expenses either as fixed minimum commissions and/or as percentage commissions depending on the order value. To the extent that additional parties - domestic or foreign - are involved in the execution of an order, such as domestic dealers or brokers in foreign markets, investors may also be charged brokerage fees, commissions and other fees and expenses of such parties (third-party costs). In addition to

the costs directly associated with the purchase of the Notes (direct costs), investors must also take into account follow-on costs (such as custody fees).

Investors are subject to the risk that these incidental expenses may substantially reduce or even eliminate the return on the Notes, particularly if small amounts are invested in the Notes.

Holders must rely on the functionality of the relevant Clearing System.

The settlement of purchases and sales and the crediting of payments in connection with Notes will be effected through a Clearing System. The Issuer assumes no responsibility that the Notes are actually transferred by the Clearing System to the securities account of the relevant Holder. Holders must rely on the functioning of the Clearing System. There is a risk that, due to the use of the Clearing System, credits to the investor's account may not be made, may not be made within the period expected by the investor or may be made late.

The Notes are not covered by any statutory or voluntary protection scheme.

Holders' claims under the Notes are not covered by either statutory or voluntary protection scheme. In the event of liquidation or insolvency of the Issuer, Holders are therefore exposed to the risk of losing the entire capital invested in the Notes.

1.2.5 Risk factors relating to the admission or inclusion of debt securities

In the case of Notes that are not listed on a stock exchange or other trading system, the Holders of the Notes may not have the opportunity to sell their Notes and thereby terminate their investment early.

The Final Terms of the Notes may provide that the Notes are not listed on the Official Market of the Vienna Stock Exchange or any other trading system. If this is the case and the Holders of the Notes do not have a termination right, a Holder of the Notes bears the risk of having to remain invested in the Notes until maturity, as the Holders of the Notes may not be able to sell their Notes.

A liquid secondary market may not develop for the Notes or, if it does develop, it may not continue to exist. In an illiquid market, therefore, Holders may not be able to sell their Notes at a fair market price or at all.

Notes issued under this Prospectus are in part new issues. In any event, there will be no liquid market for these Notes at the time of issue.

Regardless of any trading of the Notes on an exchange in the regulated market or in the MTF, a liquid secondary market for the Notes may not develop or, if it develops, may not remain in existence. If the Notes are not listed on an exchange, information about the market price of such Notes may be more difficult to obtain, which may adversely affect the liquidity of such Notes. In an illiquid market, a Holder may not be able to sell its Notes at all at any time or at reasonable prices or prices that provide a yield comparable to similar investments for which a developed secondary market exists. Notes of this type typically have a limited secondary market and their market price has a higher volatility than the market price of Notes for which a liquid market exists. Illiquidity can have a serious negative impact on the market price of Notes. The ability of Holders to sell Notes may be further restricted by country-specific circumstances (e.g. due to security-specific or regulatory requirements).

Holders of listed Notes are subject to the risk that trading in the Notes may be suspended, interrupted or terminated.

If Notes are listed on a regulated market or in the MTF, the listing of such Notes may - depending on the regulations applicable on such market - be suspended or interrupted by the relevant market itself or by a competent regulatory authority for various events, in particular the violation of price limits, breaches of statutory provisions, the occurrence of operational problems on the markets or, more generally, if this is deemed necessary to maintain a functioning market or to safeguard investor interests. Furthermore, trading in Notes may be terminated as a result of a decision by the stock exchange, a regulatory authority or at the request of the Issuer. In particular, it may be the case that Holders are unable to sell their Notes in the event of a suspension, interruption or termination of trading. Even in the event of a suspension, interruption or termination of trading in Notes, such measures may not be sufficient, adequate or timely to prevent price disruption or to protect the interests of investors. If trading in Notes is suspended, for example, after the publication of price-sensitive information relating to such Notes, the market price of the Notes may already have been adversely affected. Any of these risks, if they materialise, would have a material adverse effect on the Holders and could result in a loss to the Holders.

1.2.6 Risk factor in relation to any ratings of Notes

Any failure in the use of the proceeds for ESG Projects, in the implementation of ESG Projects or a change in the (re)allocation of the proceeds does not give the Holders rights or claims.

A rating of Notes may not adequately reflect all of the risks of an investment in such Notes. In addition, ratings may be suspended, downgraded or withdrawn. Any suspension, downgrade or withdrawal may adversely affect the market price of the Notes. A rating does not constitute a recommendation to buy, sell or hold any Notes and may be reviewed or withdrawn by the rating agency at any time.

1.2.7 Risk factors relating to Notes issued as green bonds or social bonds

In respect of any Notes issued with a specific use of net proceeds, such as a green bond, sustainability bond or social bond, such use of proceeds might not be suitable for the investment criteria of an investor.

The relevant Final Terms relating to any specific Series of Notes may provide that it will be the Issuer's intention to apply an amount equal to the net proceeds from an offer of those Notes specifically for projects and activities that promote climate-friendly and other environmental purposes, sustainability or social purposes (Environmental, Social and Governance - ESG) ("**ESG Projects**"). The Issuer has established a green bond framework, a sustainability bond framework or a social bond framework for such issuances (the "**ESG Framework**") which further specifies the eligibility criteria for such ESG Projects based on the recommendations included in the voluntary process guidelines for issuing green, sustainability and social bonds published by the International Capital Market Association ("**ICMA**").

The relevant project(s) or use(s) the subject of, or related to, any ESG Projects may not be capable of being implemented in or substantially in such manner and/or accordance with any timing schedule and that accordingly such proceeds might not be totally or partially disbursed for such ESG Projects. Such ESG Projects might not be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by the Issuer. Further, the allocation of proceeds to certain ESG

Projects could be changed as well as the assets initially qualified as ESG assets could be disqualified as such during the term of the Notes. In addition, the maturity of ESG assets might not match the minimum duration of the Notes so that the proceeds would have to be reallocated and replacement assets be required. Such reallocation could fail due to the lack of new ESG assets which comply with the ESG Framework of the Issuer so that the amount equivalent to the proceeds of the issue of the Notes will not be used as stated in the relevant Final Terms.

Furthermore, in respect of any Notes issued in accordance with the ESG Framework, such use of the net proceeds may not be suitable for the investment criteria of an investor. The net proceeds from an offer of eligible and subordinated Notes issued as green bonds or social bonds could not only be used for ESG Projects but also to cover all potential losses in the balance sheet of the Issuer regardless of whether (i) the Notes are labelled "ESG" and (ii) losses stem from ESG Projects or other assets of the Issuer. In addition, the Notes issued as green bonds, sustainable bonds or social bonds do not enjoy preferential treatment in the event of insolvency proceedings of the Issuer and, like all other Notes issued under this Prospectus, will participate in losses in accordance with their ranking. Therefore, the Holders of eligible and subordinated Notes issued as green bonds, sustainable bonds or social bonds are exposed to the risk that they may lose all or part of their invested capital.

The abovementioned events or omissions of the Issuer, or the failure by the Issuer to do so or any failure to provide or publish any reporting or any (impact) assessment, or any failure to obtain any certification or label (or the withdrawal of any such certification or label or of the Second Party Opinion issued on 8 April 2024 by Sustainalytics GmbH in relation to the ESG Framework ("**SPO**"), or any ESG Projects ceasing to be classified as such prior to maturity of the relevant Notes, or the fact that the maturity of any ESG Projects may not match the minimum duration of the Notes, (a) will not (i) constitute an event of default under the Notes, (ii) lead to an obligation for the Issuer to redeem the Notes, (iii) be a factor whether or not an optional redemption right should be exercised and (iv) have a consequence on the Notes' permanence and loss absorbency and/or (b) will not give the Holders (i) the right to otherwise early terminate the Notes, (ii) the right to accelerate payments under the Notes and (iii) any claim against the Issuer.

A failure by the Issuer with regards to the use of the net proceeds at whatever point in time (i.e. initial allocation of the funds, subsequent reallocation) or with regard to the expected performance of the ESG Projects (including loss of the green or social feature of the original project, for example), as well as the existence of a potential mismatch between the duration of the ESG Projects and the duration of the Notes will neither lead to an obligation for the Issuer to redeem the Notes nor will it jeopardise the regulatory classification as own funds or eligible liabilities instruments of the Issuer.

Any aforesaid event or failure may have material adverse consequences for certain investors with mandates to invest in securities to be used for a particular purpose. Furthermore, the Holders may be required to bear the financial risks of an investment in such Notes until their final maturity or may be required to sell the Notes due to their portfolio mandates at an unfavourable market price.

Due to the still pending legislative initiatives, Notes issued as green bonds, social bonds or such other equivalent label might not satisfy any existing or future legislative

or regulatory requirements or any present or future investor expectations or requirements.

Currently, there is no final definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a "green", "social" or an equivalently-labelled project or as to what precise attributes are required for a particular project to be defined as "green", "social" or such other equivalent label nor such a final definition or consensus might develop over time. While certain steps have been taken in defining the term "sustainable" within the EU by the Regulation (EU) 2020/852 as amended (the "**Taxonomy Regulation**"), the Corporate Sustainability Reporting Directive and the Regulation (EU) 2023/2631 ("**Green Bonds Regulation**"), further regulatory developments have led to a more precise and uniform definition of "green bond", it is an area which has been, and continues to be, the subject of many and wide-ranging voluntary and regulatory initiatives to develop rules, guidelines, standards, taxonomies and objectives. Even if such voluntary or regulatory initiatives should arrive at a definition of "green" or "social" (or any equivalent label) they are not necessarily meant to apply to the Notes nor will the Issuer necessarily seek compliance of the Notes with all or some of such rules, guidelines, standards, taxonomies, principles or objectives (including, inter alia, the Taxonomy Regulation, the Corporate Sustainability Reporting Directive, the Green Bonds Regulation, the EU Taxonomy Climate Delegated Act, the EU Green Bond Standard, the Green Bond Principles). Also, the criteria for what constitutes an ESG Project may be changed from time to time.

The intended use of proceeds of the Notes by the Issuer for any ESG Projects in accordance with the Framework might not satisfy, either in whole or in part, (i) any existing or future legislative or regulatory standards such as further delegated acts relating to the remaining objectives of the EU Taxonomy Regulation or the EU Green Bond Standard, or (ii) any present or future investor expectations or requirements with respect to investment criteria or guidelines with which any investor or its investments are required to comply under its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental impact of any projects or uses, the subject of or related to, any ESG Projects. In addition, the reporting in relation to the use of proceeds under the Framework might not meet investor needs or expectations.

Moreover, in light of the continuing development of legal, regulatory and market conventions in the green, sustainability or social markets, there is a risk that the ESG Framework may (or may not) be modified in the future to adapt any updates that may be made to the ICMA Sustainable Bond Principles, the EU Taxonomy Regulation and/or the EU Green Bond Standard. Such changes may have an adverse effect on the market price and the liquidity of the Notes issued prior to the amendment.

Due to the still pending legislative initiatives, the Notes issued as green bonds, social bonds or such other equivalent label might not satisfy, either in whole or in part, (i) any existing or future legislative or regulatory requirements, or (ii) any present or future investor expectations regarding "green", "social" or other equivalently-labelled performance objectives or requirements with respect to investment criteria or guidelines with which any investor or its investments are required to comply under its own by-laws or other governing rules or investment portfolio mandates.

This may have a material adverse effect on the market price of such Notes and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

There may be risks relating to ESG ratings and/or opinions in connection with the Framework.

The suitability or reliability for any purpose whatsoever of any opinion (e.g. the SPO or any other second party opinion) of any third party (whether or not solicited by the Issuer) which may be made available in connection with the Framework and/or the issue of any Notes and in particular with any ESG Projects to fulfil any environmental, social and/or other criteria remains uncertain. Any such opinion may not address risks that may affect the market price of Notes or any ESG Projects to which the Issuer may assign the proceeds of the Notes. Any failure by the Issuer to obtain any opinion or any subsequent withdrawal of any such opinion will not constitute an event of default under the Notes and will not give the Holders any acceleration or redemption right or other claims against the Issuer. Additionally, Holders may not have a right of recourse against the provider of such an opinion.

Further, any withdrawal of any such opinion or any such opinion attesting that the Issuer is not complying in whole or in part with any matters which such opinion is opining may have a material adverse effect on the market price of such Notes and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

Separately, the Issuer's exposure to ESG risks and the related management arrangements established to mitigate those risks may be assessed by ESG rating agencies in the future, among others, through ESG ratings. ESG ratings may vary amongst ESG rating agencies as the methodologies used to determine ESG ratings may differ. ESG ratings are not necessarily indicative of the Issuer's current or future operating or financial performance, or any future ability to service the Notes and are only current as of the dates on which they were initially issued. Any withdrawal of an ESG rating may have a material adverse effect on Notes which are intended to finance ESG Projects.

As of the date of approval of this Prospectus, neither the issuance of ESG ratings or the issuance of SPOs on frameworks or note issuances are subject to comprehensive regulation and so far, no generally accepted industry standards have emerged. For this reason, any such ESG rating or SPO might not provide a fair and comprehensive summary of the relevant underlying facts or any such ESG rating or opinion might not address all relevant risks.

The listing, inclusion or admission to trading of Notes issued as green bonds or social bonds on a dedicated "ESG", "green", "environmental", "social" and/or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated) might not satisfy the investors' expectations or requirements.

In the event that any Notes are listed, included or admitted to trading on any dedicated "ESG", "green", "environmental", "social" and/or other equivalently-labelled segment of any stock exchange (such as the Vienna ESG segment of the Vienna Stock Exchange) or securities market (whether or not regulated), such listing, inclusion or admission might not satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its

own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental impact of any projects or uses, the subject of or related to, any ESG Projects. Furthermore, the criteria for any such listing, inclusion or admission to trading may vary from one stock exchange or securities market to another. Any such listing, inclusion or admission to trading might not be obtained in respect of any such Notes or, if obtained, that any such listing, inclusion or admission to trading might not be maintained during the life of the Notes.

Any such Notes no longer being listed, included or admitted to trading on any dedicated "ESG", "green", "environmental", "social" and/or other equivalently-labelled segment of any stock exchange or securities market as aforesaid may have a material adverse effect on the market price of such Notes and also potentially the market price of any other Notes which are intended to finance ESG Projects and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

1.2.8 Risk factors relating to tax and legal matters

Careful consideration should be given to the tax implications of investing in Notes.

Any interest payments on Notes or gains realised by a Holder on the sale or redemption of Notes may be taxable in the Holder's home country or in other countries. Holders are exposed to the risk that the real return on the Notes may be substantially lower than expected due to the impact of applicable tax laws. In addition, applicable tax regulations may change in the future to the disadvantage of the bondholders, which could lead to higher tax burdens and thus to a lower return on the bonds.

The Notes are governed by Austrian law, and changes in applicable laws, regulations or regulatory requirements may have adverse effects on the Issuer, the Notes and the Holders.

The Terms and Conditions of the Notes are governed by Austrian law. Investors should note that the law applicable to the Notes may not be the law of their own country and that the law applicable to the Notes may not afford them similar or adequate protection. The effect of any judicial decision or change in Austrian law (or in the law applicable in Austria) or in administrative practice after the date of this Prospectus is not currently foreseeable. Holders are therefore subject to the risk that the law applicable to the Notes may be unfavourable to Holders and may change.

An Austrian court could appoint a trustee for the Notes to exercise the rights and represent the interests of Holders on their behalf in which case the ability of Holders to pursue their rights under the Notes individually may be limited.

Pursuant to the Austrian Trustee Act and the Austrian Trustee Supplemental Act, a trustee (*Kurator*) may be appointed by an Austrian court at the request of a party (e.g. a Holder) or upon the initiative of the competent court, for the purposes of representing the common interests of the Holders in matters concerning their collective rights. In particular, this may occur if insolvency proceedings are initiated against the Issuer, in connection with any amendments to the Terms and Conditions of the Notes or changes relating to the Issuer, or under other similar circumstances. If a trustee is appointed, then it shall exercise the common rights of all Holders and represent the interests of all Holders and may make declarations on their behalf which are binding on all Holders. In cases where a trustee represents the interests

of the Holders and exercises the rights of the Holders, this may result in a disadvantage or a collision with the interests of individual or all Holders.

1.2.9 Risk factor in relation to currencies

Holders may be exposed to the risk of unfavourable exchange rate developments or the risk of authorities imposing or modifying exchange controls (currency risk - foreign exchange risk).

Redemption and payment of interest (if applicable) on the Notes will be made in the currency specified in the Terms and Conditions (the "**Specified Currency**"). This involves certain risks relating to currency conversions in the event that Holder's financial transactions are primarily denominated in a currency other than the Specified Currency. These risks include the risk of a significant change in the exchange rate (including changes due to a devaluation of the Specified Currency or a revaluation of the other currency) and the risk that the authorities responsible for the other currency introduce or change exchange controls. An appreciation of the other currency against the Specified Currency would result in (i) a reduction in the equivalent value in the other currency of the proceeds of the Notes, (ii) a reduction in the equivalent value in the other currency of the principal amount payable on the Notes and (iii) a reduction in the equivalent value in the other currency of the market value of the Notes.

Governmental and monetary authorities may (as has happened in the past in some cases) impose or remove exchange controls and currency pegs that could adversely affect a prevailing exchange rate. As a result, Holders may receive lower than expected interest or redemption amounts or none at all.

2. THE PROGRAMME

Note: The following is general information relating to the Programme and the Notes. Investors should note that this information does not contain a complete description of the Notes. A complete description of the Notes and the rights attaching thereto is set out only in the Form of the Terms and Conditions (see pages 83 of the Prospectus) as supplemented by the Final Terms published for each Series of Notes, which are included as a form in this Prospectus (see pages 174 of the Prospectus).

Description: Programme for the issue of Notes (the "**Programme**") as (i) senior Notes, (ii) "preferred senior" Notes, (iii) "non-preferred senior" Notes (the Notes referred to in (ii) and (iii) above constitute Eligible Liabilities Instruments pursuant to Article 72b CRR), (iv) subordinated Notes and (v) covered bonds, in percentage quotation (the "**Notes**").

Issuer: VOLKSBANK WIEN AG

Arranger: Erste Group Bank AG

Dealer: Erste Group Bank AG

The Issuer may at any time terminate the appointment of a Dealer and/or appoint other or additional Dealers. Such appointment may relate to one or more Series of Notes or to the entire Programme.

References in this Prospectus to "Dealers" include all such persons.

Principal Paying Agent: VOLKSBANK WIEN AG

The Issuer reserves the right to vary or terminate the appointment of the Principal Paying Agent, any additional Paying Agents and the Calculation Agent at any time and to appoint a different Principal Paying Agent or additional or different Paying Agents or Calculation Agents. The Issuer will ensure that at all times: (i) a Principal Paying Agent and a Calculation Agent; (ii) a Paying Agent in a Member State of the European Union; and (iii) for so long as the Notes are listed on a Regulated Market, a Paying Agent with a designated office at such place as may be prescribed by the relevant stock exchange, is appointed. The Paying Agents and the Calculation Agent reserve the right at any time to designate another office in the same country in place of their respective designated office, notices in respect of any changes in the Principal Paying Agent, the Paying Agents or the Calculation Agent shall be given promptly by the Issuer in accordance with the Terms and Conditions.

Issue method: The Notes will be issued in series (each a "**Series**"). The Terms and Conditions of each Series of Notes are set out in the applicable Final Terms (which are included as a form in this Prospectus on the pages 174 et seqq, the "**Final Terms**"), which refer to or reproduce the applicable (parts of) Form of the Terms and Conditions (which are

included in this Prospectus on the pages 83 et seqq, the "**Form of the Terms and Conditions**") (together, the "**Terms and Conditions**").

Notes may be issued as one-off or tap issues. One-off issues represent Notes which may be subscribed for and issued during a specified offering period. In the case of tap issues, it is at the Issuer's discretion when the Notes will be available for subscription and issue during the whole (or part of the) term. In the case of tap issues, the Issuer is entitled to increase or decrease the aggregate principal amount at any time.

Consolidation of debt securities:

Notes of one Series may be consolidated with Notes of another Series such that together they form a single Series.

Issue price:

The Notes may be issued at their nominal amount or at a premium to or a discount from the nominal amount.

The Initial Issue Price of Notes issued as a tap issue will be specified in the relevant Final Terms for the commencement of their offer period and will be adjusted thereafter by the Issuer on an ongoing basis in accordance with prevailing market conditions at the relevant Issue Date.

Distribution method:

The Notes may be issued on a syndicated or non-syndicated basis and by way of public offering or private placement.

Stock Exchange, Admission on the Official Market and/or Inclusion in an MTF:

The Issuer has applied for admission of the Programme to trading on the Official Market (*Amtlicher Handel*) of the Vienna Stock Exchange and for inclusion of the Programme to trading in the Vienna MTF, which is a Multilateral Trading Facility ("**MTF**") operated by the Vienna Stock Exchange. Notes may also be issued under this Prospectus which are not listed. The Final Terms applicable to any Series of Notes will specify whether or not such Notes are listed.

For a series of Notes issued as green bonds, sustainable bonds or social bonds, inclusion in the Vienna ESG Segment can be applied for.

Categories of investors to whom the Notes are offered:

The Notes may be offered to both institutional and retail clients.

Reasons for the offer and use of the issue proceeds:

Unless otherwise specified in the Final Terms, the net proceeds from the issue of the Notes will be used by the Issuer to generate profits and for its general funding needs and issues of Notes evidencing subordinated capital will be used to strengthen the Issuer's capital resources and issues of eligible Notes serve as eligible liabilities (MREL) pursuant to Article 72k CRR.

Stabilisation:

One or more Dealers may act as stabilisation manager(s) in respect of any Series of Notes, i.e. provide bid and offer prices for such Notes on an ongoing basis as intermediaries in secondary trading for the

purpose of increasing the liquidity of the Notes (each a "**Stabilisation Manager**"). If one or more Stabilisation Managers are appointed in respect of a Series of Notes, the identity of such Stabilisation Managers will be disclosed in the Final Terms. The Dealer or Dealers appointed as Stabilisation Managers in respect of a particular Series of Notes (or their agents) may effect over-allotments of Notes and/or other transactions to support the market price of the Notes at a higher level. However, there is no guarantee that the Stabilisation Manager(s) (or their agents) will undertake any such stabilisation. Any stabilisation action may commence on or after the date on which the Final Terms of the relevant Series of Notes are duly published and may be completed at any time thereafter, but must be completed no later than the earlier of thirty days after the date of issue of the relevant Series of Notes or sixty days after the date of allotment of the relevant Series of Notes. Any over-allotment and stabilisation action shall be carried out by the Stabilisation Manager(s) (or their agents) in accordance with applicable law.

**Green Bonds,
Sustainable Bonds,
Social Bonds:**

The Final Terms of a particular Series of Notes may provide that it is the intention of the Issuer to apply an amount equal to the net proceeds from an offering of such Notes specifically to projects and activities that promote ESG purposes.

The Issuer provides more details with regard to its prospective green, sustainable or social bond issues (i) in its sustainable bond framework (Sustainability Bond Framework) which will be disclosed on the Issuer's website ("www.volksbankwien.at/investor-relations/investor-relations/sustainability-bond-framework") and (ii) provides further details in the relevant Final Terms under "use of proceeds". Such a Framework sets out the qualifying criteria for ESG projects based on the recommendations of the ICMA Green Bond Principles, the ICMA Sustainability-Linked Bond Principles and the ICMA Social Bond Principles, which aim, among other things, to help issuers finance green and sustainable projects and provide transparent guidance on best practice in the green bond, sustainable bond and social bond markets. The ESG Framework is not, nor shall be deemed to be, incorporated into and/or form part of this Prospectus.

Neither the Issuer, the Arranger, any Dealer, any of their affiliates nor any other person mentioned in the Prospectus makes any representation as to the suitability of any Notes to fulfil environmental, social and/or sustainability criteria required or expected by any prospective investors as regards any investment criteria or guidelines with which such prospective investor or its investments are required to comply. The Issuer has not undertaken, nor is responsible for, any assessment of such Frameworks, any verification of whether ESG Projects meet the criteria set out in such Frameworks or the monitoring of the use of proceeds.

Payment of principal and interest of green bonds, sustainable bonds and social bonds will be made from the general funds of the Issuer and will not be directly linked to the performance of any ESG Projects.

Based on the ESG Framework, an amount equal to the net proceeds of the Notes issued as green, sustainable or social bonds will be used to finance or refinance, in whole or in part, loans that have a positive environmental and/or social impact (e.g. green buildings, renewable energy, energy efficiency, clean transportation, sustainable agriculture, access to basic services, affordable housing and inclusive finance). Further information in relation to the eligibility criteria may be contained in the respective Final Terms of the Notes issued as green, sustainable or social bonds.

The Issuer aims to publish an impact and allocation report on a portfolio basis that provides information on the environmental and social impact of the portfolio of eligible green and social loans and shows the progress in the allocation and use of proceeds. The impact and allocation report will be published on the Issuer's website ("www.volksbankwien.at/investor-relations/investor-relations/sustainability-bond-framework").

The Issuer's Sustainable Bond Committee ("**SBC**"), which is part of the Issuer's Sustainability Committee (*VBW Sustainable Committee*), is responsible for fulfilling these tasks. In particular, the SBC is responsible for ensuring that loans categorised as eligible comply with the ESG Framework and that the corresponding allocation corresponds to the Issuer's general ESG strategy. Approval must be obtained from the SBC both for corresponding changes to the portfolio and for the impact and allocation report. To fulfil these tasks, the SBC meets every two months or in the event of significant changes to the portfolio.

Pursuant to the recommendation in the ICMA Green Bond Principles, the ICMA Sustainability-Linked Bond Principles and the ICMA Social Bond Principles that external assurance is obtain to confirm alignment with the key features of the ICMA Green Bond Principles, the Issuer has requested the issuance of an SPO from Sustainalytics GmbH, (a provider of ESG research and analysis) Junghofstraße 24, 60311 Frankfurt am Main, Germany. This SPO will also cover issuances of green bonds, sustainable bonds and social bonds of the Issuer. The SPO provider has evaluated the robustness and credibility of the ESG Framework and intended use of net proceeds in terms of its alignment with relevant industry standards and provided its SPO on 8 April 2024 (as disclosed on the Issuer's website "www.volksbankwien.at/investor-relations/investor-relations/sustainability-bond-framework").

Such SPO is not intended to address any credit, market or other aspects of an investment in any Notes, including without limitation market price, marketability, investor preference or suitability of any security. Such SPO is a statement of opinion, not a statement of fact. For the avoidance of doubt, any such SPO is not, nor shall be deemed to be, incorporated by reference into and/or form part of this Prospectus. Any such SPO is not, nor should be deemed to be, a recommendation by the Issuer, the Arranger, any dealer or any other person to buy, sell or hold any such Notes. Any such SPO is only current as of the date that SPO was initially issued and may be updated, suspended or withdrawn by the relevant provider(s) at any time. Prospective investors must determine for themselves the relevance of any such SPO and/or the information contained therein and/or the provider of such SPO for the purpose of any investment in such Notes. Currently, the SPO providers are not subject to any specific regulatory or other regime or oversight.

Holders might not have any recourse against such provider(s). Neither the Issuer, the Arranger, any dealer nor any of their affiliates nor any other person mentioned in this Prospectus makes any representation as to the suitability or reliability of any opinion or certification of any SPO provider (whether or not solicited by the Issuer) which may be made available in connection with the issue of any Notes issued as green bonds or social bonds and in particular with any ESG assets to fulfil any environmental and/or other criteria.

The Notes issued as green bonds, sustainable bonds or social bonds are fully subject to the application of the CRR eligibility criteria and BRRD requirements for own funds and eligible liabilities instruments and thus carry the related risks of loss-absorption. Any failure by the Issuer with regards to the use of proceeds from such Notes or the expected performance of the eligible ESG assets does not jeopardize the qualification of (i) the Preferred Senior Notes and the Non-Preferred Senior Notes as eligible liabilities instruments and (ii) the Subordinated Notes as Tier 2 instruments.

**Provision of the
reference (interest) rates
underlying the Notes**

The reference (interest) rates on which the Notes may be based are provided by several administrators. As at the date of this Prospectus, the European Money Markets Institute (EMMI), which provides the Euro Interbank Offered Rate (EURIBOR), is registered with ESMA pursuant to Article 36 of the Benchmarks Regulation. The register is published on ESMA's website at "www.esma.europa.eu". Details of any other swap rates or reference (interest) rates underlying the Notes and further details, in particular of the administrators and reference (interest) rates referred to above, may be given in the relevant Final Terms of the Notes.

3. ADDITIONAL INFORMATION ON THE NOTES

This chapter contains certain information, other than the Terms and Conditions, relating to the Notes which may be issued under the Programme. It contains (i) information which is required to be included in the Prospectus pursuant to the Prospectus Regulation but which is not contained in the Terms and Conditions (e.g. because some of the information does not relate to legal circumstances) and (ii) certain further details and explanations of information about the Notes contained in the Terms and Conditions which the Issuer considers useful for investors for a better understanding of the Notes.

Warning: The rights and obligations arising under a Series of Notes of the Issuer and the holders of the Notes (the "**Holders**"), and thus the operation of such Notes, arise exclusively from the Terms and Conditions applicable to the relevant issue, i.e. the Final Terms (which are published for each Series of Notes on the Issuer's website at www.volksbankwien.at under the path: "Börsen&Märkte/Anleihen/Volksbank Emissionen" and which are included as a sample in this Prospectus from page 159), and the set of terms and conditions of the Notes (see from page 82 the prospectus). The Terms and Conditions are legally binding and the following information is provided for information purposes only. Investors should not base their decision to purchase Notes on this chapter alone, but are urged to study the entire Prospectus, any supplements thereto, including the relevant Final Terms (in particular, with respect to the Notes, the chapters "1. Risk Factors" and "5. Terms and Conditions").

3.1 RANKING OF THE NOTES AND ADDITIONAL DISCLOSURES

The Notes issued under the Programme have one of the following characteristics with regard to their ranking, i.e. with regard to the order to be observed by the Issuer in servicing its obligations, which are made optional in § 2 of the Form Terms and Conditions and consequently result from the Final Terms: (i) senior, (ii) "preferred senior", (iii) "non-preferred senior", (iv) subordinated or (v) covered Notes.

3.1.1 Senior Notes

The Notes constitute direct, unsecured and unsubordinated obligations of the Issuer ranking in the event of insolvency or liquidation of the Issuer *pari passu* among themselves and *pari passu* with all other unsecured and unsubordinated instruments or obligations of the Issuer except for any instruments or obligations preferred or subordinated by law.

3.1.2 Preferred senior Notes.

The Notes constitute direct, unsecured and unsubordinated obligations of the Issuer and should qualify as eligible liabilities (within the meaning of Article 72a (1) lit a and Article 72b CRR with the exception of Article 72b (2) lit d CRR) of the Issuer for the MREL Requirement, ranking in the event of insolvency or liquidation of the Issuer *pari passu* among themselves and *pari passu* with all other unsecured and unsubordinated instruments or obligations of the Issuer except for any instruments or obligations preferred or subordinated by law.

3.1.3 Non-preferred senior Notes.

The Notes constitute direct and unsecured obligations of the Issuer and are intended to qualify as eligible liabilities (within the meaning of Article 72a (1) lit a and Article 72b CRR) of the Issuer for the MREL Requirement, provided that in the event of normal insolvency proceedings (bankruptcy proceeding) of the Issuer, claims under the Notes rank:

- (a) junior to all other present or future unsecured and unsubordinated instruments or obligations of the Issuer which do not meet the criteria for debt instruments pursuant to § 131(3)(1) to (3) BaSAG;
- (b) *pari passu*: (i) among themselves; and (ii) with all other present or future non-preferred senior instruments or obligations of the Issuer which meet the criteria for debt instruments pursuant to § 131(3)(1) to (3) BaSAG (other than senior instruments or obligations of the Issuer ranking or expressed to rank senior or junior to the Notes); and
- (c) senior to all present or future claims under: (i) ordinary shares and other Common Equity Tier 1 instruments pursuant to Article 28 CRR of the Issuer; (ii) instruments of participation capital pursuant to § 23 (4) and (5) BWG in the version prior to the entry into force of the CRR of the Issuer; (iii) Additional Tier 1 instruments pursuant to Article 52 CRR of the Issuer; (iv) Tier 2 instruments pursuant to Article 63 CRR of the Issuer; and (v) all other subordinated instruments or obligations of the Issuer.

3.1.4 Subordinated Notes

The Subordinated Notes issued under the Programme shall constitute *Tier 2* instruments under Article 63 CRR, are subject to each of the provisions and restrictions therein and have a minimum maturity of five years.

The Notes constitute direct, unsecured and subordinated obligations of the Issuer, provided that claims under the Notes in the event of the insolvency or liquidation of the Issuer and to the extent that the Notes are (at least partly) recognized as own funds items, will rank:

- (a) junior to all present or future claims from: (i) unsecured and unsubordinated instruments or obligations of the Issuer; (ii) eligible liabilities instruments pursuant to Article 72b CRR of the Issuer; (iii) instruments or obligations of the Issuer that do not result from own funds items of the Issuer; and (iv) any other subordinated obligations of the Issuer which, in accordance with their terms or pursuant to mandatory provisions of law, rank or are expressed to rank senior to the obligations of the Issuer under the Notes at the relevant time;
- (b) *pari passu*: (i) among themselves; and (ii) with all other present or future claims under Tier 2 Instruments and other subordinated instruments or obligations of the Issuer that result from own funds items of the Issuer ranking *pari passu* with Tier 2 Instruments; and
- (c) senior to all present or future claims under: (i) Additional Tier 1 instruments pursuant to Article 52 CRR of the Issuer; (ii) ordinary shares and other Common Equity Tier 1 instruments pursuant to Article 28 CRR of the Issuer; (iii) instruments of participation capital pursuant to § 23 (4) and (5) BWG in the version prior to the entry into force of the CRR of the Issuer; and (iv) all other subordinated instruments or obligations of the

Issuer that result from own funds items of the Issuer ranking junior to the subordinated Notes.

3.1.5 Covered Bonds

Rank

The Covered Bonds will constitute direct and unsubordinated liabilities of the Issuer ranking pari passu with each other and with all other unsubordinated Covered Bonds of the same cover pool of the Issuer.

Additional disclosures

This section on Covered Bonds contains a brief summary of certain aspects of the PfandBG that are relevant in connection with an issue of Covered Bonds. This summary does not purport to be exhaustive of all possible aspects of the Covered Bonds and the Covered Bonds which may be relevant to an issue of the Covered Bonds and further details may be contained in a supplement to this Prospectus. This summary does not address specific situations that may be relevant to certain potential Noteholders of the Covered Bonds. The following statements are of a general nature and are for information purposes only. They do not constitute, nor should they be construed as, legal advice. This summary is based on the provisions of the PfandBG as at the date of this Prospectus, as the same may be amended from time to time. Prospective Holders of the Covered Bonds should consult their legal advisers with respect to an investment in Covered Bonds. Covered Bonds secured by primary assets consisting of mortgage claims or equivalent security interests may be labelled as "Hypothekendarfandbriefe", and those secured by primary assets consisting of claims against public authorities and central banks named in Article 129 (1) lit a CRR as well as public sector entities pursuant to Article 4 (1)(8) CRR or consisting of claims guaranteed by them may be labelled as "öffentliche Darfandbriefe" pursuant to § 11 (2) PfandBG and are subject to labelling protection (*Bezeichnungsschutz*) pursuant to § 24 PfandBG.

Possible effects of the insolvency of the Issuer

In the event of the insolvency or liquidation of the Issuer, payment obligations of the Issuer under the Covered Bonds are not subject to automatic early redemption (so-called "insolvency remoteness"). The Holders have a priority claim in respect of the principal amount and any accrued and future interest from the cover assets which, in the event of the opening of bankruptcy proceedings, form a special estate to satisfy the claims of the Holders of the covered bonds. Until such priority claim is satisfied, all Covered Assets are protected from third party claims and are not part of the Issuer's insolvency estate. In addition, in the event of the insolvency of the Issuer and in the event that the aforementioned senior claim cannot be satisfied in full, the Holders will have an insolvency claim against the Issuer.

Aged claims of the Holders under the Covered Bonds (i.e. existing claims which will only become due at a certain future date) shall not be deemed to be due in any bankruptcy proceedings relating to the assets of the Issuer.

The bankruptcy court shall appoint a trustee (§ 95a IO) to enforce the aforementioned priority claims and any insolvency claims upon commencement of the bankruptcy proceedings.

Role of the special administrator and deferral of maturity

The insolvency court shall immediately appoint a special administrator for the administration of the special assets (§ 86 IO). The FMA shall be heard prior to the appointment of the administrator. The rights and duties of the internal or external trustee pursuant to the PfandBG remain unaffected.

The special administrator shall meet due claims of the Holders of the bonds from the special assets and take the necessary administrative measures for this purpose with effect for the special assets, e.g. by collecting due mortgage claims, selling individual cover assets or by means of interim financing.

Furthermore, in the event of the insolvency of the Issuer, the special administrator may trigger a postponement of maturity pursuant to § 22 PfandBG, provided that the special administrator is convinced at the time of the postponement of maturity that the liabilities under the covered bonds can be serviced in full by the Issuer at the extended maturity date (objective triggering event). The maturity of Covered Bonds may be postponed once by up to twelve months upon the occurrence of the Objective Triggering Event. The postponement of the maturity is not at the discretion of the Issuer.

A Maturity Deferral shall not change the ranking of the Holders of the Covered Bonds or the sequence of the original schedule of maturities of the Covered Bond Programme. In the event of a Maturity Deferral, the maturity of other Covered Bonds within a Covered Bond Programme shall be deemed to be deferred in each case for so long as is necessary to maintain the sequence of the original Maturity Schedule.

Role of the FMA

As the competent authority, the FMA shall supervise the issuance of covered bonds and compliance with the provisions of the PfandBG, without prejudice to the duties assigned to it under other federal laws, and shall take into account the economic interest in a functioning capital market. Among other things, the FMA has the authority to grant or refuse approval for covered bond programmes pursuant to § 30 PfandBG and to demand that the issuer submit the conditions for possible postponements of maturity pursuant to § 22 PfandBG.

Within the scope of the prospectus approval procedure, the FMA does not examine whether an approval for covered bond programmes pursuant to § 30 PfandBG has been granted.

Note on quarterly publication

The Issuer intends to provide detailed information to the Bondholders pursuant to § 23 (2) PfandBG on a quarterly basis on its website at "www.volksbankwien.at/investor-relations/investor-relations".

Lending limit

Potential investors in Covered Bonds should note that, as at the date of this Prospectus, the Issuer has exercised the option pursuant to § 6 (7) PfandBG. The lending limit of 60% set out in the Articles of Association of the Issuer as at the date of this Prospectus relates to Covered Bonds issued under the PfandBG.

Trustee

The Issuer has appointed BINDER GRÖSSWANG Rechtsanwälte GmbH, 1010 Wien, Sterngasse 13, as trustee within the meaning of the PfandBG.

3.2 PAYOUT PROFILES, INTEREST RATES

The Notes issued under the Programme fall into one of the following four Options (each an "**Option**") with respect to their interest rates, which are structured as optional set of Terms and Conditions; the Final Terms will specify which Option of the set of Terms and Conditions is applicable: (i) Option 1 – Fixed Interest Rate, (ii) Option 2 - Zero Coupon Notes, (iii) Option 3 - Floating Interest Rate or (iv) Option 4 - Fixed to Floating Interest Rate or Fixed to Fixed Interest Rate.. Each of the set of Terms and Conditions for an Option has, *inter alia*, with respect to interest, further options (each a "**Variant**") which are selected in the Final Terms. With regard to the interest rate, the variants and options result in the following structuring options for the Notes.

3.2.1 Option 1 - Fixed Interest Rate

Notes with a fixed interest rate bear interest at a percentage rate fixed in advance (e.g. 2.5% of the nominal amount per annum) over their entire term. This fixed interest rate can either be the same for the entire term of the Notes (option 1) or increase (option 2) (e.g. 2.0% of the nominal amount per annum in the first four years of the term and 2.8% of the nominal amount per annum thereafter).

3.2.2 Option 2 - Zero Coupon Notes

Notes representing zero coupon Notes do not accrue interest but typically have a redemption amount equal to or greater than their principal amount and/or are issued at an issue price equal to or less than their principal amount. Any interest equivalent return to the Holder will be the difference between the redemption amount or price received by a Holder on a sale of the Notes and the issue price of the Notes or the price paid by the investor on acquisition of the Notes, excluding any inflation, duties, charges and fees in connection with the acquisition, holding or sale of the Notes.

3.2.3 Option 3 – Floating Interest Rate

In the case of floating rate Notes, the interest rate is not fixed over the term but is firmly linked to a Reference (Interest) Rate. The floating interest rate corresponds to the reference (interest) rate or a part or multiple of the reference (interest) rate plus or minus a margin, e.g. $0.8 * 3M\text{-Euribor} + 20$ basis points per annum. On certain days (so-called Interest Determination Days) during the term of the Notes, the Calculation Agent will determine the amount of the Reference (Interest) Rate and, on the basis of the determined value of the Reference (Interest) Rate, fix the Floating Interest Rate for a certain period (so-called Interest Period) during the term of the Notes, i.e. the interest rate specified on such Interest Determination Day in accordance with the provisions of the Terms and Conditions will then apply for one Interest Period. On the next Interest Determination Date, the Floating Interest Rate will be recalculated and fixed for one Interest Period (if one follows). Floating Rate Notes may also have a Minimum Interest Rate and/or a Maximum Interest Rate, in which case, if the above calculation would result in an interest rate that is less than the Minimum Interest Rate, the Minimum Interest Rate will apply for the relevant Interest Period and, if the above calculation would result in an interest rate that is greater than the Maximum Interest Rate, the Maximum Interest Rate will apply. The floating interest rate of the Notes will be capped at the Maximum Interest Rate and/or capped at the Minimum Interest Rate, as applicable, and may never be less than the Minimum Interest Rate or greater than the Maximum Interest Rate, as applicable.

The reference rates for the floating rate notes are EURIBOR and a CMS (constant maturity swap) rate.

EURIBOR. EURIBOR is the abbreviation for "Euro Interbank Offered Rate", a system of reference interest rates in the Euromarket which came into force within the framework of the European Economic and Monetary Union. EURIBOR is the reference rate for one-week deposits, one to three-month deposits, six-month deposits and twelve-month deposits. Thus, EURIBOR is determined on T2 (Real Time Gross Settlement System operated by the Eurosystem or any successor system) days. For this purpose, the EURIBOR panel banks transmit their interest rates (determined via a waterfall principle on the basis of strict specifications) in interbank trading in the euro area to a screen service, which publishes the EURIBOR at 11.00 a.m. CET.

CMS. CMS stands for constant maturity swap. As with all other forms of interest rate swaps, two different interest rates are exchanged. In contrast to a standard swap, in which an agreed fixed interest rate is exchanged for a floating interest rate, a constant maturity swap involves the exchange of two floating interest rates. In a CMS, a short-term money market interest rate is swapped for a long-term capital market interest rate, but with the difference that the capital market interest rate to be paid is also reset regularly and periodically and is therefore also floating. The amount of these payments depends on an interest rate for swaps that always have the same term. For example, if the swap is based on the 10-year CMS rate, the payment amount of the swap is adjusted once a year on a predefined date to the interest rate for 10-year maturities. If this interest rate rises over the course of the swap term, then the swap partner that has to pay the CMS rate must also make higher payments to the other swap partner. The reverse is true if interest rates fall, in which case the amounts to be paid decrease analogously. The reference for the CMS rate is the respective ICE swap rate.

3.2.4 Option 4 - Fixed to Floating or Fixed to Fixed Interest Rate

Notes may also be structured initially with a fixed interest rate and subsequently with a floating interest rate or initially with a fixed interest rate and later on with another fixed interest rate. This means for the case of fixed to variable interest rates, that the fixed interest rate (as described in item 3.2.1) is changed to a floating interest rate (as described in item 3.2.3) after a time specified in the Final Terms and that, in the case of fixed to fixed interest, that the fixed interest rate is changed to another fixed interest rate after a time specified in the Final Terms.

3.3 METHOD OF DETERMINING THE ISSUE PRICE OF THE NOTES

The issue price of the Notes will be determined by the Issuer taking into account various price-relevant factors such as the current level of interest rates and other product-specific criteria. In addition, the issue price may also include an issue premium, which is intended to cover commissions for the Issuer or other ancillary costs incurred in connection with the issue and hedging of the Notes. Furthermore, the method of determining the issue price of a series of Notes depends on the distribution method.

In the case of a non-syndicated distribution, the Issuer will set the issue price at its own discretion prior to the issue date on the basis of generally prevailing market conditions and thereafter adjust it on an ongoing basis to prevailing market conditions in the case of continuous issues.

In the case of the syndicated distribution of Notes, a bookbuilding process is conducted with institutional investors prior to the commencement of the public offering of the Notes, in the course of which the demand of institutional investors is measured in relation to the issue price. The result of the bookbuilding process is included in the issue price of the Notes, which the Issuer is free to set.

Investors can obtain information on the current issue price from their respective custodian bank.

3.4 YIELD OF THE NOTES

The yield of the Notes depends, *inter alia*, on their interest rate and can therefore only be stated in advance for those Notes for which the applicable interest rates are fixed in advance for the entire term. This applies to Option 1 - Fixed Interest Rate Notes and Option 2 - Zero Coupon Notes, for which the Yield will be specified in the relevant Final Terms. The stated yield will only apply if the Notes are not sold or terminated with ordinary or extraordinary notice prior to the Maturity Date. In the case of Notes under Option 3 - Floating Interest Rate and Option 4 - Fixed to Floating Interest Rate or Fixed to Fixed Interest Rate, no Yield can be calculated due to the indeterminate yield of the Notes. Please refer to chapter 5.1 Terms and Conditions of the Notes from page 83 onwards for more information on the individual variants of the Prospectus.

Any yield stated in the Final Terms is calculated on the (initial) issue date on the basis of the initial issue price and is not an indication of a yield in the future. The yield is calculated using the internal rate of return (IRR) method.

3.5 REPRESENTATION OF THE HOLDERS

In principle, all rights arising from issues of Notes must be asserted by the individual Holders themselves or by the legal representative appointed by them against the Issuer directly, at the Issuer's registered office during normal business hours, as well as in writing or by ordinary legal proceedings.

No organised representation of the Holders is envisaged on the part of the Issuer.

The Holders may, however, be represented in any court proceedings or insolvency proceedings which may be instituted in Austria against the Issuer by a trustee (*Kurator*) appointed by and responsible to the Commercial Court of Vienna pursuant to the Act of 24 April 1874, Imperial Law Gazette No 49 as amended (the "**Kuratoren-gesetz**") and the Act of 5.12.1877, Reichsgesetzblatt Nr 111 idgF (the "**Kuratoren-ergänzungsgesetz**"), if the rights of the creditors of the Notes are endangered due to the lack of a joint representation or if the rights of another person would be delayed thereby and a curator is appointed by the competent court. The Curator Act and the Supplementary Curator Act can be accessed on the internet at www.ris.bka.gv.at.

There is no publication of contracts governing such representations of interest on the Issuer's website.

3.6 TRANSFERABILITY OF THE NOTES

If the Terms and Conditions of the Notes provide for the Notes to be held in safe custody with the Issuer, the Holder shall, upon acquisition of the Notes, be obliged to open a securities account with the Issuer or another credit institution within the Association of Volksbank. In this case, the Notes may therefore not be transferred to a securities account at another credit institution outside the association of Volksbank. This restricts the transferability of such Notes.

If the Terms and Conditions of the Notes provide for the Notes to be held in custody at OeKB CSD GmbH, Clearstream Banking AG, Clearstream Banking S.A. or Euroclear Bank SA/NV, the Notes may be freely transferred in accordance with the applicable provisions of the Clearing Systems and applicable law.

3.7 INVESTOR CATEGORIES AND DEDICATED TRanches FOR SPECIFIC MARKETS

The invitation to the offering is generally not made to any specific or limited target group. The Issuer does not intend to issue its own tranches for specific markets, as there are no plans to issue tranches.

3.8 SUBSCRIPTION PROCEDURE

The invitation to make an offer by initial purchasers will be made by the Issuer and any distribution partners. The offer to subscribe for the Notes must be made by the investors through their custodian credit institution. The Issuer reserves the right to accept the subscription offers (in whole or in part).

3.9 ALLOCATIONS, REIMBURSEMENT OF AMOUNTS

A reduction of the subscriptions is basically not provided. However, the Issuer has the right to reduce the subscriptions at its discretion; if the Issuer exercises this right, the amounts overpaid by the Holders will be refunded by the Issuer through their custodian credit institution.

Holders will be notified of the Notes allotted to them either via their custodian credit institution or in accordance with another procedure specified in the relevant Final Terms. Accordingly, no indication is given as to whether trading may commence prior to the notification procedure.

4. THE ISSUER

4.1 RESPONSIBLE PERSONS

4.1.1 All persons responsible for the information given in the Prospectus or for certain sections of the Prospectus, as the case may be

VOLKSBANK WIEN AG (the "Issuer"), having its registered office in Vienna and its business address at Dietrichgasse 25, 1030 Vienna, registered with the Austrian companies register under registration number FN 211524s, assumes responsibility for the accuracy and completeness of the information contained in this Prospectus.

4.1.2 A declaration by those responsible for the registration document that to the best of their knowledge, the information contained in the registration document is in accordance with the facts and that the registration document makes no omission likely to affect its import

The Issuer declares that it has taken all reasonable care to ensure that such information contained in this Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

4.1.3 Declaration on experts and information from third parties

No expert reports or information from third parties have been included in the Prospectus.

4.1.4 Statement by the Issuer

The issuer declares that

- a) the Prospectus has been approved by the FMA as competent authority pursuant to § 13 KMG 2019 in conjunction with Article 20 Regulation (EU) 2017/1129,
- b) the FMA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Article 20 of Regulation (EU) 2017/1129 in conjunction with Chapter V of Delegated Regulation (EU) 2019/980,
- c) such approval should not be considered as an endorsement of the issuer that is the subject of this Prospectus.

4.2 AUDITOR

4.2.1 Name and address of the auditor

The consolidated Financial Statements 2023 and 2022, prepared in accordance with the provisions of the International Financial Reporting Standards as adopted by the EU ("IFRS"), taking into account the provisions of the BWG, are incorporated by reference and were audited by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Porzellangasse 51, 1090 Vienna, and received unqualified audit opinions. KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft is a member of the Chamber of Tax Consultants and Auditors.

4.2.2 Change of auditor

There was no change of auditor during the period covered by the historical financial information.

4.3 RISK FACTORS

See section "1. RISK FACTORS".

4.4 INFORMATION ON THE ISSUER

4.4.1 Business history and business development

The Issuer was newly established in 2001 by means of a spin-off from Österreichische Volksbanken-Aktiengesellschaft ("**ÖVAG**") in the course of transferring the "branch business" division. The company was first entered into the Austrian companies register under the legal name "VOLKSBANK WIEN AG" on 27 July 2001. In the same year, the banking business of "Volksbank in Wien und Klosterneuburg registrierte Genossenschaft mit beschränkter Haftung" was integrated into the VOLKSBANK WIEN AG. In 2010, ÖVAG, as the main shareholder up to that point, sold its shares in VOLKSBANK WIEN AG to the associated credit institutions of the Association of Volksbanks.

In 2013 and 2014, the banking companies of VOLKSBANK BADEN e.Gen. and Gärtnerbank were integrated into the Issuer as part of a contribution in kind pursuant to § 92 BWG by universal succession. With the entry in the Austrian companies register on 15 October 2013, the legal name of the Issuer was also changed to "Volksbank Wien-Baden AG".

In the course of restructuring the Association of Volksbanks (*Volksbanken-Verbund*) and the conversion of ÖVAG into a wind-down company (*immigon portfolioabbau ag*), the branch of activity of ÖVAG enabling the Issuer to acquire and fulfil the function as central organisation (*Zentralorganisation*) and central institution (*Zentralinstitut*) in the new credit institution Association of Volksbanks formed by the association agreement (*Verbundvertrag*) were transferred to the Issuer by a spin-off for acquisition (*Abspaltung zur Aufnahme*) by way of universal legal succession (*Gesamtrechtsnachfolge*) pursuant to the Austrian De-Merger Act (*Spaltungsgesetz – "SpaltG"*), carried out in accordance with a spin-off agreement dated 1 June 2015 and registered with the Austrian companies register on 4 July 2015.

In the years 2015 to 2018, the banking companies of Volksbank Ost registrierte Genossenschaft mit beschränkter Haftung, der Volksbank Obersdorf Wolkersdorf – Deutsch-Wagram (with simultaneous renaming of Volksbank Wien-Baden AG to VOLKSBANK WIEN AG), Volksbank Weinviertel e. Gen., Volksbank Niederösterreich Süd eG, Volksbank Südburgenland eG der e.Gen., SPARDA-BANK AUSTRIA eGen and, most recently, Waldviertler Volksbank Horn registrierte Genossenschaft mit beschränkter Haftung were transferred to the Issuer by way of universal legal succession pursuant to § 92 BWG.

Since 4 July 2015, the Issuer has the function as central organisation of the Association of Volksbanks formed on the basis of the Association Agreement and as central institution of the historic banking sector of Volksbanks. As of 31 December 2023, the Issuer has 298,994 customers throughout Austria as well as 54 subsidiaries. As of 31 December

2023, the Association of Volksbanks has 966,082 customers throughout Austria and 232 subsidiaries.

4.4.2 Legal and Commercial Name of the Issuer

The Issuer is a stock corporation incorporated for an indefinite period of time and registered with the Austrian companies register (*Firmenbuch*) of the commercial court (*Handelsgericht*) of Vienna under registration number FN 211524s under the name "VOLKSBANK WIEN AG". It operates under the commercial name "VOLKSBANK WIEN". The LEI number (legal entity identifier) of the Issuer is 529900D4CD6DIB3C1904. The Issuer is incorporated in Austria and operates under the laws of the Republic of Austria.

The registered office and business address of the Issuer is 1030 Vienna, Dietrichgasse 25. The central telephone number is +43 (0)1 401 37 0. Its website is www.volksbankwien.at. The information on the Issuer's website is not part of this Prospectus unless incorporated by reference in this Prospectus (see "INFORMATION INCORPORATED BY REFERENCE").

4.4.3 Recent events particular to the Issuer and which are to a material extent relevant to an evaluation of the issuer's solvency

Impact of the Ukrainian crisis

Currently, the effects of the ongoing war in Ukraine and the associated sanctions as well as the effects of the Middle-East-conflict can not be estimated by the Issuer. Although the Issuer has not yet been affected by activities in the contested regions, it was directly affected by the impact on national economies, the financial sector and customers. In particular, the rise in energy prices and inflation continue to affect companies and private customers to varying degrees. The further effects of these acts of war and the development of the geopolitical situation are continuously evaluated by the Issuer. From a macroeconomic perspective, the Russia/Ukraine war is expected to have a negative impact on GDP due to additional supply chain problems, increased commodity and energy prices and a possibly high inflation rate. Given that there are numerous uncertainties regarding the further (economic) development and the time horizon, it is not possible to conclusively assess the medium-term effects both qualitatively and quantitatively for the Issuer and the Association of Volksbanks. Due to the regional orientation and the customer composition of the Association of Volksbank, a short-term direct impact is currently considered to be low, given that the Association of Volksbank as a whole does not have any direct economic and financial activities in Eastern Europe and in particular in Ukraine and Russia. No bonds from issuers from these regions are held either.

Supervisory Review and Evaluation Process

Depending on the business model, governance and risk management, capital adequacy and the liquidity situation of the credit institution, the ECB as competent authority shall set each year individual additional own funds requirements for each credit institution, which result from the Supervisory Review and Evaluation Process ("**SREP**") as part of the ECB's Single Supervisory Mechanism. In addition to an additional Pillar 2 capital requirement, this also includes a Pillar 2 capital recommendation, which is derived from the result of the last stress test. Depending on the financial situation of the Association of Volksbanks (incl. the Issuer), the requirements and recommendations may vary annually.

In 2023, the Association of Volksbanks again underwent the annual SREP and took part in the biannual SSM stress test. With the ECB's decision of 30 November 2023, VOLKSBANK WIEN, as the central organisation of the Association of Volksbanks, received the result of the supervisory review and assessment process. The following capital ratios will result for the Association of Volksbanks as of 1 January 2024:

The CET1 capital recommendation set for the Association of Volksbanks is 10.96% and is made up as follows: Pillar 1 CET1 requirement of 4.50%, Pillar 2 CET1 requirement of 1.27%, combined capital buffer requirement of 3.94% (capital conservation buffer of 2.50%, systemic risk buffer of 0.50%, buffer for systemically important institutions of 0.90%, countercyclical capital buffer² of 0.04%) and Pillar 2 capital recommendation of 1.25%. An/a AT1/Tier 2 shortfall increases the CET1 requirement accordingly. Shortfall in this context means that AT1/Tier 2 requirements that cannot be covered by AT1/Tier 2 capital are met by CET1.

The Tier 1 capital requirement is 12.88% (Pillar 1 requirement of 6.00%, Pillar 2 requirement of 1.69%, capital conservation buffer of 3.94% and Pillar 2 capital recommendation 1.25%).

The total capital requirement is 15.44% (Pillar 1 requirement of 8.00%, Pillar 2 requirement of 2.25%, combined capital buffer requirement of 3.94% and Pillar 2 capital recommendation of 1.25%).

The Pillar 2 requirement has decreased by 25bp to 2.25% compared to 2023. The systemically important institutions buffer has gradually increased to 0.90% since 1 January 2024.

As the central organisation of the Association of Volksbanks, VOLKSBANK WIEN has to fulfil the SREP requirements on a consolidated basis for all members of the Association of Volksbanks pursuant to section 30a BWG.

MREL ratio for the Association of Volksbanks

In order to ensure the effectiveness of bail-in and other resolution tools introduced by the BRRD, in addition to complying with the composite ratio, all individual composite banks must achieve an individual MREL requirement calculated as a percentage of the amount of own funds and eligible liabilities (a) in the Total Risk Exposure Amount (TREA) calculated in accordance with Article 92(3) CRR; and (b) the leverage ratio exposure calculated in accordance with Articles 429 and 429a CRR and prescribed by the relevant resolution authorities. The SRB, implemented by the FMA decision of 3 May 2023, has required the Association of Volksbanks to meet own funds and eligible liabilities (MREL) on a consolidated basis of 23.37% of their Total Risk Exposure Amount (TREA, plus 3.95% Combined buffer Requirement) and 5.91% of their Leverage Ratio Exposure (LRE) as of 31 December 2024 and to comply at all times thereafter.

To ensure the build-up of available own funds and eligible liabilities, the Association of Volksbanks must meet a minimum amount of own funds and eligible liabilities on a consolidated basis of 16.49% of its total risk exposure plus 3.95% combined buffer requirement) and 5.91% of its total risk exposure measure as of 1 January 2022. This ratio applies to the Association of Volksbanks. Individual members of the Association of Volksbanks have been prescribed individual quotas.

² The countercyclical capital buffer in Austria was set at 0%. Based on the 2023 exposure, the countercyclical capital buffer for material credit risk positions not located in Austria is 0.04%.

On 15 March 2021, the placement of a non-preferred senior bond with an issue volume of EUR 500 million and a value date of 23 March 2021 was completed.

In March 2023, the Issuer placed a preferred senior bond with an issue volume of EUR 500 million. On 9 April 2024, the Issuer exercised its right to call the AT1 issue of April 2019 with the approval of the ECB on 29 February 2024. In return, a subordinated (Tier 2) bond with an issue volume of EUR 500 million was placed on 21 March 2024.

The notes serve to comply with the statutory MREL provisions and fulfil the requirements of § 131 (3)(1) to (3) BaSAG.

Capital buffer requirements for the Association of Volksbanks

The Issuer and the Association of Volksbanks must at all times comply with the combined capital buffer requirement within the meaning of § 22a BWG in the form of CET1 capital. For the Association of Volksbanks, this represents the sum of the capital buffer requirement for compliance with (i) the capital conservation buffer of 2.5%, (ii) the countercyclical capital buffer of 0.04%, (iii) the capital buffer for systemic vulnerability of 0.5%, the capital buffer for systemically important institutions (O-SII) of 0.90%, calculated in accordance with Article 92(3) CRR. For VOLKSBANK WIEN AG, the capital conservation buffer of 2.5% and the countercyclical capital buffer for material credit risk positions located in Austria of 0% apply.

4.4.4 Rating

The Issuer has received various credit ratings from the credit rating agencies listed below. Detailed information on these ratings can be found on the Issuer's website www.volksbankwien.at under the path: "www.volksbankwien.at/investor-relations".

Moody's Deutschland GmbH ("**Moody's**") has updated the rating for the Issuer on 27 February 2023 as follows: from "Baa1" to "A2" for the "long term deposit rating" and confirmed this on 11 April 2024 (for Moody's see below). Fitch Ratings - a branch of Fitch Ratings Ireland Limited ("**Fitch**") has updated the rating for the Association of Volksbanks on 25 July 2022 as follows: from "BBB" to "BBB+" for the "Long Term Issuer Default Rating" and confirmed this on 18 April 2024 (for Fitch see below).

The Issuer's covered bonds have received the following rating from Moody's: "Aaa".

The Issuer has commissioned Sustainalytics GmbH ("**Sustainalytics**") to assign a sustainability rating and has received the following rating in the first half of 2023: ESG risk rating score: 10.2, ESG risk rating category: Low ESG risk.

Detailed information on the sustainability rating can be found on the Issuer's website www.volksbankwien.at under the path: "www.volksbankwien.at/investor-relations".

General information about the meanings of ratings and limitations that must be considered in this connection may be found on the websites of Moody's www.moodys.com and of Fitch www.fitchratings.com and on Sustainalytics www.sustainalytics.com.

Fitch's business address is Neue Mainzer Straße 46-50, 60311 Frankfurt am Main (Frankfurt Local Court - HRB 117946). Moody's has its business address at An der Welle 5, 60322 Frankfurt am Main (Local Court: Frankfurt - HRB 33863). Sustainalytics has the business address Junghofstraße 24, 60311 Frankfurt am Main (District Court: Frankfurt - HRB 80381).

Moody's and Fitch are legally registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies.

A rating does not constitute a recommendation to buy, sell or hold Notes, and may be suspended, changed or withdrawn by the rating agency at any time.

No rating is intended for the Notes at the date of approval of the Prospectus. However, a rating for the Notes may be applied for in the future. Any rating of the Notes will be specified in the Final Terms.

4.4.5 Information on material changes in the Issuer's borrowing and funding structure since the last financial year

In order to strengthen its liquidity position, the Issuer has participated in the ECB's Targeted Longer-Term Refinancing Operations ("TLTRO") III Programme. The use of the TLTRO III programme serves, in addition to reasons of cost efficiency, primarily to secure the increasing liquidity needs of the Issuer's customers due to support measures (deferrals or bridge financing resulting from the COVID-19 pandemic) of the real economy. With this set of instruments, the ECB provides banks with refinancing with the provision of eligible collateral with a 3-year term, which can be repaid early if required, starting in September 2021. In December 2023, the Issuer partially took up once again the ECB's offer for an early repayment of funds from the TLTRO III programmes. Furthermore, there have been no significant changes in the Issuer's borrowing and funding structure since the last financial year.

4.4.6 Description of the expected financing of the Issuer's activities

The Issuer's funding and liquidity profile is and will be consistent with its business model, which is and will be predominantly focused on retail and corporate banking in Austria. Accordingly, the main sources of funding are and will be, in order of importance, customer and savings deposits, debt securities and deposits of associated banks held by the Issuer in its role as the central organisation for the Association of Volksbanks.

4.5 BUSINESS OVERVIEW

4.5.1 Main fields of activity

The Issuer is primarily active in the following business areas:

- Credit business;
- Deposit business;
- Securities account business;
- Function as the central organisation of the Association of Volksbanks
- Private customer business.

Through the brand "LiveBANK", the Issuer offers services in respect of online banking. Furthermore, through the brand "SPARDA BANK" services to retail customers are offered by the Issuer throughout Austria.

The Issuer is a regional bank and runs its operations pursuant to § 3 of its Articles of Association (*Satzung*) with the aim of supporting the interests of its members. It performs this in the Association of Volksbanks as the central organisation. The individual and

consolidated financial statements of the Issuer are audited by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft.

The purpose of the Issuer is to perform banking activities pursuant to § 1 BWG, excluding banking activities pursuant to § 1(1)(12), (13), (13a) and (21) BWG.

This also includes the issuing of covered bonds (*gedeckte Schuldverschreibungen*) as well as the investment of proceeds from such instruments in accordance with the applicable legal provisions (securities underwriting business) (§ (1)(1)(9) BWG) as well as the business of financing through the acquisition and resale of equity shares (capital financing business) (§ (1)(1)(15) BWG).

Within the framework of the corresponding legal regulations, the Issuer also deals in the provision of payment services, trading with coins, medals and ingots made from precious metals, the letting of safes under joint control with the lessor, exchange office business, building society advisory services and the arrangement of building society savings contracts, the arrangement of insurance, leasing, services for automated data processing, the distribution of credit cards, investment consulting and asset management and all other activities permitted pursuant to § 1(1)(2) and (3) BWG.

As a central money and credit institution, and as the central organisation of the Association of Volksbanks, the Issuer also has the following responsibilities in particular:

- a) To perform the functions of the central organisation of the association of credit institutions pursuant to § 30a BWG, including giving instructions to the member credit institutions to ensure compliance with banking supervisory requirements;
- b) to manage and invest the liquid funds made available to it by the member credit institutions, notably their liquidity reserves;
- c) to grant loans, loan support and temporary liquidity support to the member credit institutions, to ensure corresponding liquidity such as by way of securities issues, to facilitate their money and business dealings with each other and with third parties;
- d) to perform, maintain, technically develop and promote its cashless payment transactions and other banking services;
- e) to issue covered bonds;
- f) to support the member credit institutions with their marketing activities;
- g) to represent the interests of the member credit institutions; and
- h) to handle the syndicated loan business together with the member credit institutions.

The Issuer is entitled to undertake any transactions and measures that are necessary and expedient to achieve the purpose of the Issuer's company or that directly or indirectly serve the purpose of the company, in particular to establish branches in Austria as well as to acquire stakes in other companies of the same or a similar nature.

The Issuer must perform and fulfil all its legal, statutory and contractual rights and obligations as the central organisation of the association of credit institutions (§ 30a BWG), in particular to participate in the liquidity and liability scheme, as well as to observe the conditions of the Association Agreement.

The Issuer's business is to be performed in consideration of its position as the central organisation, central institution and liquidity clearing house of the member credit institutions in accordance with general economic aspects and commercial principles, with particular consideration being given to the purpose of the company (§ 3 of the articles of association) and cost efficiency. When issuing, changing and supplementing instructions (§ 30a BWG), the Issuer must always preserve the aim of promoting the member credit institution, as well as the principle of objective equal treatment of the member credit institutions.

4.5.2 Principal markets

The Issuer's most important geographical markets are the Austrian federal provinces of Vienna, Burgenland and the eastern half of Lower Austria. In addition, it is also active throughout Austria with partial operations.

4.5.3 Basis for any statements made by the Issuer regarding its competitive position

Does not apply.

4.6 ORGANISATIONAL STRUCTURE

4.6.1 Association of Volksbanks

The primary institutions of the Austrian Volksbank sector ("**Volksbank sector**") formed a new, unlimited joint liability scheme with the approval of the ECB on 2 July 2015. Since 2 July 2015, VOLKSBANK WIEN has acted as the central organisation of the Association of Volksbanks. The Association of Volksbanks now consists of eight regional Volksbanks (including VOLKSBANK WIEN) and one specialist credit institution.

In 2016, the ECB approved the association formed between VOLKSBANK WIEN as the central organisation and the member credit institutions affiliated to the central institution as an association of credit institutions pursuant § 30a BWG effective from 1 July 2016.

For implementation, the Volksbanks chose a legal structure with the greatest possible integration within the framework of Art. 10 CRR. Consequently, the Association of Volksbanks is characterised by a very high degree of interconnectedness. A number of regulatory requirements (such as capital and liquidity requirements) only have to be met at the level of the Association of Volksbanks and by VOLKSBANK WIEN AG ("**VOLKSBANK WIEN**") as the central organisation, but not by the other members of the Association of Volksbanks.

VOLKSBANK WIEN as the central organisation and the legally independent regional Volksbanks (Volksbank Niederösterreich AG, Volksbank Oberösterreich AG, Volksbank Steiermark AG, Volksbank Tirol AG, Volksbank Kärnten eG, Volksbank Salzburg eG, VOLKSBANK VORARLBERG e. Gen.) as well as the special credit institution (Österreichische Ärzte- und Apothekerbank AG) as member credit institutions form an association of credit institutions pursuant to § 30a BWG on the basis of the Association Agreement, which represents a Joint Liquidity and Liability Association.

The central objective of the Joint Liability Association is to safeguard the continued existence of the members of the Association of Volksbanks, which results in a mutual obligation on the

part of the member institutions. In its function as the central organisation, VOLKSBANK WIEN is also dependent on the economic situation of the other members of the Association of Volksbanks due to the strong mutual interdependencies (see also item 4.6.3 Agreements regulating the Association of Volksbanks).

The members of the Association of Volksbanks are a) VOLKSBANK WIEN (as the central organisation and regional Volksbank) and b) the member credit institutions.

VOLKSBANK WIEN is also one of (in total) eight regional Volksbanks and part of the Association of Volksbanks, but in its role as a central organisation and not as member credit institution. As a result, eight regional Volksbanks and one special credit institution are members of the Association of Volksbanks.

Volksbank Vertriebs- und Marketing eG is considered a member of the Association of Volksbanks, but does not have a licence as a credit institution pursuant to BWG and is therefore not part of the association of credit institutions pursuant to § 30a BWG.

The members of the Association of Volksbanks are also members of the "Volksbank" group at the Österreichischer Genossenschaftsverband (Schulze-Delitzsch) (the "ÖGV"), a federation of cooperatives, and of the professional Association of Volksbanks (*Fachverband der Volksbanken*) at the Austrian Economic Chamber (*Wirtschaftskammer Österreich – WKÖ*).

The Association of Volksbanks and the individual members of the Association of Volksbanks are subject to direct supervision of the ECB. The Association of Volksbanks is a vertically organised system in which the members of the Association of Volksbanks work together. Based on joint objectives, said members remove certain individual functions from their autonomous area of responsibility and transfer these to other members of the Association of Volksbanks (principle of subsidiarity). This principle governs the relationship between the decentralised units (the individual members of the Volksbanks sector) and the central units, i.e. the central organisation and ÖGV.

4.6.2 Contracts regulating the Association of Volksbanks

4.6.2.1 Association Agreement (*Verbundvertrag*)

In order to ensure a sustainable Association of Volksbanks retaining the core competency as a regionally based financial services provider that ensures the comprehensive supply of financing to the economy and regional financial support for customers, the primary institutions of the Austrian Volksbanks sector, which includes the regional Volksbanks belonging to the Association of Volksbanks at that time, the special credit institutions, the credit cooperative banks and a building society (start:bausparkasse), decided, by means of a resolution in principle dated 2 October 2014, on the strategic restructuring of the Association of Volksbanks.

In order to secure and sustainably reinforce the existence and performance of the Austrian Association of Volksbanks, the Issuer (as the central organisation) concluded the Association Agreement with the member credit institutions of the Austrian Volksbanks sector, which came into effect in its version at that time on 1 July 2016 (now extended by the Supplementary Agreement of June 2023). This Association Agreement forms the foundation of the Association of Volksbanks, serving both to ensure the regulated transfer

of liquidity between the members (Liquidity Scheme) and the provision of other services between the members (Liability Scheme), thereby providing an indirect guarantee for the creditors of all members (see also risk factor: "association risk"), but does not establish any third-party rights of claim against the members of the Association of Volksbanks. In doing so, the central organisation is obligated, on the one hand, to manage liquidity in the Association in such a way that ensures compliance at all times with all relevant supervisory regulations and, on the other, is entitled, in the event of a liquidity emergency or violation by a member credit institution of general instructions concerning the transfer of liquidity, to take enforcement action.

As a central organisation, VOLKSBANK WIEN has comprehensive, legally defined management and instruction powers, to which the credit institutions assigned to it are subject pursuant to § 30a BWG. The central organisation may issue general and individual instructions to the member credit institutions to fulfil its management function. The competence to issue general instructions serves to fulfil general requirements (such as in the areas of compliance with supervisory regulations, notably the solvency and liquidity of the Association; administrative, technical and financial supervision or risk assessment) for the entire Association of Volksbanks. Individual instructions serve to substantiate the rights and obligations following from the general instructions, and may be issued by the central organisation in the event of a violation of general instructions to restore the contractual and legal condition in the Association of Volksbanks vis-à-vis the individual credit institutions.

In June 2023, the contracting parties to the Association Agreement concluded a supplementary agreement to the Association Agreement, which provides for the capital measures in the Liability Scheme to be supplemented by an automatic redistribution of own funds (profit and loss redistribution) as a further measure in the Liability Scheme.

4.6.2.2 Trust Agreement Trust Fund (*Treuhandvertrag Leistungsfonds*)

In order to cover the measures to be taken by the central organisation, set out in the Association Agreement, to avert a threatening deterioration in the business, financial condition and results of operations, including the liquidity situation, in the regulatory and economic capital, in credit defaults or cluster risks, in one or more members of the Association of Volksbanks, the Issuer, as the central organisation, concluded the Trust Agreement Trust Fund with its member credit institutions for an indefinite period of time and which came into effect on 1 July 2016.

The Trust Fund was set up as earmarked trust assets of the contracting institutions held by the central organisation as the trustor and endowed in accordance with this Agreement. By 31 December 2021, the aim was to have a target endowment amount on the basis of the average risk position of the contracting parties, but no less than EUR 100 million, which also corresponds to the current status.

If, according to the Association Agreement, it occurs that the central organisation is entitled to call on member contributions, it shall take these first from the Trust Fund. The resources from the Trust Fund are to be used to purchase assets that may be recognised on the balance sheet. In the event that, in isolated cases, there are no longer any resources in the Trust Fund for the central organisation to use, the central organisation shall retrieve the missing amount

as ad hoc contributions from the individual contracting institutions in accordance with the proportions arising from the Association Agreement.

4.6.2.3 Cooperation Agreement (*Zusammenarbeitsvertrag*)

Volksbank Vertriebs- und Marketing eG and the members of the association of credit institutions pursuant to § 30a BWG, including VOLKSBANK WIEN, concluded the cooperation agreement on 1 July 2016 for an indefinite period. According to the Cooperation Agreement, Volksbank Vertriebs- und Marketing eG is authorised to make binding decisions for the members of the Association of Volksbanks so as to harness synergies in the Association of Volksbanks.

Unless covered by the instruction remit of the central organisation as per the Association Agreement, the Cooperation Agreement regulates the following areas:

- cross-association sales and marketing measures;
- optimisation and standardisation of operating processes;
- services through the association, including setting transfer prices; and
- association benchmarking.

The competence conferred to Volksbank Vertriebs- und Marketing eG includes the power to pass resolutions to limit the interests of individual or several members of the Association of Volksbanks. The resolutions passed by the Managing Board of Volksbank Vertriebs- und Marketing eG are binding for the contracting parties.

4.6.2.4 Agreement on the division of association costs (*Vereinbarung über die Tragung der Verbundkosten*)

In order to form the new Association of Volksbanks, the Issuer (as the central organisation) and the credit institutions member to it concluded an agreement to spread the costs incurred for the Issuer as the central organisation that are to be borne jointly by the members of the Association of Volksbanks. These costs include, among others, personnel service costs and material expenses for Association marketing, Association organisation, Association purchasing and the costs of all supervisory authorities. The costs are allocated using an allocation key defined in the agreement.

4.6.2.5 Framework agreement concerning the placement of receivables in the cover pool (*Rahmenvereinbarung betreffend Einstellung von Forderungen in den Deckungsstock*)

The VOLKSBANK WIEN has concluded trust agreements with the members of the Association of Volksbanks regarding the inclusion of mortgages of these credit institutions in the cover pool of the VOLKSBANK WIEN for an indefinite period of time pursuant to § 14(1) PfandBG. The trust agreement may be terminated by either contracting party with a notice period of ten days on the last day of the month. However, for the receivables already included in the cover pool on the basis of the trust agreement up to the time of its termination, the provisions of the trust agreement continue to apply until the associated covered bonds of the VOLKSBANK WIEN have been repaid.

If the trust is ended by the respective member credit institution, e.g. by terminating the trust agreement, the permission from the respective member credit institution to include the

receivables in the cover pool of the VOLKSBANK WIEN and the provisions of the trust agreement will remain unaffected thereby. The respective member credit institution is therefore not entitled to request the transfer of the receivable in question as long as the receivable is included in the cover pool of the VOLKSBANK WIEN.

4.6.2.6 Agreements concerning the structural simplification of the Association of Volksbanks in a crisis situation (*Verträge betreffend die strukturelle Vereinfachung des Volksbanken-Verbundes in einer Krisensituation*)

In order to enable the application of certain resolution instruments and measures in the event of resolution pursuant to BaSAG, agreements were concluded between VOLKSBANK WIEN as the central organisation and the Association banks, as well as among their shareholders, that allow the transformation of the Association of Volksbanks into a group structure with VOLKSBANK WIEN as the parent company and the Association banks as its subsidiaries, in the sense of structural simplification, should the Association reach certain threshold values due to a significant deterioration of the liquidity, asset or earnings situation (= crisis situation). In this context, a supplementary agreement to the Association Agreement was also concluded, which guarantees a rapid redistribution of own funds within the banking association.

4.6.3 Liquidity Scheme

The central organisation is obligated to control liquidity in the Association of Volksbanks in such a way to ensure compliance with all material supervisory regulations at all times. The member credit institutions of the Association of Volksbanks are obligated to invest their liquidity at the Issuer in accordance with the general instructions of the Issuer in its function as central organisation. In the event of a Liquidity Scheme emergency, the assets of all member credit institutions of the Association of Volksbanks may be drawn on to resolve the emergency. Through the participation of the members of the Association of Volksbanks in the Liquidity Scheme, obligations may arise for them that are unable to influence. As a regional Volksbank, the Issuer is also subject to the obligation to balance liquidity and must, in the event of a Liquidity Scheme emergency, make assets available.

4.6.4 Joint Liability Scheme

The key elements of the Joint Liability Scheme are the VOLKSBANK WIEN as the central organisation (decision-making authority of the Managing Board of the VOLKSBANK WIEN, control by means of instructions, exercising of control functions vis-à-vis the member credit institutions) on the one hand, and the trust fund as a trust fund within the scope of consolidation on the other (*Leistungsfonds* – the "**Trust Fund**").

On the basis of the Association Agreement and the Trust Agreement Trust Fund, the central organisation takes measures to avert a threatening deterioration in the business, financial condition and results of operations, including the liquidity situation, in the regulatory and economic capital, in credit defaults or cluster risks, in one or more members. The current endowment of the Trust Fund in the amount of EUR 100 million was reached in March 2021.

A threatening deterioration in the business, financial condition and results of operations is to be assumed in particular if a member of the Association of Volksbanks on an individual basis no longer meets the yellow threshold plus a premium set for the CET 1 ratio of the

individual members in the latest valid group recovery plan prepared by the central organisation for the Association of Volksbanks pursuant to the BaSAG.

The services provided to the members of the Association of Volksbanks may take the form of:

- equity injections;
- purchase of assets;
- short and medium-term liquidity support;
- guarantees and other liabilities;
- subordinated loans;
- payment of third-party claims;
- recovery funding;
- lost grants (services provided by the members of the Joint Liability Scheme with no repayment obligation); and
- management support in particular the directors in operational and organisational matters and by providing specialists for the respective fields.

The choice of one or more of these service forms are at the sole discretion of the central organisation although, in the case of services that boost equity, preference is to be given, where possible, to voting instruments of common equity and, when using resources from the Trust Fund, the stipulations of the Trust Agreement Trust Fund must be adhered to.

The members of the Association of Volksbanks are to provide reinsurance for these obligations. The assets in the Trust Fund endowed pursuant to the Trust Agreement Trust Fund by members of the Association of Volksbanks may be used by the central organisation to provide support. In the event that there are insufficient funds for the central organisation in the Trust Fund in isolated cases, the members of the Association of Volksbanks must make contributions in accordance with a key defined in the Association Agreement, with the obligation to make such payments being unlimited for every member at all times. However, in the case of the central organisation it is limited to the point where the central organisation still has to fulfil regulatory capital requirements and in the case of the other members to the point where any member would come close to a point of non-viability. According to the supplementary agreement to the Association Agreement of June 2023, the non-viability is given if the Common Equity Tier 1 capital ratio (CET1) at associated banks level or consolidated at association level is 6.0%.

Every service to be provided by the central organisation shall be provided on the basis of an agreement to be concluded between the central organisation and the member concerned, which must regulate the form, scope, duration, conditions and any repayment of the service as well as the costs to be borne by the respective member (*Leistungsvertrag* - the "Benefit Agreement"). The central organisation is entitled, within the framework of its due discretion, to unilaterally define the content of the Benefit Agreement in consideration of the restructuring plans with a binding effect for the member concerned. The Benefit Agreement takes effect upon receipt of notification by the member concerned from the

central organisation concerning the content thereof, without the need for any further explanation or legal action.

The Benefit Agreement must contain suitable conditions such as:

- (a) The right of the central organisation to require changes to the statutes and, where necessary, the rules of procedure of the bodies of the member concerned;
- (b) the right of the central organisation to dispatch a representative to be determined by the central organisation or a third-party expert with or without voting rights to meetings of the Managing Board and, where necessary, of the supervisory board of the member concerned;
- (c) the replacement of the board of directors of the member concerned and the appointment of the board of directors approved by the central organisation, or the right of the central organisation to effect the replacement of the board of directors of the member concerned;
- (d) information and cooperation duties of the member concerned vis-à-vis the central organisation or one of the representatives sent by the central organisation; and
- (e) conditions and repayment obligations of the member concerned in the event that the member concerned leaves or is excluded from the Association of Volksbanks.

The choice of requirements is, as with the entire content of the Benefit Agreement, at the sole discretion of the central organisation.

If the member concerned violates a condition stipulated in the Benefit Agreement, the member loses any right to further services under the Association Agreement. Furthermore, the central organisation may resolve on sanctions vis-à-vis the relevant member, e.g. the immediate return of received and repayable services, contractual penalties of up to 0.2% of the total assets of the member concerned and – as the *ultima ratio* – the exclusion of the relevant member from the Association of Volksbanks.

In addition to the range of capital measures in the Liability Scheme, the automatic redistribution of own funds (profit and loss redistribution) was agreed as a further measure in the Liability Scheme in the Supplementary Agreement to the Agreement of June 2023. The aim of profit and loss redistribution is to automatically provide capital to banks in the Association with a weak equity base immediately after the occurrence of a significant deterioration in capital at Association level. Capital is redistributed until the association's existence is threatened. There is also provision for a more stringent profit and loss redistribution in favour of the central organization if this measure is necessary to enable the application of certain resolution instruments or measures in the event of resolution in accordance with BaSAG. The profit and loss redistribution are to be carried out in such a way that, as a result, all associated banks have Common Equity Tier 1 capital (CET1) of EUR 0 and any remaining positive Common Equity Tier 1 capital (CET1) can only exist at the level of the central organization.

4.6.5 Membership of the Issuer in the Austrian Association of Cooperatives

The ÖGV was founded in 1872 and is the statutory auditing association of the Austrian Volksbanks with the exception of VOLKSBANK WIEN. Every credit institution within the Association of Volksbanks is a member of the ÖGV, with cooperatives outside the finance sector (from industry and trade) also being members thereof.

4.6.6 Membership of the Issuer in Einlagensicherung AUSTRIA GmbH

Every credit institution that accepts deposits or provides services in investment and securities subject to compulsory insurance is, due to EU directives, legally obligated to belong to a deposit guarantee scheme. In Austria the EU Deposit Guarantee Schemes Directive is transposed into the Austrian Deposit Guarantee and Investor Compensation Act (*Einlagensicherungs- und Anlegerentschädigungsgesetz – ESAEG*).

As Austrian credit institutions, all members of the Association of Volksbanks, including VOLKSBANK WIEN, are subject without restriction to the provisions of the ESAEG and are members of the statutory deposit guarantee scheme of the Volksbanks, Einlagensicherung AUSTRIA GmbH, with its registered office at Wipplingerstraße 44, 1010 Vienna, Austria. Einlagensicherung AUSTRIA GmbH is the statutory deposit guarantee scheme of the Volksbank sector, banks and bankers, mortgage banks and Raiffeisen banks.

The Einlagensicherung AUSTRIA GmbH protects credit balances on accounts and savings books of member institutions up to EUR 100,000 per customer and per credit institution. In certain cases (e.g. deposit from the sale of a private residential property), the protected amount is increased to up to EUR 500,000 per customer and per credit institution.

4.7 TREND INFORMATION

With exception of the events set out in section "4.4.3 Recent events particular to the Issuer and which are to a material extent relevant to an evaluation of the issuer's solvency", there has been no material adverse change in the prospects of the Issuer and no significant change in its financial condition and no significant change in its financial position since the date of the last published audited consolidated Financial Statements as at 31 December 2023.

Known trends affecting the prospects of the Issuer and the industry in which it conducts its business are the challenging macroeconomic environment and the continuing difficult conditions in the financial and capital markets, above all falling property prices and general distortions on the property markets.

The war in Ukraine and the associated new bouts of inflation remain significant for the Austrian economy, as does the conflict in the Middle East, which could jeopardize the international supply chains that have just been re-established if it spreads to other regions. A prolonged period of high inflation or industrial weakness also harbors risks for exports and the labour market. These developments have in the past and may in the future have negative effects on the Issuer's business, financial condition and results of operations, in particular also on its cost of capital.

In addition, changes in the regulatory environment or regulatory enforcement initiatives may have a negative impact on the Issuer. In this regard, new challenges may also arise in the management of sustainability risks related to climate, environment, social or governance, as existing legal requirements oblige companies to consider environmental, social and governance risks in addition to risk management. In particular, new legal or regulatory requirements and a change in the requirements deemed necessary for own funds, liquidity and leverage ratios may lead to higher requirements and ratios for own funds and liquidity. Likewise, further regulatory measures (such as expanded financial market regulations through MIFID II, MiFIR, BRRD, etc) pose major challenges for the issuer and the financial industry.

4.8 EXPECTED OR ESTIMATED PROFIT

The Issuer has not included any profit forecasts or profit estimates in the Prospectus.

4.9 ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

4.9.1 Members of the administrative, management and supervisory bodies

NAME	FUNCTIONS outside the Issuer
MANAGING BOARD	
Dir. DI Gerald Fleischmann Chairman of the Board	Managing Board Volksbank Vertriebs- und Marketing eG (Chairman) Liquidator VB Rückzahlungsgesellschaft mbH (Function deleted on 19 August 2023) Supervisory Board Volksbank Steiermark AG ARZ Allgemeines Rechenzentrum GmbH Österreichische Beamtenversicherung, Versicherungsverein auf Gegenseitigkeit Volksbank Kärnten eG Volksbanken Holding eGen (Deputy chairman) Advisory Board Union Asset Management Holding AG TeamBank AG Nürnberg Member Executive Committee Confédération Internationale des Banques Populaires (CIBP) Chairman of the Steering Committee Volksbank Academy Member of the Divisional Conference Bundessparte Bank und Versicherung of the WKÖ
Dir. Mag. Dr. Rainer Borns Member of the Board	Managing Board Volksbank Vertriebs- und Marketing eG Supervisory Board Enlagensicherung AUSTRIA Ges.m.b.H. Österreichische Ärzte- und Apothekerbank AG President) VB Verbund-Beteiligung eG (Chairman) Volksbanken-Beteiligungsgesellschaft.m.b.H. VB-Beteiligungsgenossenschaft der Obersteiermark eG

Dir. Dr. Thomas Uher
Member of the Board

Vienna Stock Exchange AG

Liquidator

VB Rückzahlungsgesellschaft mbH
(Function deleted on 18 August 2023)

**Vice President of the Association Council
(Verbandsrat)**

Austrian Cooperative Union // Schulze-
Delitzsch
President of the Council
Rotary Club Wr. Neustadt

Managing Board

Österreichische Nationalbibliothek Society of
Friends

Supervisory Board

Austria Wirtschaftsservice Gesellschaft mit
beschränkter Haftung (Chairman)
PSA Payment Services Austria GmbH
Volksbank Einlagensicherung eG in liquidation
(deleted 16.02.2023)
Volksbank Oberösterreich AG

Advisory Board

VB Services für Banken Ges.m.b.H.
(Chairman)

Management Advisory Board

Caritas

**Co-opted member of the Federal Executive
Committee**

Federation of Austrian Industry

SUPERVISORY BOARD

Mag. Robert Oelinger
Chairman of the Supervisory Board

Mag. Heribert Donnerbauer
1st Deputy chairman

Shareholder

Verlagsanstalt Tyrolia Gesellschaft m.b.H.

Supervisory Board

Volksbank Tirol AG (Chairman)
HAGEBANK TIROL Holding, eingetragene
Genossenschaft

Managing Director

Donnerbauer & Partner Rechtsanwalts GmbH

Supervisory Board

VB Donau-Weinland Beteiligung e.G.
Volksbank Niederösterreich AG

Shareholder

Alternative Energy Hardegg -Thayatal GmbH
DO & DO Gastronomy and Tourism Ltd.
Donnerbauer & Partner Rechtsanwalts GmbH

Head of Executive Board

	Verein der Freunde des Nationalparks Thayatal Burgruine Kaja Erhaltungsverein
Dr. Helmut Hegen, M.B.L. 2nd Deputy chairman	Managing Director and Partner with unlimited liability HOSP, HEGEN & PARTNER Attorneys at law Managing Board PALFINGER Privatstiftung (Function deleted on 18 April 2023) Cooperative Council Volksbank Salzburg eG (Chairman)
Dr. Wilfried Aichinger, M.B.L.-HSG	Managing Board STEINHAUS Günther Domenig Privatstiftung Association "Carinthischer Sommer" Managing Director STEINHAUS Betriebsgesellschaft mbH aiccon GmbH Shareholder aiccon GmbH SYMVARO GmbH Supervisory Board Volksbank Kärnten eG
Mag. Susanne Althaler Member	Supervisory Board A1 Bank AG Allianz Invest Kapitalanlagegesellschaft mbH
Mag. Harald Berger Member	Supervisory Board VB Südburgenland Verwaltung eG
Mag. Dr. Johann-Joachim Bruckner Member	Supervisory Board Volksbank Oberösterreich AG
Birte Burtscher, M.A. (HSG) Member	-
Mag. Christoph Herzeg, MBA CSE Member	Supervisory Board Villacher Alpenstraßen GmbH
Mag. Regina Ovesny-Straka Member	Supervisory Boards immigon portfolioabbau ag i.A. Bauunternehmung Granit Gesellschaft m.b.H. Granit Holding GmbH Eurogroup Consulting Steirische Wirtschaftsförderungsgesellschaft m. b. H.
Mag. Dr. Martina Rittmann Müller	Managing Board VB Baden Beteiligung e.Gen.

	Rodo Foundation Privatstiftung Managing Shareholder NIB-Niederösterreichisches Institut für Betriebsberatung Gesellschaft m.b.H. Owner Rittmann eU Steuerberatung und Wirtschaftsprüfung Supervisory Board VB Wien Beteiligung eG
KommR Dipl. IT Ing. Walter Übelacker	Managing Shareholder Rakowetz Immobilientreuhand Gesellschaft m.b.H. Supervisory Board Volksbank Niederösterreich AG VB Alpenvorland Beteiligung e.G.
Mag. Andrea Baier Member delegated by the works council	Member of Municipal Council Municipality of Trumau
Josef Heidegger Member delegated by the works council	-
Christian Rudorfer Member delegated by the works council	-
Christiane Spiegl Member delegated by the works council	-
Mag. Iris Weber Member delegated by the works council	-
Bettina Wicha Member delegated by the works council	Supervisory Board VB Niederösterreich eG

Source: Issuer's own records

The business address of all members of the Managing Board and Supervisory Board is Dietrichgasse 25, 1030 Vienna, Austria.

4.9.2 Conflicts of interest

The members of the Managing Board, the Supervisory Board and the senior management of the Issuer, from time to time hold other functions in addition to their respective functions at the Issuer. It cannot be ruled out that dual functions of members of the Managing Board, the Supervisory Board and/or the senior management of the Issuer in other organisations and companies result in conflicts of interest that lead to decisions that are not in the interest of the Issuer and/or the Holders of Notes.

In respect of the individuals listed above, the Issuer has no knowledge of conflicts of interest between the formers' obligations towards the Issuer and their private or other interests.

4.10 MAJOR SHAREHOLDERS OF THE EMITTEE

4.10.1 Major shareholders

As a stock corporation, the Issuer is owned by its shareholders. The shareholders may exercise influence over the Issuer through legal regulations both in the annual general meeting and through their representatives on the Supervisory Board and its committees.

Shareholders of the Issuer as at the Record Date 23 January 2024	%
VB Baden Beteiligung e.Gen.	11.08
Volksbank Tirol AG	9.48
VB Ost Verwaltung eG	8.89
VBW eins Beteiligung eG in Liqu.	7.43
VB Niederösterreich Süd eG	7.06
Volksbank Steiermark AG	6.80
VB Verbund Beteiligung eG	6.72
Volksbank Salzburg eG	5.96
VB Wien Beteiligung eG	4.92
VB Südburgenland Verwaltung eG	4.15
Volksbank Niederösterreich AG	4.10
VB Weinviertel Verwaltung eG	3.75
Volksbank Oberösterreich AG	3.67
WV Beteiligung eG	3.55
VOLKSBANK VORARLBERG e.Gen.	3.12
Volksbank Kärnten eG	2.96
Österreichische Ärzte- und Apothekerbank AG	1.93
VB Beteiligung Obersdorf-Wolkersdorf-Deutsch-Wagram eG	1.73
Verwaltungsgenossenschaft Gärtnerbank e.Gen.	1.08
Volksbanken Holding eGen	0.84
VOLKSBANK WIEN AG	0.45
SPARDA AUSTRIA Holding eG	0.35

(Source: information provided by the Issuer)

Outside of the shareholder structure presented above, there are no direct or indirect shareholdings or controlling stakes in the Issuer.

4.10.2 Agreements regarding changes in control of the Issuer

From the perspective of the Issuer's Management Board, measures to prevent abuse of control are not necessary, aside from Austrian stock corporation law. Furthermore, the Issuer is not aware of any agreements that, when exercised, may lead to a change in the control of the Issuer at a later point in time.

4.11 FINANCIAL INFORMATION ON THE ASSETS, FINANCIAL AND EARNINGS SITUATION OF THE ISSUER

4.11.1 Historical financial information of the Issuer

The most recently audited financial information derives from the audited consolidated financial statements according to IFRS of the Issuer as of 31 December 2023, which are incorporated by reference into the Prospectus.

The following positions of the balance sheet and the income statement ("P&L") have been taken from the audited consolidated financial statements according to IFRS as of 31 December 2023.

Balance sheet in EUR thousand	31.12.2023	31.12.2022
Loans and receivables to credit institutions	2,593,652	2,856,495 ^{*)}
Loans and receivables to customers	5,816,672	5,480,639 ^{*)}
Amounts owed to credit institutions	2,988,163	4,058,046
Amounts owed to customers	6,531,503	6,764,572
Debts evidenced by certificates	3,322,662	1,723,251
Equity	1,094,355	976,248 ^{*)}
Total assets	15,099,814	14,460,130 ^{*)}
Income statement in EUR thousand	1-12/2023	1-12/2022
Net interest income	184,560	130,429
Risk provisions	-23,527	-17,582 ^{*)}
Net commission income	64,155	59,914
Net trading income	3,157	1,678
General administrative expenses	-236,490	-207,233
Other operating result	126,296	89,164
Income from financial instruments and investment properties	-1,378	-9,509
Result before taxes	117,455	46,700 ^{*)}
Result after taxes	133,943	66,722 ^{*)}
Result attributable to shareholders of the parent company (consolidated net result)	133,943	66,698 ^{*)}

(Source: Audited consolidated financial statements according to IFRS of the Issuer as at 31 December 2023, figures have been rounded to the nearest thousand euro.)

^{*)} The previous year was adjusted in accordance with IAS 8.

Own funds of VOLKSBANK WIEN Group

As at the balance sheet date of 31 December 2023, the eligible own funds of VOLKSBANK WIEN Group amounted to EUR 1,301.5 million, of which EUR 781.3 million was common equity capital tier 1 (CET 1), EUR 220.0 million was additional tier 1 capital (AT 1) and EUR 300.2 million was Tier 2 capital. The CET 1 capital ratio on this date was 17.20% and the equity ratio 28.65% (both relating to overall risk).

Capital increases

The Issuer's share capital as at 31 December 2023 amounts to TEUR 137,547 and is therefore unchanged from 31 December 2022.

4.11.2 Historical financial information of the Association of Volksbanks

The most recently audited financial information derives from the audited consolidated financial statements according to IFRS of the Issuer as of 31 December 2023, which are incorporated by reference into the Prospectus.

The following positions of the balance sheet and the income statement ("P&L") have been taken from the audited consolidated financial statements according to IFRS as of 31 December 2023.

Balance sheet in EUR thousand	31.12.2023	31.12.2022
Loans and receivables to credit institutions	234,118	123,038
Loans and receivables to customers	22,738,130	22,115,988
Amounts owed to credit institutions	811,615	1,812,239
Amounts owed to customers	22,179,937	22,105,097
Debts evidenced by certificates	3,322,662	1,681,529
Equity	3,280,580	288,346
Total assets	30,481,704	29,224,176
Income statement in EUR thousand	1-12/2023	1-12/2022
Net interest income	705,080	467,573
Risk provisions	-65,005	-31,302
Net commission income	262,359	255,405
Net trading income	5,314	4,013
General administrative expenses	-535,687	-479,227
Other operating result	-8,902	-84,549
Income from financial instruments and investment properties	-1,090	-14,971
Result before taxes	364,805	116,356
Result after taxes	326,308	114,871
Result attributable to shareholders of the parent company (consolidated net result)	326,308	114,847

(Source: Audited consolidated financial statements of the Association of Volksbanks as at 31 December 2023, figures have been rounded to the nearest thousand euro.)

Own funds of the Association of Volksbanks

As at the balance sheet date of 31 December 2023, the eligible own funds of the Association of Volksbanks amounted to EUR 2,871.5 million, of which EUR 2,332.0 million was Common Equity Tier 1 capital (CET 1), EUR 220.0 million was Additional Tier 1 capital (AT 1) and EUR 319.5 million was Tier 2 capital. The CET 1 capital ratio on this date was 15.32% and the equity ratio 18.87% (both relating to overall risk).

4.11.3 Interim and other financial information

The Issuer publishes half-yearly financial reports as of 30 June each year which are neither audited nor reviewed by the auditor.

4.11.4 Audit opinion

The auditor's audit opinions on the audited consolidated financial statements 2023 and the audited consolidated financial statements 2022 are incorporated by reference into the Prospectus.

The auditor, KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, with its address at Porzellangasse 51, 1090 Vienna, has audited the audited consolidated financial statements of the Issuer as of 31 December 2023 and 31 December 2022 and provided an unqualified audit opinion.

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft is a member of the Chamber of Tax Consultants and Auditors.

4.11.5 Legal and arbitration proceedings

The Issuer is involved in various legal proceedings on both as plaintiff and defendant. These proceedings are due to ongoing banking business. Said proceedings are due to current banking business. The volume of the proceedings is not unusual. The outcome of the proceedings is not expected to have any significant impact on the financial situation and profitability of the credit institution.

In addition, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which have arisen or been completed during the period of at least the previous twelve months which may have, or have had in the recent past, a significant effect on the Issuer's financial position or profitability.

4.11.6 Material Changes in the Issuer's Financial Position

There has been no material adverse change in the prospects of the Issuer since the date of the last published audited consolidated financial statements; similarly, the Issuer has not experienced any significant change in its financial position or trading positions since the last financial year.

4.12 FURTHER DETAILS

4.12.1 Share capital

As of the reporting date 31 December 2023, the Issuer's share capital consists of 1,467,163 no-par value shares with a nominal value of total TEUR 137,547.

4.12.2 Articles of Association and Bylaws of the Company

The Issuer is registered in the commercial register under FN 211524s. The Issuer is a regional bank and, pursuant to § 3 of the Articles of Association, operates its business with a promotional objective; for details see also section 4.5.1 Main fields of activity .

4.13 MATERIAL CONTRACTS

See item "4.6.2 Contracts regulating the Association of Volksbanks ".

Other than the contracts listed therein, no material contracts have been entered into by the Issuer outside the ordinary course of its business.

4.14 DOCUMENTS ON DISPLAY

The following documents are available free on the Issuer's website as follows:

Document	Hyperlink
Issuer's Articles of Association	www .volksbankwien.at/investor-relations/disclosure
Audited consolidated financial statements as of 31.12.2023 and 31.12.2022 Association report of the Association of Volksbanks as of 31.12.2023 and 31.12.2022	www .volksbankwien.at/investor-relations/business-reports
This Prospectus and any supplements to the Prospectus	www .volksbankwien.at/stock-exchanges&markets/bonds/base-prospectus This Prospectus and any supplements will be published at this link and will be available to the public in electronic form for at least ten years from the date of approval of the Prospectus.

5. TERMS AND CONDITIONS

5.1 TERMS AND CONDITIONS

The following form of the terms and conditions of the Notes (the "**Form of Terms and Conditions**") are set forth in four options:

- **Option 1** comprises the set of Terms and Conditions for Notes with a Fixed Interest Rate.
- **Option 2** comprises the set of Terms and Conditions for Zero Coupon Notes.
- **Option 3** comprises the set of Terms and Conditions for Notes with a Floating Interest Rate; and
- **Option 4** comprises the set of Terms and Conditions for Notes with a Fixed to Floating Interest Rate or a Fixed to Fixed Interest Rate.

The set of Terms and Conditions for each of these Options contains certain other options which are identified by instructions and explanations in bold italic type within square brackets within the set of Terms and Conditions.

In the Final Terms applicable to a Series of Notes, the Issuer will specify which of Option 1 to 4 of the set of Terms and Conditions (including any specific further options contained therein) will apply to that Series of Notes either by repeating the relevant information (e.g. in the case of offers to retail investors) or by making reference to the relevant options.

To the extent that the Issuer was not aware at the date of approval of the Prospectus of certain information applicable to a Series of Notes, the set of Terms and Conditions contain placeholders or blanks in square brackets which will be completed by the Final Terms.

If the relevant Final Terms applicable to an individual issue of Notes refer only to the further options (e.g. in the case of offers to institutional investors) contained in the set of set of Terms and Conditions of Options 1 to 4, the following set of Terms and Conditions shall apply, the following set of Terms and Conditions shall be read together with Part 1 of the "**Final Terms**" which supplement and specify the set of Terms and Conditions of each Series of Notes. The set of Terms and Conditions and the Final Terms, if any, together constitute the "**Terms and Conditions**" of the relevant Series of Notes. The blanks in the provisions of these set of Terms and Conditions applicable to the Notes shall be deemed to be filled in by the particulars contained in the Final Terms as if the blanks in the relevant provisions were filled in by such particulars, alternative or optional provisions of these set of Terms and Conditions which are not filled in or deleted or declared inapplicable in the Final Terms shall be deemed to be deleted from these set of Terms and Conditions; all provisions of these Conditions which are inapplicable to the Notes (including the instructions, explanatory notes and text set out in square brackets) shall be deemed to be deleted from these Conditions.

Copies of the Terms and Conditions of the Notes are available on the Issuer's website at www.volksbankwien.at under the path: "Börsen&Märkte/Anleihen/Volksbank Emissionen" or available free of charge at the registered office of the Issuer during normal business hours.

5.1.1 Option 1 – Fixed Interest Rate

§ 1

(Currency. Form. Type of Issue. Denomination. Securitisation. Custody)

(1) *Currency. Denomination.* VOLKSBANK WIEN AG (the "**Issuer**") issues in accordance with the provisions of these terms and conditions (the "**Terms and Conditions**") on (or from) [*insert date of the (initial) issue date*] (the "**Issue Date**") by way of [*insert type of issue*] notes (the "**Notes**" and each a "**Note**") in [*insert specified currency*] (the "**Specified Currency**") in an aggregate principal amount of [*insert aggregate principal amount*] (in words: [*insert aggregate principal amount in words*]) [with the option to increase or decrease the aggregate principal amount] and in the denomination of [*insert denomination*] each (the "**Denomination**").

(2) *Form.* The Notes are being issued in bearer form.

[If the Notes are represented by a non-digital Global Note the following applies:

(3) *Global Note.* This series of Notes is represented by a global note (the "**Global Note**") pursuant to § 24 (b) of the Austrian Securities Deposit Act without coupons. The Global Note shall bear the handwritten or facsimile signatures of two authorised representatives of the Issuer or their representatives and shall, at the option of the Issuer, be signed by or on behalf of the Principal Paying Agent with a control signature. Definitive Notes and interest coupons will not be issued.]

[If the Notes are represented by a digital Global Note the following applies:

(3) *Digital Global Note.* This series of Notes is represented by a digital global note (the "**Global Note**") pursuant to §§ 1 (4) and § 24 (e) of the Austrian Securities Deposit Act, which is originated from the creation of an electronic data record at a central securities depository on the basis of the information electronically communicated to the central securities depository by the Issuer.]

[In case of custody of a non-digital Global Note by VOLKSBANK WIEN AG the following applies:

(4) *Custody.* The Global Note shall be held in custody by or on behalf of a Clearing System until all obligations of the Issuer under the Notes have been satisfied. "**Clearing System**" means the securities depository VOLKSBANK WIEN AG with its business address at Dietrichgasse 25, 1030 Vienna, Austria and any successor in such capacity.]

[In case of custody by OeKB, Clearstream or Euroclear the following applies:

(4) *Custody.* The Global Note shall be held in custody by or on behalf of a Clearing System until all obligations of the Issuer under the Notes have been satisfied. "**Clearing System**" means [*if more than one Clearing System the following applies: each of*] the following: [the securities depository of the OeKB, the OeKB CSD GmbH ("**CSD**") with its business address at Strauchgasse 1-3, 1010 Vienna, Austria] [(,) (and) Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn, Federal Republic of Germany, ("**Clearstream Frankfurt**"),] [(,) (and) Clearstream Banking S.A., société anonyme, Luxembourg, 42 Avenue JF Kennedy, 1855 Luxembourg, Grand Duchy of Luxembourg ("**Clearstream Luxembourg**")]

[(.) (and) Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, 1210 Brussels, Belgium ("Euroclear")] [*specify other Clearing System*] as well as any successor in such capacity.]

- (5) *Holder*. "Holder" means any holder of co-ownership interests or other similar rights in the Global Note which may be transferred to a new Holder in accordance with the applicable law, these Terms and Conditions and the provisions of the Clearing System.

§ 2 (Status)

[In the case of senior Notes the following applies:

- (1) The Notes constitute direct, unsecured and unsubordinated obligations of the Issuer ranking in the event of insolvency or liquidation of the Issuer *pari passu* among themselves and *pari passu* with all other unsecured and unsubordinated instruments or obligations of the Issuer except for any instruments or obligations preferred or subordinated by law.]

[In case of preferred senior Notes, the following applies

- (1) The Notes constitute direct, unsecured and unsubordinated obligations of the Issuer and shall qualify as eligible liabilities (within the meaning of Article 72a (1) lit a and Article 72b CRR with the exception of Article 72b (2) lit d CRR) of the Issuer for the MREL Requirement ranking in the event of insolvency or liquidation of the Issuer *pari passu* among themselves and *pari passu* with all other unsecured and unsubordinated instruments or obligations of the Issuer except for any instruments or obligations preferred or subordinated by law.
- (2) No Holder may set off any claims under the Notes against any claims of the Issuer. The Notes are not subject to any set-off or netting arrangements that would undermine their capacity to absorb losses in resolution and are not, and they shall not at any time be, secured or subject to a guarantee by the Issuer or any other person or subject to any other arrangement that enhances the seniority of the claims under the Notes.
- (3) The ranking of the Notes may not be subsequently modified, and the term of the Notes and any applicable notice period may not be shortened.
- (4) Prior to any insolvency or liquidation of the Issuer, under the applicable banking resolution laws, the Resolution Authority may exercise the power to write down (including to zero) the obligations of the Issuer under the Notes, convert them into shares or other instruments of ownership of the Issuer, in each case in whole or in part, or apply any other resolution tool or action, including (but not limited to) any deferral or transfer of the obligations to another entity, an amendment of the Terms and Conditions or a cancellation of the Notes. The Holders shall be bound by the exercise of the power to write-down or convert or the taking of any resolution action in respect of the Notes. No Holder shall have any claim or other right against the Issuer arising out of any exercise of the power to write-down or convert or the taking of any resolution action. In particular, any exercise of the power to write-down or convert or the taking of any resolution action shall not constitute a default.

- (5) **Definitions:**

"BaSAG" means the Austrian Recovery and Resolution Act (*Sanierungs- und Abwicklungsgesetz*), as amended from time to time and any references in these Terms and

Conditions to relevant provisions of the BaSAG include references to any applicable provisions of law amending or replacing such provisions from time to time.

"**CRR**" means the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (*Capital Requirements Regulation*), as amended or replaced from time to time, and any references in these Terms and Conditions to relevant Articles of the CRR include references to any applicable provisions of law amending or replacing such Articles from time to time.

"**MREL Requirement**" means the minimum requirements for eligible liabilities (MREL) which are or, as the case may be, will be, applicable to the Issuer and/or the Issuer's MREL Group in accordance with

- (i) § 100 BaSAG, as amended; or
- (ii) Article 12 SRMR, as amended,

where "**Issuer's MREL Group**" means the Issuer and its subsidiaries which have to comply with the MREL Requirement on a group basis.

"**SRMR**" means Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 (*Single Resolution Mechanism Regulation*), as amended or replaced from time to time, and any references to relevant provisions of the SRMR in these Terms and Conditions include references to any applicable provision of law amending or replacing such provisions from time to time.

"**Resolution Authority**" means the resolution authority pursuant to Article 4(1)(130) CRR which is responsible for resolution of the Issuer on an individual and/or consolidated basis.]

[In the case of non-preferred senior Notes, the following applies:

- (1) The Notes constitute direct and unsecured obligations of the Issuer and shall qualify as eligible liabilities (within the meaning of Article 72a (1) lit a and Article 72b CRR) of the Issuer for the MREL Requirement, provided that in the event of normal insolvency proceedings (bankruptcy proceeding) of the Issuer, claims under the Notes rank:
 - (a) junior to all other present or future unsecured and unsubordinated instruments or obligations of the Issuer which do not meet the criteria for debt instruments pursuant to § 131(3)(1) to (3) BaSAG;
 - (b) *pari passu*: (i) among themselves; and (ii) with all other present or future non-preferred senior instruments or obligations of the Issuer which meet the criteria for debt instruments pursuant to § 131(3)(1) to (3) BaSAG (other than senior instruments or obligations of the Issuer ranking or expressed to rank senior or junior to the Notes); and
 - (c) senior to all present or future claims under: (i) ordinary shares and other Common Equity Tier 1 instruments pursuant to Article 28 CRR of the Issuer; (ii) instruments of participation capital pursuant to § 23 (4) and (5) BWG in the version prior to the entry into force of the CRR of the Issuer; (iii) Additional Tier 1 instruments pursuant to Article 52 CRR of the

Issuer; (iv) Tier 2 instruments pursuant to Article 63 CRR of the Issuer; and (v) all other subordinated instruments or obligations of the Issuer.

- (2) No Holder may set off any claims under the Notes against any claims of the Issuer. The Notes are not subject to any set-off or netting arrangements that would undermine their capacity to absorb losses in resolution and are not, and they shall not at any time be, secured or subject to a guarantee by the Issuer or any other person or subject to any other arrangement that enhances the seniority of the claims under the Notes.
- (3) The ranking of the Notes may not be subsequently modified, and the term of the Notes and any applicable notice period may not be shortened.
- (4) Prior to any insolvency or liquidation of the Issuer, under the applicable banking resolution laws, the Resolution Authority may exercise the power to write down (including to zero) the obligations of the Issuer under the Notes, convert them into shares or other instruments of ownership of the Issuer, in each case in whole or in part, or apply any other resolution tool or action, including (but not limited to) any deferral or transfer of the obligations to another entity, an amendment of the Terms and Conditions or a cancellation of the Notes. The Holders shall be bound by the exercise of the power to write-down or convert or the taking of any resolution action in respect of the Notes. No Holder shall have any claim or other right against the Issuer arising out of any exercise of the power to write-down or convert or the taking of any resolution action. In particular, any exercise of the power to write-down or convert or the taking of any resolution action shall not constitute a default.

(5) **Definitions:**

"**BaSAG**" means the Austrian Recovery and Resolution Act (*Sanierungs- und Abwicklungsgesetz*), as amended from time to time and any references in these Terms and Conditions to relevant provisions of the BaSAG include references to any applicable provisions of law amending or replacing such provisions from time to time.

"**CRR**" means the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (*Capital Requirements Regulation*), as amended or replaced from time to time, and any references in these Terms and Conditions to relevant Articles of the CRR include references to any applicable provisions of law amending or replacing such Articles from time to time.

"**MREL Requirement**" means the minimum requirements for eligible liabilities (MREL) which are or, as the case may be, will be, applicable to the Issuer and/or the Issuer's MREL Group in accordance with

- (i) § 100 BaSAG, as amended; or
- (ii) Article 12 SRMR, as amended,

where "**Issuer's MREL Group**" means the Issuer and its subsidiaries which have to comply with the MREL Requirement on a group basis.

"**SRMR**" means Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 (*Single Resolution Mechanism Regulation*), as amended or replaced from

time to time, and any references to relevant provisions of the SRMR in these Terms and Conditions include references to any applicable provision of law amending or replacing such provisions from time to time.

"Resolution Authority" means the resolution authority pursuant to Article 4(1)(130) CRR which is responsible for resolution of the Issuer on an individual and/or consolidated basis.]

[In the case of subordinated Notes, the following applies:

- (1) The Notes constitute direct, unsecured and subordinated obligations of the Issuer and shall constitute Tier 2 instruments (as defined below) of the Issuer, provided that claims under the Notes in the event of the insolvency or liquidation of the Issuer and to the extent that the Notes are (at least partly) recognized as own funds items, will rank:
 - (a) junior to all present or future claims from: (i) unsecured and unsubordinated instruments or obligations of the Issuer; (ii) eligible liabilities instruments pursuant to Article 72b CRR of the Issuer; (iii) instruments or obligations of the Issuer that do not result from own funds items of the Issuer; and (iv) any other subordinated obligations of the Issuer which, in accordance with their terms or pursuant to mandatory provisions of law, rank or are expressed to rank senior to the obligations of the Issuer under the Notes at the relevant time;
 - (b) *pari passu*: (i) among themselves; and (ii) with all other present or future claims under Tier 2 Instruments and other subordinated instruments or obligations of the Issuer that do result from own funds items of the Issuer which rank *pari passu* with Tier 2 Instruments; and
 - (c) senior to all present or future claims under: (i) Additional Tier 1 instruments pursuant to Article 52 CRR of the Issuer; (ii) ordinary shares and other Common Equity Tier 1 instruments pursuant to Article 28 CRR of the Issuer; (iii) instruments of participation capital pursuant to § 23 (4) and (5) BWG in the version prior to the entry into force of the CRR of the Issuer; and (iv) all other subordinated instruments or obligations of the Issuer that do result from own funds items of the Issuer which rank junior to the Notes.
- (2) No Holder may set off any claims under the Notes against any claims of the Issuer. The Notes are not subject to any set-off or netting arrangements that would undermine their capacity to absorb losses in resolution, insolvency or liquidation of the Issuer and are not, and they shall not at any time be, secured or subject to a guarantee by the Issuer or any other person or subject to any other arrangement that enhances the seniority of the claims under the Notes.
- (3) The ranking of the Notes may not be subsequently modified, and the term of the Notes and any applicable notice period may not be shortened.
- (4) Prior to any insolvency or liquidation of the Issuer, under the applicable banking resolution laws, the Resolution Authority may exercise the power to write down (including to zero) the obligations of the Issuer under the Notes, convert them into shares or other instruments of ownership of the Issuer, in each case in whole or in part, or apply any other resolution tool or action, including (but not limited to) any deferral or transfer of the obligations to another entity, an amendment of the Terms and Conditions or a cancellation of the Notes. The Holders shall be bound by the exercise of the power to write-down or convert or the taking of any resolution action in respect of the Notes. No Holder shall have any claim or other right against the Issuer arising out of any exercise of the power to write-down or convert or the taking of any resolution action. In

particular, any exercise of the power to write-down or convert or the taking of any resolution action shall not constitute a default.

(5) Definitions:

"Resolution Authority" means the resolution authority pursuant to Article 4(1)(130) CRR which is responsible for resolution of the Issuer on an individual and/or consolidated basis.

"CRR" means the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (*Capital Requirements Regulation*), as amended or replaced from time to time, and any references in these Terms and Conditions to relevant Articles of the CRR include references to any applicable provisions of law amending or replacing such Articles from time to time.

"Tier 2 Instruments" means any (directly or indirectly issued) capital instruments of the Issuer that qualify as Tier 2 instruments pursuant to Article 63 CRR, including any capital instruments that qualify as Tier 2 instruments pursuant to transitional provisions under the CRR.]

[In the case of Covered Bonds, the following applies:

- (a) The Notes constitute direct and unsubordinated obligations of the Issuer and rank *pari passu* among themselves and *pari passu* with all other unsubordinated obligations of the Issuer, present and future, under covered bonds of the same Cover Pool (as defined below).
- (b) The Notes are collateralised in accordance with the Austrian Covered Bond Act (*Pfandbriefgesetz – "PfandBG"*) through cover assets of the **[insert designation of the cover pool]** (the "**Cover Pool**"), which are intended to preferentially satisfy all collateralised Notes of the Issuer covered by this Cover Pool **[[if requested, provide description of primary assets]]**. The cover assets for the Notes are registered in the cover register (*Deckungsregister*) pursuant to § 10 PfandBG, which is kept by the Issuer in accordance with the PfandBG.]

§ 3
(Interest)

[If the Notes are endowed with a constant interest rate the following applies:

- (1) **Rate of Interest and Interest Payment Dates.** The Notes shall bear interest in respect of their Denomination from, and including, **[insert Interest Commencement Date]** (the "**Interest Commencement Date**") until, and including, the Interest End Date (as defined below) **[insert frequency]** **[in the case of Covered Bonds which provide for conditions for a maturity extension the following applies:** or, if the term of the Notes is extended in accordance with the provisions contained in § 4 (2), until the Extended Maturity Date (as defined in § 4 (1))] at a rate of **[insert interest rate]** per cent. *per annum* (the "**Rate of Interest**"). Interest shall be payable in arrear on **[insert interest payment date]** of each year (each an "**Interest Payment Date**"). The first interest payment shall be made on **[insert first Interest Payment Date].]**

[If the Notes are endowed with an increasing interest rate the following applies:

- (1) *Rate of Interest and Interest Payment Dates.* The Notes shall bear interest in respect of their Denomination from, and including, **[insert Interest Commencement Date]** (the "**Interest Commencement Date**") until, and including, the Interest End Date (as defined below) **[in the case of Covered Bonds which provide for conditions for a maturity extension the following applies:** or, if the term of the Notes is extended in accordance with the provisions contained in § 4 (2), until the Extended Maturity Date (as defined in § 4 (1))] annually at the following rates (each an "**Rate of Interest**"):

Rate of Interest	From, and including,	To, and including,
[insert rate of interest: per cent. <i>per annum</i>]	[insert date]	[insert date]
[insert further rows]		

Interest shall be payable in arrear on **[insert interest payment date]** of each year (each an "**Interest Payment Date**"). The first interest payment shall be made on **[insert first Interest Payment Date].**

- (2) *Amount of Interest.* The Calculation Agent (as defined in § 9) will calculate prior to each Interest Payment Date the amount of interest payable on each Note (the "**Interest Amount**") for any time period. The Interest Amount shall be determined by applying the Rate of Interest and the Day Count Fraction to the Denomination, whereas the resultant figure is rounded, if the Specified Currency is Euro, upwards or downwards to the nearest 0.01 Euro, rounding up 0.005 Euro, and, if the Specified Currency is not Euro, upwards or downwards to the smallest unit of the Specified Currency, rounding up 0.5 such units.
- (3) *Interest Period.* The period from, and including, the Interest Commencement Date to, and including, the calendar day preceding the first Interest Payment Date and each subsequent period from, and including, an Interest Payment Date to, and including, the calendar day preceding the immediately following Interest Payment Date shall be referred to as an interest period (each an "**Interest Period**"). The Interest Periods shall [not] be adjusted.
- (4) *Calculation of interest for parts of periods.* Where interest is to be calculated for a period of less than one year, the calculation shall be made on the basis of the Day Count Fraction (as defined below).

"**Day Count Fraction**" means, in respect of the calculation of the Interest Amount on any Note for any period of time (the "**Calculation Period**"):

[In the case Actual/Actual (ICMA) the following applies:

"**Actual/Actual (ICMA)**" means, if the Calculation Period is equal to or shorter than the Interest Period during which it falls, the actual number of days in the Calculation Period divided by the product of (A) the actual number of days in the respective Interest Period and (B) the number of Interest Periods normally ending in one year.

If the Calculation Period is longer than an Interest Period, the sum of: (A) the actual number of days in the Calculation Period, during which the Interest Period falls, in which it started, divided by the product of (x) the actual number of days in this Interest Period and (y) the number of Interest Periods normally ending in one year, and (B) the actual number of days of the Calculation

Period, during which the next Interest Period falls, divided by the product of (x) the actual number of days in this Interest Period and (y) the number of Interest Periods normally ending in one year.]

[In the case 30/360 the following applies:

"30/360" means the number of days of the Calculation Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months (unless (A) the last day of the Calculation Period is the 31st day of a month while the first day of the Calculation Period is neither on the 30th day nor the 31st day of a month, in which case the month containing such day shall not be treated as a month reduced to 30 days). nor the 31st day of a month, in which case the month containing that day shall not be treated as a month extended to 30 days, or (B) the last day of the Calculation Period falls is the last day of February, in which case the month of February shall not be treated as a month extended to 30 days).]

[In the case ACT/360 the following applies:

"ACT/360" means the actual number of days of the Calculation Period divided by 360.]

- (5) *Accrued Interest.* Interest on the Notes will cease to accrue at the end of the day (the "**Interest End Date**") preceding the date on which they become due for redemption. If the Issuer fails to redeem the Notes at maturity, interest will cease to accrue on the day preceding the day on which they are actually redeemed.
- (6) *Accrued Interest.* In the case of purchases and/or sales during the year, accrued interest is [payable / payable at the respective interest rate / not payable].

§ 4

(Redemption)

- (1) *Redemption at Maturity [in the case of Covered Bonds which provide for conditions for a maturity extension, the following applies: or at the Extended Maturity Date].* The Notes shall be, unless previously redeemed in whole or in part or repurchased and subject to adjustment in accordance with the provisions set out in § 6 (3), redeemed on [**insert Maturity Date**] (the "**Maturity Date**") [**in the case of Covered Bonds which provide for conditions for a maturity extension, the following applies:** or, if the maturity of the Notes is extended in accordance with the provisions contained in § 4 (2), on such date as the special administrator (§ 86 Austrian Insolvency Code) may determine as the extended maturity date (the "**Extended Maturity Date**") shall be repaid at their redemption amount of [**insert redemption price**] of the Denomination (the "**Redemption Amount**"). [**In the case of Covered Bonds which provide for conditions for a maturity extension, insert:** The latest possible Extended Maturity Date shall be [**insert date of latest possible Extended Maturity Date**].

[In the case of Covered Bonds which provide for conditions for a maturity extension, the following applies:

- (2) *Conditions for a maturity extension:* The maturity of the Notes may be postponed once by up to 12 months to the Extended Maturity Date upon the occurrence of the Objective Trigger Event described below.

Objective trigger event means triggering the maturity extension in the Issuer's insolvency by the special administrator (§ 86 of the Austrian Insolvency Code), provided that the special administrator is convinced at the time of the maturity extension that the liabilities under the Notes can be serviced in full on the Extended Maturity Date. The maturity extension is not at the Issuer's discretion. The occurrence of the Objective Trigger Event and any resulting adjustments of the Interest Period relating thereto shall be notified to the Fiscal Agent and the Holders without undue delay in accordance with § 11.

In the event of a maturity extension, the Issuer will redeem the Notes in whole and not in part on the Extended Maturity Date at the Redemption Amount together with any interest accrued (exclusive) to the Extended Maturity Date. The Interest Payment Date(s) and Interest Period(s) are subject to the determination of the Extended Maturity Date by the Special Administrator (§ 86 of the Insolvency Code). From the Extended Maturity Date onwards, the Bondholders shall have no claim to further interest payments. Neither the non-payment of the outstanding aggregate principal amount on the Maturity Date nor the postponement of the Maturity Date shall constitute an Event of Default by the Issuer for any purpose or entitle any Noteholder to terminate the Notes or to receive any payment other than as expressly provided for in these Terms and Conditions.

In the event of the insolvency or resolution of the Issuer, payment obligations of the Issuer under the Notes shall not be subject to automatic acceleration and prepayment (bankruptcy remoteness). In each case, the Holders shall have a priority claim in relation to the principal amount and any accrued and future interest from the cover assets and in addition in case of insolvency, to the extent that the aforementioned priority claim cannot be satisfied in full, an insolvency claim against the Issuer.

As competent authority, the Austrian Financial Market Authority (FMA) supervises the issuance of covered bonds and compliance with the provisions of the PfandBG, taking into account the national economic interest in a functioning capital market.

In case of insolvency proceedings, the bankruptcy court shall without undue delay appoint a special administrator to administer priority claims in relation to the principal amount and any accrued and future interest from the cover assets (special estate) (§ 86 of the Insolvency Code). The special administrator shall satisfy due claims of the Holders from the special estate and shall take the necessary administrative measures for this purpose with effect for the special estate, for example by collecting due mortgage claims, selling individual cover assets or by bridge financing.]

§ 5 (Early Redemption)

[If the Issuer has the option to early redeem the Notes the following applies:

- (1) *Early Redemption of the Notes at the Option of the Issuer.* The Issuer may early redeem the Notes in whole or in part on the Optional Redemption Dates (Call) specified below (each an "**Optional Redemption Date (Call)**") at the Optional Redemption Amounts (Call) specified below (each an "**Optional Redemption Amount (Call)**") together with accrued interest.

Optional Redemption Date(s) (Call)

Optional Redemption Amount(s) (Call)

[] each business day during the period [100%][Denomination][]
from [] (including) until [] (excluding)]

Notice of early redemption shall be given to the Holders at least **[insert notice period (call)]** Business Days (as defined in § 6) prior to the relevant Optional Redemption Date (Call) pursuant to § 11 (whereby these notice shall specify the Optional Redemption Date (Call) specified for the redemption of the Notes).

In case of a partial redemption of Notes, Notes to be redeemed shall be selected no later than 30 days prior to the date fixed for redemption in accordance with the rules and procedures of the relevant Clearing System.]

[In the case of subordinated Notes the following applies:

Any such early redemption shall only be possible if the date of issuance was at least five years ago and the conditions for early redemption set out in § 5 (5/6) are met.]

[In the case of eligible Notes the following applies:

Any such early redemption shall only be possible if the conditions for early redemption set out in § 5 (4/5/6) are met.]]

[If the Issuer does not have the option to early redeem the senior or covered Notes the following applies:

- (1) *No Early Redemption of the Notes at the Option of the Issuer.* An early redemption of the Notes at the option of the Issuer is excluded.]

[If the Issuer does not have the option to early redeem the eligible or subordinated Notes the following applies:

- (1) *No Early Redemption of the Notes at the Option of the Issuer.* Except for § 5 (3) **[In the case the eligible Notes are subject to Early Redemption for Reasons of Taxation, insert: [,] [and] (4) [If the Notes are subject to Early Redemption at the Option of the Issuer due to a minimum outstanding aggregate principal amount of the Notes, insert: and ([4/5])] of the Terms and Conditions the Issuer has no right to early redeem the Notes prior to their Maturity Date.]**

[If the Holders have the option to require early redemption of senior, eligible or covered Notes, insert:

- (2) *Early Redemption at the Option of a Holder.* The Issuer shall, if a Holder notifies the Issuer of its intention to do so at least **[insert minimum notice period (Put)]** and no more than **[insert maximum notice period (Put)]** Business Days (as defined in § 6) in advance, early redeem the relevant Notes of such Holder on any of the following Optional Redemption Dates (Put) (each an "Optional Redemption Date (Put)") at their relevant Optional Redemption Amount (Put) as defined below (the "Optional Redemption Amount (Put)") together with accrued interest.

Optional Redemption Dates (Put)	Optional Redemption Amounts (Put)
[]	[]
[]	[]

In order to exercise this right, the Holder must submit a duly completed exercise notice in the form available from the Paying Agent and the Issuer. Revocation of an exercise of this right is not possible.】

[In the case of eligible Notes, insert:

Any such early redemption shall only be possible if the conditions for early redemption set out in § 5 (4/5/6) are met.】

[If the Holders have no option to require the early redemption of the senior, eligible or covered Notes and in the case of subordinated Notes insert:

- (2) *No right of termination or acceleration by the Holders.* The Holders shall have no right to terminate or otherwise accelerate the redemption of the Notes.】

[If, in the case of senior or covered Notes, "Early Redemption in case of Change of Law, Hedging Disruption and/or Increased Hedging Costs" is applicable, insert:

- (3) *Early Redemption in case of Change of Law, Hedging Disruption and/or Increased Hedging Costs.* The Issuer may redeem the Notes at any time prior to the Maturity Date upon the occurrence of Change of Law and/or Hedging Disruption and/or Increased Hedging Costs (each as defined below) at their early redemption amount of ***[insert early redemption price]*** of the Denomination (the "**Early Redemption Amount**") together with accrued interest. The Issuer shall redeem the Notes in full (but not in part only) on the second Business Day (as defined in § 6) after which notice of the early redemption has been given in accordance with § 11, provided that such date is not later than two Business Days prior to the Maturity Date (the "**Early Redemption Date**") and will pay or cause to be paid the Early Redemption Amount in respect of the Notes to the Holders in accordance with any applicable tax laws or other legal or regulatory requirements and in accordance with and subject to these Terms and Conditions. Payments of taxes or early redemption charges shall be borne by the Holders and the Issuer shall have no liability therefor.

Whereas:

"Change of Law" means that (i) due to the enactment of changes in laws or regulations (including but not limited to tax laws) or (ii) changes in the interpretation of judicial or regulatory decisions relevant to the relevant laws or regulations (including statements by tax authorities), the Issuer determines that there has been a material increase in the costs associated with its obligations under the Notes (including, without limitation, increases in tax liabilities, reductions in tax benefits or other adverse effects on tax treatment) if such changes become effective on or after the Issue Date;

"Hedging Disruption" means that the Issuer, using commercially reasonable efforts, is unable to (i) enter into, continue or settle any transaction or acquire, exchange, hold or dispose of any asset that the Issuer deems necessary to hedge price risk with respect to its obligations under the Notes or (ii) realise, recover or pass on the proceeds of any transaction or asset; and

"Increased Hedging Costs" means that the Issuer is required to pay a materially higher amount of taxes, duties, expenses and fees (other than brokerage fees) in order to (i) enter into, continue or settle any transaction or to acquire, exchange, hold or dispose of any asset, which the Issuer deems necessary to hedge price risks in respect of its obligations under the Notes or (ii) to realise, recover or pass on proceeds from such transactions or assets, provided that amounts which have

increased only because of the creditworthiness of the Issuer has declined shall not be deemed to be Increased Hedging Costs.]

[In the case of eligible Notes the following applies:

[In the case the Notes are subject to Early Redemption for Reasons of Taxation, insert:

(3) *Early Redemption for Reasons of Taxation.* The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 days' nor more than 60 days' prior notice of redemption, in accordance with § 11 of the Terms and Conditions to the Holders (which notice shall be irrevocable), at their early redemption amount of **[insert early redemption price]** of the Denomination together with interest accrued to (but excluding) the redemption date (the "**Early Redemption Amount**"), if there is a change in the applicable taxation classification of the Notes, and provided that the conditions set out in § 5 (4/5/6) are met.]

(3/4) *Early Redemption for Regulatory Reasons.* The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 days' nor more than 60 days' prior notice of redemption, in accordance with § 11 of the Terms and Conditions to the Holders (which notice shall be irrevocable), at their early redemption amount of **[insert early redemption price]** of the Denomination together with interest accrued to (but excluding) the redemption date (the "**Early Redemption Amount**"), if there is a change in the regulatory classification of the Notes that would be likely to result in their exclusion in full or in part from liabilities eligible for the minimum requirement for own funds and eligible liabilities (MREL) pursuant to the MREL Requirement, and provided that the conditions set out in § 5(4/5/6) are met.

[If the Notes are subject to Early Redemption at the Option of the Issuer due to a minimum outstanding aggregate principal amount of the Notes, insert:

(4/5) *Early redemption due to minimum outstanding aggregate principal amount.* The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 days' nor more than 60 days' prior notice of redemption, in accordance with § 11 of the Terms and Conditions to the Holders (which notice shall be irrevocable), at their early redemption amount of **[insert early redemption price]** of the Denomination together with interest accrued to (but excluding) the redemption date (the "**Early Redemption Amount**"), if at any time the aggregate principal amount of the outstanding Notes held by persons other than the Issuer and its subsidiaries has fallen to 25 per cent. or less of the aggregate principal amount of the Notes originally issued (including any further Notes issued pursuant to § 13 (1)).

Any such early redemption shall only be possible if the conditions set out in § 4 (4/5/6) are met.]]

(4/5/6) Conditions for Early Redemption and Repurchase.

Any early redemption pursuant to this § 5 and any repurchase pursuant to § 13 (2) are subject to the Issuer having obtained the prior permission of the Resolution Authority for the early redemption and the repurchase, in accordance with Articles 77 and 78a CRR, if and to the extent such prior permission is required at this time.

[In the case the Notes are subject to Early Redemption for Reasons of Taxation, insert: In the case of any early redemption pursuant to § 5 (3), such permission may further require that the Issuer has demonstrated to the satisfaction of the Resolution Authority that the applicable change

in the tax treatment is material and was not reasonably foreseeable as at the date of issuance of the Notes.]

For the avoidance of doubt, any refusal by the Resolution Authority to grant a required permission, authorisation or other consent does not constitute a default or delay.]

[In the case of subordinated Notes the following applies:

- (3) *Early Redemption for Reasons of Taxation.* The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 days' nor more than 60 days' prior notice of redemption, in accordance with § 11 of the Terms and Conditions to the Holders (which notice shall be irrevocable), at their early redemption amount of **[insert early redemption price]** of the Denomination together with interest accrued to (but excluding) the redemption date (the "**Early Redemption Amount**"), if there is a change in the applicable tax treatment of the Notes;

and provided that the conditions set out in § 5(4/5/6)) are met.

- (4) *Early Redemption for Regulatory Reasons.* The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 days' nor more than 60 days' prior notice of redemption, in accordance with § 11 of the Terms and Conditions to the Holders (which notice shall be irrevocable), at their early redemption amount of **[insert early redemption price]** of the Denomination together with interest accrued to (but excluding) the redemption date (the "**Early Redemption Amount**"), if as a result of an amendment or supplement to the directives, laws and regulations applicable in the European Union or the Republic of Austria or their interpretation,

[(a)] the regulatory classification of the Notes changes, which would be likely to result in their exclusion from own funds, in whole or in part, or their reclassification as lower quality own funds **[If early redemption is provided for following a MREL Disqualification Event, insert:];** or

(b) the Notes to the extent that, in accordance with Article 64 CRR, a portion of them no longer qualifies as a Tier 2 instrument but instead qualifies as an eligible liability in accordance with Article 72a(1)(b) CRR that no longer meets the MREL Requirement, except where such non-compliance would only be due to the residual maturity of the Notes being less than the period prescribed in Article 72c(1) CRR or the applicable limits on the amount of eligible liabilities being exceeded.

"**BaSAG**" means the Austrian Recovery and Resolution Act (*Sanierungs- und Abwicklungsgesetz*), as amended from time to time and any references in these Terms and Conditions to relevant provisions of the BaSAG include references to any applicable provisions of law amending or replacing such provisions from time to time.

"**MREL Requirement**" means the minimum requirements for eligible liabilities (MREL) which are or, as the case may be, will be, applicable to the Issuer and/or the Issuer's MREL Group in accordance with

- (i) § 100 BaSAG, as amended; or
- (ii) Article 12 SRMR, as amended,

where "**Issuer's MREL Group**" means the Issuer and its subsidiaries which have to comply with the MREL Requirement on a group basis.

"**SRMR**" means Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 (*Single Resolution Mechanism Regulation*), as amended or replaced from time to time, and any references to relevant provisions of the SRMR in these Terms and Conditions include references to any applicable provision of law amending or replacing such provisions from time to time.

Any such early redemption shall only be possible if the conditions set out in § 5 (5/6) are met.]

[If the Notes are subject to Early Redemption at the Option of the Issuer due to a minimum outstanding aggregate principal amount of the Notes, insert:

- (5) *Early redemption due to minimum outstanding aggregate principal amount.* The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 days' nor more than 60 days' prior notice of redemption, in accordance with § 11 of the Terms and Conditions to the Holders (which notice shall be irrevocable), at their early redemption amount of **[insert early redemption price]** of the Denomination together with interest accrued to (but excluding) the redemption date (the "**Early Redemption Amount**"), if at any time the aggregate principal amount of the outstanding Notes held by persons other than the Issuer and its subsidiaries has fallen to 25 per cent. or less of the aggregate principal amount of the Notes originally issued (including any further Notes issued pursuant to § 13 (1)).

Any such early redemption shall only be possible if the conditions set out in § 4 (4/5/6) are met.]

(5/6) Conditions for Early Redemption and Repurchase. An early redemption pursuant to this § 5 and any repurchase pursuant to § 13 (2) are subject to:

- (a) the Issuer having obtained the prior permission of the Competent Authority (as defined below) for the early redemption or any repurchase of the Notes in accordance with the Articles 77 and 78 CRR, which authorisation may require, *inter alia*, that:
- (i) prior to or simultaneously with the early redemption or such repurchase, the Issuer replaces the Notes with own funds instruments of at least the same quality on terms that are sustainable with regard to the Issuer's earnings capacity; or
 - (ii) the Issuer has demonstrated to the satisfaction of the Competent Authority that the Issuer's own funds and eligible liabilities after such early redemption or repurchase exceed the requirements of the CRR in Directives 2013/36/EU and 2014/59/EU, both as amended, by such margin as the Competent Authority considers necessary; and
- (b) in the case of any early redemption or any repurchase prior to the fifth anniversary of the date of issuance of the Notes, in addition, to the extent applicable to the Issuer at that time:
- (i) in case of early redemption for tax reasons pursuant to § 5 (3), the Issuer has demonstrated to the satisfaction of the Competent Authority that such change of taxation classification is material and was not foreseeable as at the date of issuance of the Notes; or
 - (ii) in case of early redemption for regulatory reasons pursuant to § 5 (4), the Competent Authority considers such change to be sufficiently certain; and the Issuer has

demonstrated to the satisfaction of the Competent Authority that the regulatory classification of the Notes was not foreseeable for the Issuer as at the date of issuance of the Notes; or

- (iii) in case of early redemption due to circumstances other than those set out in items (i) or (ii) above if, earlier or at the same time with such action, the Issuer replaces the Notes with own funds instruments of at least equal quality at terms that are sustainable for the income capacity of the Issuer and the Competent Authority has permitted such action based on the determination that it is beneficial from a prudential point of view and justified by exceptional circumstances.

For the avoidance of doubt, any refusal of the Competent Authority to grant any permission, approval or other authorisation shall not constitute a default or delay.

Whereby:

"Competent Authority" means the competent authority pursuant to Article 4 (1)(40) CRR, which is responsible to supervise the Issuer on an individual and/or consolidated basis.]

§ 6 (Payments)

- (1) *Currency.* Payment of principal and interest on the Notes shall be made in the Specified Currency (see § 1 (1)).
- (2) *Payments.* Payment of principal and interest shall be made, subject to applicable fiscal and other legal provisions, via the Paying Agent(s) for onward transmission to the Clearing Systems or, upon their instruction, by credit to the relevant custodian for the Holder.
- (3) *Payment Business Day.* If the due date for any payment in respect of the Notes would otherwise fall on a calendar day which is not a Business Day (as defined below), then the due date will be postponed according to the Business Day Convention (as defined below). If any date fixed for the payment of principal [***in the case of non-adjusted Interest Periods, insert:*** and interest] is postponed, Holders shall not be entitled to payment prior to the adjusted due date and shall not be entitled to claim further interest and other payments due to such postponement.

"Record Date" means the Business Day immediately preceding the due date of a payment in respect of a Note.

[In case the Specified Currency is Euro, insert:

"Business Day" means any day (other than a Saturday or a Sunday) on which (i) the Clearing System as well as (ii) the Real-Time Gross Settlement System operated by the Eurosystem or any successor system thereto (T2) are open to effect payments in Euro.]

[In case the Specified Currency is not Euro, insert:

"Business Day" means any day (other than a Saturday or a Sunday) on which (i) the Clearing System as well as (ii) the banks in [***insert relevant financial centre(s)***] (the "**relevant financial centre(s)**") are open for business (including foreign exchange transactions and foreign currency deposit transactions) in the Specified Currency].

[If Following Business Day Convention applies, insert:

If a day relevant for a payment within the meaning of these Terms and Conditions falls on a day which is not a Business Day, the relevant day shall be postponed to the next following Business Day ("**Following Business Day Convention**").]

[If Modified Following Business Day Convention applies, insert:

If a day relevant for a payment within the meaning of these Terms and Conditions falls on a day which is not a Business Day, the relevant day shall be postponed to the next following Business Day unless it would thereby fall in the next calendar month, in which case the relevant day shall be brought forward to the immediately preceding Business Day ("**Modified Following Business Day Convention**").]

- (4) *References.* Reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable: [the Redemption Amount of the Notes,] [the Early Redemption Amount of the Notes,] [the Optional Redemption Amount (Call),] [the Optional Redemption Amount (Put),] and any other amounts which may be payable under or in respect of the Notes.
- (5) *Deposit with the court.* The Issuer may deposit with the competent court any principal not claimed by Holders within 12 months after the relevant due date even though such Holders may not be in default of acceptance of payment. If and to the extent that the deposit is effected, and the right of withdrawal is waived, the respective claims of such Holders against the Issuer shall cease.
- (6) *Default Interest.* If the Issuer fails to make any payment due on the Notes for any reason, the outstanding amount shall bear interest at the rate of two percentage points above the base rate from, and including, the due date to, but excluding, the date of payment in full. The base interest rate applicable on the last calendar day of a half-year shall be decisive for the next half-year.

**§ 7
(Taxation)**

All payments of principal and interest in respect of the Notes will be made without withholding or deduction for or on account of any taxes, duties, assessments or governmental charges of whatever nature (the "**Taxes**") imposed, levied, collected, withheld or assessed by the Republic of Austria or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law in the future. In such case, the Issuer will withhold or deduct the relevant Taxes and pay the amounts withheld or deducted to the relevant authorities. The Issuer shall not be obliged to pay any additional amounts of principal and/or interest on account of any such withholding or deduction.

**§ 8
(Prescription)**

Claims against the Issuer for payment in respect of the Notes shall be prescribed and become void unless made within thirty years (in the case of principal) and three years (in the case of interest).

§ 9
(Authorised Agents)

- (1) *Principal Paying Agent.* VOLKSBANK WIEN AG, Dietrichgasse 25, 1030 Vienna, Austria, acts as principal paying agent in respect of the Notes (the "**Principal Paying Agent**" and together with any additional paying agents appointed, each a "**Paying Agent**").

[In case further paying agents are appointed, insert:

The additional Paying Agent(s):

Paying Agent(s): **[insert company name and business address of the additional paying agent(s)]**

- (2) *Calculation Agent.* **[insert company name and business address of the Calculation Agent]** shall act as calculation agent for the Notes (the "**Calculation Agent**").
- (3) *Substitution.* The Issuer reserves the right at any time to vary or terminate the appointment of the Principal Paying Agent, any additional Paying Agents and the Calculation Agent and to appoint another Principal Paying Agent or additional or other Paying Agents or another Calculation Agent. It will ensure that at all times: (i) a Principal Paying Agent and a Calculation Agent; (ii) a paying agent in a Member State of the European Union; and (iii) for so long as the Notes are listed on a regulated market, a paying agent with a designated office in the place prescribed by the relevant stock exchange. The Paying Agents and the Calculation Agent reserve the right at any time to designate another office in the same country in place of their respective designated office, notices with respect to any changes in the Principal Paying Agent, the Paying Agents or the Calculation Agent shall be given promptly by the Issuer pursuant to § 11.
- (4) *No agency or trust relationship.* The Paying Agents and the Calculation Agent act solely as agents of the Issuer and do not have any obligations towards any Holder; no agency or trust relationship shall thereby be established between them and the Holders. The Issuer may use the Paying Agents and/or the Calculation Agent in exercising its rights under these Terms and Conditions.
- (5) *Determinations Binding.* All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of these Terms and Conditions by the Issuer, a Paying Agent and/or the Calculation Agent shall (in the absence of manifest error) be binding on the Issuer, the Paying Agent(s) and the Holders.
- (6) *Exclusion of liability.* Neither the Paying Agent(s) nor the Calculation Agent shall have any liability for any error or omission or any subsequent correction based thereon in the calculation or publication of any amount or determination in respect of the Notes except in the case of gross negligence and wilful misconduct.

§ 10
(Debtor substitution)

- (1) *Substitution.* The Issuer shall be entitled at any time **[In the case of eligible Notes and in the case of subordinated Notes, insert:**, subject to compliance with the applicable regulatory requirements for the Notes to be recognised as **[in the case of eligible Notes, insert:** Eligible Liability Instruments]**[in the case of subordinated Notes, insert:** Tier 2 Instruments] (including,

where relevant, the requirements for early redemption or repurchase pursuant to § 5 (4/5/6)], without the consent of the Holders, to substitute another company which is directly or indirectly controlled by the Issuer as the new issuer for all obligations arising from or in connection with the Notes with discharging effect for the Issuer (the "**New Issuer**"), provided that

- (a) the New Issuer assumes all obligations of the Issuer or in respect of the Notes;
- (b) the Issuer, if service would have to be effected on the New Issuer outside the Republic of Austria, appoints an agent for service in the Republic of Austria;
- (c) the New Issuer has obtained all approvals necessary for the substitution of the Notes and the performance of the obligations under or in connection with the Notes;
- (d) the Issuer unconditionally and irrevocably guarantees the obligations of the New Issuer under the Notes on terms which ensure that each Holder will be placed in an economic position at least equal to that which it would be in the absence of the substitution; and
- (e) the New Issuer is able to pay to the Clearing System in the Specified Currency all amounts required to satisfy the payment obligations under the Notes without deduction or withholding of any taxes or other duties of any kind imposed, levied or collected by the country (or countries) in which the New Issuer has its registered office or tax residence.

(2) *References.*

- (a) In the event of a substitution of the debtor pursuant to § 10 (1), any reference in these Terms and Conditions to the "Issuer" shall be deemed to be a reference to the "New Issuer" and any reference to the Republic of Austria shall be deemed to be a reference to the state in which the New Issuer is resident for tax purposes.
- (b) In § 7, if such reference would be missing due to the preceding paragraph, an alternative reference to the Republic of Austria shall be deemed to be included (in addition to the reference in accordance with the preceding sentence to the state in which the New Issuer is resident for tax purposes).

(3) *Notice and Effectiveness of the Substitution.* Notice of the substitution of the Issuer shall be given in accordance with § 11. Upon notice of the substitution, the substitution shall become effective and the Issuer and, in the case of a repeated application of this § 10, any former new issuer shall be released from all of its obligations under the Notes (without prejudice to the guarantee under § 10 (1) (d)). In the event of such substitution of a debtor, any regulated markets on which the Notes are listed shall be notified.

§ 11
(Notices)

- (1) *Notices.* All notices of the Issuer concerning the Notes shall be deemed to have been validly given if they are available on the website [*insert website*] or if they are forwarded to the Holders directly or via the custodians relevant to them and, to the extent required by law, have been published in the media specified by law. Any notice so given will be deemed to have been validly given on the fifth day following the date of such publication (or, if published more than once, on the fifth day following the date of the first such publication).

- (2) *Notification to the Clearing System.* The Issuer shall be entitled to replace a publication pursuant to § 11 (1) by a notice to the Clearing System (pursuant to § 1 (4)) for onward transmission to the Holders. Any such notice shall be deemed to be validly given on the fifth Business Day after the date of the notice to the depository.

§ 12

(Invalidity. Amendments)

- (1) *Severability.* If at any time one or several provisions of the Terms and Conditions are or will be invalid, illegal or unenforceable under the laws of any jurisdiction, then such provisions shall be ineffective only to the extent necessary with respect to such jurisdiction without affecting or preventing the validity, legality and enforceability of the remaining provisions of the Terms and Conditions.
- (2) *Amendments.* The Issuer shall be entitled to correct obvious typographical or arithmetical errors or other obvious mistakes, to amend or supplement contradictory or incomplete provisions in these Terms and Conditions without the consent of the Holders, whereby only such amendments or supplements shall be permissible which, taking into account the interests of the Issuer, are reasonable for the Holders, i.e. which do not materially worsen their financial situation. There is no obligation to publish amendments or supplements to these Terms and Conditions, provided that the financial situation of the Holders is not significantly worsened.

§ 13

(Further Issues of Notes and Repurchase)

- (1) *Further Issues of Notes.* The Issuer may from time to time, without the consent of the Holders, issue further Notes having the same terms as the Notes in all respects (or in all respects except for the issue date, the interest commencement date and/or the issue price) so as to form a single series with the Notes.
- (2) *Repurchase.* The Issuer may repurchase Notes in the open market or otherwise at any price to the extent permitted by law. Notes repurchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to the Paying Agent for cancellation. **[In the case of eligible Notes and subordinated Notes, insert:** Such repurchase is only possible in compliance with all applicable regulatory and other statutory restrictions and provided that the conditions pursuant to § 5 (4/5/6) are met.]

§ 14

(Applicable Law. Place of Performance. Place of Jurisdiction)

- (1) *Applicable Law. Place of Performance.* The form and content of the Notes as well as the contractual and non-contractual rights and obligations of the Holders and the Issuer in connection with the Notes shall be governed exclusively by the laws of the Republic of Austria, excluding its rules of private international law as far as such rules would lead to the application of foreign law. The place of performance is Vienna, Republic of Austria.

- (2) *Place of Jurisdiction.* The non-exclusive place of jurisdiction for all legal disputes with the Issuer arising from the legal relationships governed by these Terms and Conditions is, to the extent permitted by law, Vienna, Austria. The agreement on the place of jurisdiction does not limit the right of a Holder, if and to the extent ordered by applicable law, to bring proceedings before a consumer court.

TRANSLATION

5.1.2 Option 2 – Zero Coupon Notes

§ 1

(Currency. Form. Type of Issue. Denomination. Securitisation. Custody)

(1) *Currency. Denomination.* VOLKSBANK WIEN AG (the "**Issuer**") issues in accordance with the provisions of these terms and conditions (the "**Terms and Conditions**") on (or from) [*insert date of the (initial) issue date*] (the "**Issue Date**") by way of [*insert type of issue*] notes (the "**Notes**" and each a "**Note**") in [*insert specified currency*] (the "**Specified Currency**") in an aggregate principal amount of [*insert aggregate principal amount*] (in words: [*insert aggregate principal amount in words*]) [with the option to increase or decrease the aggregate principal amount] and in the denomination of [*insert denomination*] each (the "**Denomination**").

(2) *Form.* The Notes are being issued in bearer form.

[If the Notes are represented by a non-digital Global Note the following applies:

(3) *Global Note.* This series of Notes is represented by a global note (the "**Global Note**") pursuant to § 24 (b) of the Austrian Securities Deposit Act. The Global Note shall bear the handwritten or facsimile signatures of two authorised representatives of the Issuer or their representatives and shall, at the option of the Issuer, be signed by or on behalf of the Principal Paying Agent with a control signature. Definitive Notes and interest coupons will not be issued.]

[If the Notes are represented by a digital Global Note the following applies:

(3) *Digital Global Note.* This series of Notes is represented by a digital global note (the "**Global Note**") pursuant to §§ 1 (4) and § 24 (e) of the Austrian Securities Deposit Act, which is originated from the creation of an electronic data record at a central securities depository on the basis of the information electronically communicated to the central securities depository by the Issuer.]

[In case of custody of a non-digital Global Note by VOLKSBANK WIEN AG the following applies:

(4) *Custody.* The Global Note shall be held in custody by or on behalf of a Clearing System until all obligations of the Issuer under the Notes have been satisfied. "**Clearing System**" means the securities depository VOLKSBANK WIEN AG with its business address at Dietrichgasse 25, 1030 Vienna, Austria and any successor in such capacity.]

[In case of custody by OeKB, Clearstream or Euroclear the following applies:

(4) *Custody.* The Global Note shall be held in custody by or on behalf of a Clearing System until all obligations of the Issuer under the Notes have been satisfied. "**Clearing System**" means [*if more than one Clearing System the following applies: each of*] the following: [the securities depository of the OeKB, the OeKB CSD GmbH ("**CSD**") with its business address at Strauchgasse 1-3, 1010 Vienna, Austria] [(.) (and) Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn, Federal Republic of Germany, ("**Clearstream Frankfurt**").] [(.) (and) Clearstream Banking S.A., société anonyme, Luxembourg, 42 Avenue JF Kennedy, 1855 Luxembourg, Grand Duchy of Luxembourg ("**Clearstream Luxembourg**")] [(.) (and) Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, 1210 Brussels, Belgium ("**Euroclear**")] [*specify other Clearing System*] as well as any successor in such capacity.]

- (5) *Holder*. "**Holder**" means any holder of co-ownership interests or other similar rights in the Global Note which may be transferred to a new Holder in accordance with the applicable law, these Terms and Conditions and the provisions of the Clearing System.

§ 2
(Status)

[In the case of senior Notes the following applies:

- (1) The Notes constitute direct, unsecured and unsubordinated obligations of the Issuer ranking in the event of insolvency or liquidation of the Issuer *pari passu* among themselves and *pari passu* with all other unsecured and unsubordinated instruments or obligations of the Issuer except for any instruments or obligations preferred or subordinated by law.]

[In case of preferred senior Notes, the following applies

- (1) The Notes constitute direct, unsecured and unsubordinated obligations of the Issuer and shall qualify as eligible liabilities (within the meaning of Article 72a (1) lit a and Article 72b CRR with the exception of Article 72b (2) lit d CRR) of the Issuer for the MREL Requirement ranking in the event of insolvency or liquidation of the Issuer *pari passu* among themselves and *pari passu* with all other unsecured and unsubordinated instruments or obligations of the Issuer except for any instruments or obligations preferred or subordinated by law.
- (2) No Holder may set off any claims under the Notes against any claims of the Issuer. The Notes are not subject to any set-off or netting arrangements that would undermine their capacity to absorb losses in resolution and are not, and they shall not at any time be, secured or subject to a guarantee by the Issuer or any other person or subject to any other arrangement that enhances the seniority of the claims under the Notes.
- (3) The ranking of the Notes may not be subsequently modified, and the term of the Notes and any applicable notice period may not be shortened.
- (4) Prior to any insolvency or liquidation of the Issuer, under the applicable banking resolution laws, the Resolution Authority may exercise the power to write down (including to zero) the obligations of the Issuer under the Notes, convert them into shares or other instruments of ownership of the Issuer, in each case in whole or in part, or apply any other resolution tool or action, including (but not limited to) any deferral or transfer of the obligations to another entity, an amendment of the Terms and Conditions or a cancellation of the Notes. The Holders shall be bound by the exercise of the power to write-down or convert or the taking of any resolution action in respect of the Notes. No Holder shall have any claim or other right against the Issuer arising out of any exercise of the power to write-down or convert or the taking of any resolution action. In particular, any exercise of the power to write-down or convert or the taking of any resolution action shall not constitute a default.

(5) Definitions:

"**BaSAG**" means the Austrian Recovery and Resolution Act (*Sanierungs- und Abwicklungsgesetz*), as amended from time to time and any references in these Terms and Conditions to relevant provisions of the BaSAG include references to any applicable provisions of law amending or replacing such provisions from time to time.

"**CRR**" means the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (*Capital Requirements Regulation*), as amended or replaced from time to time, and any references in these Terms and Conditions to relevant Articles of the CRR include references to any applicable provisions of law amending or replacing such Articles from time to time.

"**MREL Requirement**" means the minimum requirements for eligible liabilities (MREL) which are or, as the case may be, will be, applicable to the Issuer and/or the Issuer's MREL Group in accordance with

- (i) § 100 BaSAG, as amended; or
- (ii) Article 12 SRMR, as amended,

where "**Issuer's MREL Group**" means the Issuer and its subsidiaries which have to comply with the MREL Requirement on a group basis.

"**SRMR**" means Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 (*Single Resolution Mechanism Regulation*), as amended or replaced from time to time, and any references to relevant provisions of the SRMR in these Terms and Conditions include references to any applicable provision of law amending or replacing such provisions from time to time.

"**Resolution Authority**" means the resolution authority pursuant to Article 4(1)(130) CRR which is responsible for resolution of the Issuer on an individual and/or consolidated basis.]

[In the case of non-preferred senior Notes, the following applies:

- (1) The Notes constitute direct and unsecured obligations of the Issuer and shall qualify as eligible liabilities (within the meaning of Article 72a (1) lit a and Article 72b CRR) of the Issuer for the MREL Requirement, provided that in the event of normal insolvency proceedings (bankruptcy proceeding) of the Issuer, claims under the Notes rank:
 - (a) junior to all other present or future unsecured and unsubordinated instruments or obligations of the Issuer which do not meet the criteria for debt instruments pursuant to § 131(3)(1) to (3) BaSAG;
 - (b) *pari passu*: (i) among themselves; and (ii) with all other present or future non-preferred senior instruments or obligations of the Issuer which meet the criteria for debt instruments pursuant to § 131(3)(1) to (3) BaSAG (other than senior instruments or obligations of the Issuer ranking or expressed to rank senior or junior to the Notes); and
 - (c) senior to all present or future claims under: (i) ordinary shares and other Common Equity Tier 1 instruments pursuant to Article 28 CRR of the Issuer; (ii) instruments of participation capital pursuant to § 23 (4) and (5) BWG in the version prior to the entry into force of the CRR of the Issuer; (iii) Additional Tier 1 instruments pursuant to Article 52 CRR of the Issuer; (iv) Tier 2 instruments pursuant to Article 63 CRR of the Issuer; and (v) all other subordinated instruments or obligations of the Issuer.

- (2) No Holder may set-off any claims under the Notes against any claims of the Issuer. The Notes are not subject to any set-off or netting arrangements that would undermine their capacity to absorb losses in resolution and are not, and they shall not at any time be, secured or subject to a guarantee by the Issuer or any other person or subject to any other arrangement that enhances the seniority of the claims under the Notes.
- (3) The ranking of the Notes may not be subsequently modified, and the term of the Notes and any applicable notice period may not be shortened.
- (4) Prior to any insolvency or liquidation of the Issuer, under the applicable banking resolution laws, the Resolution Authority may exercise the power to write down (including to zero) the obligations of the Issuer under the Notes, convert them into shares or other instruments of ownership of the Issuer, in each case in whole or in part, or apply any other resolution tool or action, including (but not limited to) any deferral or transfer of the obligations to another entity, an amendment of the Terms and Conditions or a cancellation of the Notes. The Holders shall be bound by the exercise of the power to write-down or convert or the taking of any resolution action in respect of the Notes. No Holder shall have any claim or other right against the Issuer arising out of any exercise of the power to write-down or convert or the taking of any resolution action. In particular, any exercise of the power to write-down or convert or the taking of any resolution action shall not constitute a default.

(5) **Definitions:**

"**BaSAG**" means the Austrian Recovery and Resolution Act (*Sanierungs- und Abwicklungsgesetz*), as amended from time to time and any references in these Terms and Conditions to relevant provisions of the BaSAG include references to any applicable provisions of law amending or replacing such provisions from time to time.

"**CRR**" means the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (*Capital Requirements Regulation*), as amended or replaced from time to time, and any references in these Terms and Conditions to relevant Articles of the CRR include references to any applicable provisions of law amending or replacing such Articles from time to time.

"**MREL Requirement**" means the minimum requirements for eligible liabilities (MREL) which are or, as the case may be, will be, applicable to the Issuer and/or the Issuer's MREL Group in accordance with

- (i) § 100 BaSAG, as amended; or
- (ii) Article 12 SRMR, as amended,

where "**Issuer's MREL Group**" means the Issuer and its subsidiaries which have to comply with the MREL Requirement on a group basis.

"**SRMR**" means Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 (*Single Resolution Mechanism Regulation*), as amended or replaced from time to time, and any references to relevant provisions of the SRMR in these Terms and

Conditions include references to any applicable provision of law amending or replacing such provisions from time to time.

"Resolution Authority" means the resolution authority pursuant to Article 4(1)(130) CRR which is responsible for resolution of the Issuer on an individual and/or consolidated basis.]

[In the case of subordinated Notes, the following applies:

- (1) The Notes constitute direct, unsecured and subordinated obligations of the Issuer and shall constitute Tier 2 Instruments (as defined below) of the Issuer, provided that claims under the Notes in the event of the insolvency or liquidation of the Issuer and to the extent that the Notes are (at least partly) recognized as own funds items, will rank:
 - (a) junior to all present or future claims from: (i) unsecured and unsubordinated instruments or obligations of the Issuer; (ii) eligible liabilities instruments pursuant to Article 72b CRR of the Issuer; (iii) instruments or obligations of the Issuer that do not result from own funds items of the Issuer; and (iv) any other subordinated obligations of the Issuer which, in accordance with their terms or pursuant to mandatory provisions of law, rank or are expressed to rank senior to the obligations of the Issuer under the Notes at the relevant time;
 - (b) *pari passu*: (i) among themselves; and (ii) with all other present or future claims under Tier 2 Instruments and other subordinated instruments or obligations of the Issuer that do result from own funds items of the Issuer which rank *pari passu* with Tier 2 Instruments; and
 - (c) senior to all present or future claims under: (i) Additional Tier 1 instruments pursuant to Article 52 CRR of the Issuer; (ii) ordinary shares and other Common Equity Tier 1 instruments pursuant to Article 28 CRR of the Issuer; (iii) instruments of participation capital pursuant to § 23 (4) and (5) BWG in the version prior to the entry into force of the CRR of the Issuer; and (iv) all other subordinated instruments or obligations of the Issuer that do result from own funds items of the Issuer which rank junior to the Notes.
- (2) No Holder may set-off any claims under the Notes against any claims of the Issuer. The Notes are not subject to any set-off or netting arrangements that would undermine their capacity to absorb losses in resolution, insolvency or liquidation of the Issuer and are not, and they shall not at any time be, secured or subject to a guarantee by the Issuer or any other person or subject to any other arrangement that enhances the seniority of the claims under the Notes.
- (3) The ranking of the Notes may not be subsequently modified, and the term of the Notes and any applicable notice period may not be shortened.
- (4) Prior to any insolvency or liquidation of the Issuer, under the applicable banking resolution laws, the Resolution Authority may exercise the power to write down (including to zero) the obligations of the Issuer under the Notes, convert them into shares or other instruments of ownership of the Issuer, in each case in whole or in part, or apply any other resolution tool or action, including (but not limited to) any deferral or transfer of the obligations to another entity, an amendment of the Terms and Conditions or a cancellation of the Notes. The Holders shall be bound by the exercise of the power to write-down or convert or the taking of any resolution action in respect of the Notes. No Holder shall have any claim or other right against the Issuer arising out of any exercise of the power to write-down or convert or the taking of any resolution action. In

particular, any exercise of the power to write-down or convert or the taking of any resolution action shall not constitute a default.

(5) Definitions:

"Resolution Authority" means the resolution authority pursuant to Article 4(1)(130) CRR which is responsible for resolution of the Issuer on an individual and/or consolidated basis.

"CRR" means the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (*Capital Requirements Regulation*), as amended or replaced from time to time, and any references in these Terms and Conditions to relevant Articles of the CRR include references to any applicable provisions of law amending or replacing such Articles from time to time.

"Tier 2 Instruments" means any (directly or indirectly issued) capital instruments of the Issuer that qualify as Tier 2 instruments pursuant to Article 63 CRR, including any capital instruments that qualify as Tier 2 instruments pursuant to transitional provisions under the CRR.]

[In the case of Covered Bonds, the following applies:

- (a) The Notes constitute direct and unsubordinated obligations of the Issuer and rank *pari passu* among themselves and *pari passu* with all other unsubordinated obligations of the Issuer, present and future, under covered bonds of the same Cover Pool (as defined below).
- (b) The Notes are collateralised in accordance with the Austrian Covered Bond Act (*Pfandbriefgesetz – "PfandBG"*) through cover assets of the **[insert designation of the cover pool]** (the "**Cover Pool**"), which are intended to preferentially satisfy all collateralised Notes of the Issuer covered by this Cover Pool **[([if requested, provide description of primary assets])]**. The cover assets for the Notes are registered in the cover register (*Deckungsregister*) pursuant to § 10 PfandBG, which is kept by the Issuer in accordance with the PfandBG.]

**§ 3
(Interest)**

No Periodic Payments of Interest. There will not be any periodic payments of interest on the Notes.

**§ 4
(Redemption)**

- (1) *Redemption at Maturity [in the case of Covered Bonds which provide for conditions for a maturity extension, the following applies: or at the Extended Maturity Date].* The Notes shall be, unless previously redeemed in whole or in part or repurchased and subject to adjustment in accordance with the provisions set out in § 6 (3), redeemed on **[insert Maturity Date]** (the "**Maturity Date**") **[in the case of Covered Bonds which provide for**

conditions for a maturity extension, the following applies: or, if the maturity of the Notes is extended in accordance with the provisions contained in § 4 (2), on such date as the special administrator (§ 86 Austrian Insolvency Code) may determine as the extended maturity date (the "**Extended Maturity Date**") shall be repaid at their redemption amount of **[insert redemption price]** of the Denomination (the "**Redemption Amount**"). **[In the case of Covered Bonds which provide for conditions for a maturity extension, insert:** The latest possible Extended Maturity Date shall be **[insert date of latest possible Extended Maturity Date]**.

[In the case of Covered Bonds which provide for conditions for a maturity extension, the following applies:

- (2) **Conditions for a maturity extension:** The maturity of the Notes may be postponed once by up to 12 months to the Extended Maturity Date upon the occurrence of the Objective Trigger Event described below.

Objective trigger event means triggering the maturity extension in the Issuer's insolvency by the special administrator (§ 86 of the Austrian Insolvency Code), provided that the special administrator is convinced at the time of the maturity extension that the liabilities under the Notes can be serviced in full on the Extended Maturity Date. The maturity extension is not at the Issuer's discretion. The occurrence of the Objective Trigger Event and any resulting adjustments of the Interest Period relating thereto shall be notified to the Fiscal Agent and the Holders without undue delay in accordance with § 11.

In the event of a maturity extension, the Issuer will redeem the Notes in whole and not in part on the Extended Maturity Date at the Redemption Amount together with any interest accrued (exclusive) to the Extended Maturity Date. The Interest Payment Date(s) and Interest Period(s) are subject to the determination of the Extended Maturity Date by the Special Administrator (§ 86 of the Insolvency Code). From the Extended Maturity Date onwards, the Bondholders shall have no claim to further interest payments. Neither the non-payment of the outstanding aggregate principal amount on the Maturity Date nor the postponement of the Maturity Date shall constitute an Event of Default by the Issuer for any purpose or entitle any Noteholder to terminate the Notes or to receive any payment other than as expressly provided for in these Terms and Conditions.

In the event of the insolvency or resolution of the Issuer, payment obligations of the Issuer under the Notes shall not be subject to automatic acceleration and prepayment (bankruptcy remoteness). In each case, the Holders shall have a priority claim in relation to the principal amount and any accrued and future interest from the cover assets and in addition in case of insolvency, to the extent that the aforementioned priority claim cannot be satisfied in full, an insolvency claim against the Issuer.

As competent authority, the Austrian Financial Market Authority (FMA) supervises the issuance of covered bonds and compliance with the provisions of the PfandBG, taking into account the national economic interest in a functioning capital market.

In case of insolvency proceedings, the bankruptcy court shall without undue delay appoint a special administrator to administer priority claims in relation to the principal amount and any accrued and future interest from the cover assets (special estate) (§ 86 of the Insolvency Code). The special administrator shall satisfy due claims of the Holders from the special

estate and shall take the necessary administrative measures for this purpose with effect for the special estate, for example by collecting due mortgage claims, selling individual cover assets or by bridge financing.]

§ 5
(Early Redemption)

[If the Issuer has the option to early redeem the Notes the following applies:

- (1) *Early Redemption of the Notes at the Option of the Issuer.* The Issuer may early redeem the Notes in whole or in part on the Optional Redemption Dates (Call) specified below (each an "Optional Redemption Date (Call)") at the Optional Redemption Amounts (Call) specified below (each an "Optional Redemption Amount (Call)").

Optional Redemption Date(s) (Call)	Optional Redemption Amount(s) (Call)
[each business day during the period from [●] (including) until [●] (excluding)]	[100%][Denomination][●]

Notice of early redemption shall be given to the Holders at least **[insert notice period (call)]** Business Days (as defined in § 6) prior to the relevant Optional Redemption Date (Call) pursuant to § 11 (whereby these notice shall specify the Optional Redemption Date (Call) specified for the redemption of the Notes).

In case of a partial redemption of Notes, Notes to be redeemed shall be selected no later than 30 days prior to the date fixed for redemption in accordance with the rules and procedures of the relevant Clearing System.]

[In the case of subordinated Notes the following applies:

Any such early redemption shall only be possible if the date of issuance was at least five years ago and the conditions for early redemption set out in § 5 (5/6) are met.]

[In the case of eligible Notes the following applies:

Any such early redemption shall only be possible if the conditions for early redemption set out in § 5 (4/5/6) are met.]]

[If the Issuer does not have the option to early redeem the senior or covered Notes the following applies:

- (1) *No Early Redemption of the Notes at the Option of the Issuer.* An early redemption of the Notes at the option of the Issuer is excluded.]

[If the Issuer does not have the option to early redeem the eligible or subordinated Notes the following applies:

- (1) *No Early Redemption of the Notes at the Option of the Issuer.* Except for § 5 (3) **[In the case the eligible Notes are subject to Early Redemption for Reasons of Taxation, insert: [,] [and] (4)]** **[If the Notes are subject to Early Redemption at the Option of the Issuer due to a minimum outstanding aggregate principal amount of the Notes, insert: and ([4/5])] of the Terms and Conditions the Issuer has no right to early redeem the Notes prior to their Maturity Date.]**

[If the Holders have the option to require early redemption of senior, eligible or covered Notes, insert:

(2) *Early Redemption at the Option of a Holder.* The Issuer shall, if a Holder notifies the Issuer of its intention to do so at least **[insert minimum notice period (Put)]** and no more than **[insert maximum notice period (Put)]** Business Days (as defined in § 6) in advance, early redeem the relevant Notes of such Holder on any of the following Optional Redemption Dates (Put) (each an "Optional Redemption Date (Put)") at their relevant Optional Redemption Amount (Put) as defined below (the "Optional Redemption Amount (Put)").

Optional Redemption Dates (Put)	Optional Redemption Amounts (Put)
[]	[]
[]	[]

In order to exercise this right, the Holder must submit a duly completed exercise notice in the form available from the Paying Agent and the Issuer. Revocation of an exercise of this right is not possible.]

[In the case of eligible Notes, insert:

Any such early redemption shall only be possible if the conditions for early redemption set out in § 5 (4/5/6) are met.]]

[If the Holders have no option to require the early redemption of the senior, eligible or covered Notes and in the case of subordinated Notes insert:

(2) *No right of termination or acceleration by the Holders.* The Holders shall have no right to terminate or otherwise accelerate the redemption of the Notes.]

[If, in the case of senior or covered Notes, "Early Redemption in case of Change of Law, Hedging Disruption and/or Increased Hedging Costs" is applicable, insert:

(3) *Early Redemption in case of Change of Law, Hedging Disruption and/or Increased Hedging Costs.* The Issuer may redeem the Notes at any time prior to the Maturity Date upon the occurrence of Change of Law and/or Hedging Disruption and/or Increased Hedging Costs (each as defined below) at their early redemption amount. The Issuer shall redeem the Notes in full (but not in part only) on the second Business Day (as defined in § 6) after which notice of the early redemption has been given in accordance with § 11, provided that such date is not later than two Business Days prior to the Maturity Date (the "Early Redemption Date") and will pay or cause to be paid the Early Redemption Amount in respect of the Notes to the Holders in accordance with any applicable tax laws or other legal or regulatory requirements and in accordance with and subject to these Terms and Conditions. Payments of taxes or early redemption charges shall be borne by the Holders and the Issuer shall have no liability therefor.

Whereas:

"Change of Law" means that (i) due to the enactment of changes in laws or regulations (including but not limited to tax laws) or (ii) changes in the interpretation of judicial or regulatory decisions relevant to the relevant laws or regulations (including statements by tax authorities), the Issuer determines that there has been a material increase in the costs associated with its obligations under the Notes (including, without limitation, increases in tax liabilities, reductions in tax benefits

or other adverse effects on tax treatment) if such changes become effective on or after the Issue Date;

"Hedging Disruption" means that the Issuer, using commercially reasonable efforts, is unable to (i) enter into, continue or settle any transaction or acquire, exchange, hold or dispose of any asset that the Issuer deems necessary to hedge price risk with respect to its obligations under the Notes or (ii) realise, recover or pass on the proceeds of any transaction or asset; and

"Increased Hedging Costs" means that the Issuer is required to pay a materially higher amount of taxes, duties, expenses and fees (other than brokerage fees) in order to: (i) enter into, continue or settle any transaction or to acquire, exchange, hold or dispose of any asset, which the Issuer deems necessary to hedge price risks in respect of its obligations under the Notes or (ii) to realise, recover or pass on proceeds from such transactions or assets, provided that amounts which have increased only because of the creditworthiness of the Issuer has declined shall not be deemed to be Increased Hedging Costs.]

[In the case of eligible Notes the following applies:

[In the case the Notes are subject to Early Redemption for Reasons of Taxation, insert:

(3) *Early Redemption for Reasons of Taxation.* The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 days' nor more than 60 days' prior notice of redemption, in accordance with § 11 of the Terms and Conditions to the Holders (which notice shall be irrevocable), at their early redemption amount, if there is a change in the applicable taxation classification of the Notes and provided that the conditions set out in § 5 (4/5/6) are met.]

(3/4) *Early Redemption for Regulatory Reasons.* The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 days' nor more than 60 days' prior notice of redemption, in accordance with § 11 of the Terms and Conditions to the Holders (which notice shall be irrevocable), at their early redemption amount, if there is a change in the regulatory classification of the Notes that would be likely to result in their exclusion in full or in part from liabilities eligible for the minimum requirement for own funds and eligible liabilities (MREL) pursuant to the MREL Requirement, and provided that the conditions set out in § 5(4/5/6) are met.

[If the Notes are subject to Early Redemption at the Option of the Issuer due to a minimum outstanding aggregate principal amount of the Notes, insert:

(4/5) *Early redemption due to minimum outstanding aggregate principal amount.* The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 days' nor more than 60 days' prior notice of redemption, in accordance with § 11 of the Terms and Conditions to the Holders (which notice shall be irrevocable), at their early redemption amount of **[insert early redemption price]** of the Denomination together with interest accrued to (but excluding) the redemption date (the "**Early Redemption Amount**"), if at any time the aggregate principal amount of the outstanding Notes held by persons other than the Issuer and its subsidiaries has fallen to 25 per cent. or less of the aggregate principal amount of the Notes originally issued (including any further Notes issued pursuant to § 13 (1)).

Any such early redemption shall only be possible if the conditions set out in § 4 (4/5/6) are met.]]

(4/5/6) *Conditions for Early Redemption and Repurchase.*

Any early redemption pursuant to this § 5 and any repurchase pursuant to § 13 (2) are subject to the Issuer having obtained the prior permission of the Resolution Authority for the early redemption and the repurchase, in accordance with Articles 77 and 78a CRR, if and to the extent such prior permission is required at this time.

[In the case the Notes are subject to Early Redemption for Reasons of Taxation, insert: In the case of any early redemption pursuant to § 5 (3), such permission may further require that the Issuer has demonstrated to the satisfaction of the Resolution Authority that the applicable change in the tax treatment is material and was not reasonably foreseeable as at the date of issuance of the Notes.]

For the avoidance of doubt, any refusal by the Resolution Authority to grant a required permission, authorisation or other consent does not constitute a default or delay.]

[In the case of subordinated Notes the following applies:

(3) *Early Redemption for Reasons of Taxation.* The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 days' nor more than 60 days' prior notice of redemption, in accordance with § 11 of the Terms and Conditions to the Holders (which notice shall be irrevocable), at their early redemption amount, if there is a change in the applicable tax treatment of the Notes and provided that the conditions set out in § 5(5/6) are met.

(4) *Early Redemption for Regulatory Reasons.* The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 days' nor more than 60 days' prior notice of redemption, in accordance with § 11 of the Terms and Conditions to the Holders (which notice shall be irrevocable), at their early redemption amount of **[insert early redemption price]** of the Denomination together with interest accrued to (but excluding) the redemption date (the "**Early Redemption Amount**"), if as a result of an amendment or supplement to the directives, laws and regulations applicable in the European Union or the Republic of Austria or their interpretation,

[(a)] the regulatory classification of the Notes changes, which would be likely to result in their exclusion from own funds, in whole or in part, or their reclassification as lower quality own funds **[If early redemption is provided for following a MREL Disqualification Event, insert:; or**

(b) the Notes to the extent that, in accordance with Article 64 CRR, a portion of them no longer qualifies as a Tier 2 instrument but instead qualifies as an eligible liability in accordance with Article 72a(1)(b) CRR that no longer meets the MREL Requirement, except where such non-compliance would only be due to the residual maturity of the Notes being less than the period prescribed in Article 72c(1) CRR or the applicable limits on the amount of eligible liabilities being exceeded.

"**BaSAG**" means the Austrian Recovery and Resolution Act (*Sanierungs- und Abwicklungsgesetz*), as amended from time to time and any references in these Terms and Conditions to relevant provisions of the BaSAG include references to any applicable provisions of law amending or replacing such provisions from time to time.

"**MREL Requirement**" means the minimum requirements for eligible liabilities (MREL) which are or, as the case may be, will be, applicable to the Issuer and/or the Issuer's MREL Group in accordance with

- (i) § 100 BaSAG, as amended; or
- (ii) Article 12 SRMR, as amended,

where "**Issuer's MREL Group**" means the Issuer and its subsidiaries which have to comply with the MREL Requirement on a group basis.

"**SRMR**" means Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 (*Single Resolution Mechanism Regulation*), as amended or replaced from time to time, and any references to relevant provisions of the SRMR in these Terms and Conditions include references to any applicable provision of law amending or replacing such provisions from time to time].

Any such early redemption shall only be possible if the conditions set out in § 5 (5/6) are met.]

[If the Notes are subject to Early Redemption at the Option of the Issuer due to a minimum outstanding aggregate principal amount of the Notes, insert:

- (5) *Early redemption due to minimum outstanding aggregate principal amount.* The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 days' nor more than 60 days' prior notice of redemption, in accordance with § 11 of the Terms and Conditions to the Holders (which notice shall be irrevocable), at their early redemption amount of **[insert early redemption price]** of the Denomination together with interest accrued to (but excluding) the redemption date (the "**Early Redemption Amount**"), if at any time the aggregate principal amount of the outstanding Notes held by persons other than the Issuer and its subsidiaries has fallen to 25 per cent. or less of the aggregate principal amount of the Notes originally issued (including any further Notes issued pursuant to § 13 (1)).

Any such early redemption shall only be possible if the conditions set out in § 4 (5/6) are met.]

(5/6) Conditions for Early Redemption and Repurchase. An early redemption pursuant to this § 5 and any repurchase pursuant to § 13 (2) are subject to:

- (a) the Issuer having obtained the prior permission of the Competent Authority (as defined below) for the early redemption or any repurchase of the Notes in accordance with the Articles 77 and 78 CRR, which authorisation may require, *inter alia*, that:
 - (i) prior to or simultaneously with the early redemption or such repurchase, the Issuer replaces the Notes with own funds instruments of at least the same quality on terms that are sustainable with regard to the Issuer's earnings capacity; or
 - (ii) the Issuer has demonstrated to the satisfaction of the Competent Authority that the Issuer's own funds and eligible liabilities after such early redemption or repurchase exceed the requirements of the CRR in Directives 2013/36/EU and 2014/59/EU, both as amended, by such margin as the Competent Authority considers necessary; and
- (b) in the case of any early redemption or any repurchase prior to the fifth anniversary of the date of issuance of the Notes, in addition, to the extent applicable to the Issuer at that time:
 - (i) in case of early redemption for tax reasons pursuant to § 5 (3), the Issuer has demonstrated to the satisfaction of the Competent Authority that such change of

taxation classification is material and was not foreseeable as at the date of issuance of the Notes; or

- (ii) in case of early redemption for regulatory reasons pursuant to § 5 (4), the Competent Authority considers such change to be sufficiently certain; and the Issuer has demonstrated to the satisfaction of the Competent Authority that the regulatory classification of the Notes was not foreseeable for the Issuer as at the date of issuance of the Notes; or
- (iii) in case of early redemption due to circumstances other than those set out in items (i) or (ii) above if, earlier or at the same time with such action, the Issuer replaces the Notes with own funds instruments of at least equal quality at terms that are sustainable for the income capacity of the Issuer and the Competent Authority has permitted such action based on the determination that it is beneficial from a prudential point of view and justified by exceptional circumstances.

For the avoidance of doubt, any refusal of the Competent Authority to grant any permission, approval or other authorisation shall not constitute a default or delay.

Whereby:

"Competent Authority" means the competent authority pursuant to Article 4 (1)(40) CRR, which is responsible to supervise the Issuer on an individual and/or consolidated basis.]

[In the case of Eligible Notes and Subordinated Notes and if "Early Redemption in the Event of a Change of Law, Hedging Disruption and/or Increased Hedging Costs" is applicable in the case of non-subordinated or funded Notes, insert:

[(6/7)] Further Definitions:

"Early Redemption Amount" means the Amortisation Amount of the Notes (as defined below).

"Amortisation Amount" means the intended redemption amount of the Notes on the Maturity Date, discounted at an annual rate (expressed as a percentage) calculated by the Issuer as follows: redemption amount of the Notes discounted to the Issue Price on the Issue Date on the basis of an annual rate of interest taking into account interest already accrued, the result being rounded commercially to two decimal places. If such calculation is to be made for a period of less than one year, it shall be based on the Day Count Fraction (as defined below).

"Day Count Fraction" means, in respect of the calculation of an amount for any period of time (the **"Calculation Period"**), ***[Insert Applicable Calculation Method: ([Actual/Actual (ICMA)] [30/360] [30E/360 or Eurobond Basis] [Actual/365 or Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/360]):***

[In the case of application of Actual/Actual (ICMA) insert:

- (i) If the Calculation Period is equal to or shorter than the Compounding Period or Discount Period within which it falls, the actual number of days in such Calculation Period divided by the product of (A) the actual number of days in the relevant Compounding Period or Discount Period and (B) the number of Compounding Periods or Discount Periods in one year.

- (ii) If the Calculation Period is longer than an Compounding Period or Discount Period, the sum of: (A) the actual number of days in the Calculation Period falling in the Compounding Period or Discount Period, as the case may be, in which it begins, divided by the product of (x) the actual number of days in that Compounding Period or Discount Period, as the case may be, and (y) the number of Compounding Periods or Discount Periods in a year, and (B) the actual number of days in the Calculation Period falling in the next Compounding Period or Discount Period, as the case may be, divided by the product of (x) the actual number of days in that Compounding Period or Discount Period and (y) the number of Compounding Periods or Discount Periods in one year.]

[In the case of 30/360 the following applies:

The number of days in the relevant calculation period divided by 360 (whereby the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months (unless (A) the last day of the Calculation Period is the 31st day of a month while the first day of the Calculation Period is neither on the 30th day nor the 31st day of a month, in which case the month containing such day shall not be treated as a month reduced to 30 days). nor the 31st day of a month, in which case the month containing that day shall not be treated as a month extended to 30 days, or (B) the last day of the Calculation Period falls is the last day of February, in which case the month of February shall not be treated as a month extended to 30 days).]

[In case of application of 30E/360 or Eurobond Basis insert:

The number of days in the Calculation Period divided by 360 (unless, in the case of the last Calculation Period, the Maturity Date falls on the last day of February, in which case the month of February shall not be considered to be lengthened to a 30-calendar day month)].

[In the case of Actual/365 or Actual/Actual (ISDA) the following applies:

The actual number of days in the Calculation Period divided by 365 (or, if any part of such Calculation Period falls within a leap year, the sum of (i) the actual number of days of the Calculation Period falling in the leap year divided by 366 and (ii) the actual number of days of the Calculation Period not falling within the leap year divided by 365)].

[In the case of Actual/365 (Fixed) the following applies:

the actual number of days in the Calculation Period divided by 365.]

[In the case of Actual/360 the following applies:

the actual number of days in the Calculation Period divided by 360.]

**§ 6
(Payments)**

- (1) *Currency.* Payment of principal on the Notes shall be made in the Specified Currency (see § 1 (1)).

- (2) *Payments.* Payment of principal shall be made, subject to applicable fiscal and other legal provisions, via the Paying Agent(s) for onward transmission to the Clearing Systems or, upon their instruction, by credit to the relevant custodian for the Holder.
- (3) *Payment Business Day.* If the due date for any payment in respect of the Notes would otherwise fall on a calendar day which is not a Business Day (as defined below), then the due date will be postponed according to the Business Day Convention (as defined below). If any date fixed for the payment of principal is postponed, Holders shall not be entitled to payment prior to the adjusted due date and shall not be entitled to claim other payments due to such postponement.

"**Record Date**" means the Business Day immediately preceding the due date of a payment in respect of a Note.

[In case the Specified Currency is Euro, insert:

"**Business Day**" means any day (other than a Saturday or a Sunday) on which (i) the Clearing System as well as (ii) the Real-Time Gross Settlement System operated by the Eurosystem or any successor system thereto (T2) or are open to effect payments in Euro.]

[In case the Specified Currency is not Euro, insert:

"**Business Day**" means any day (other than a Saturday or a Sunday) on which (i) the Clearing System as well as (ii) the banks in [insert relevant financial centre(s)] (the "**relevant financial centre(s)**") are open for business (including foreign exchange transactions and foreign currency deposit transactions) in the Specified Currency].

[If Following Business Day Convention applies, insert:

If a day relevant for a payment within the meaning of these Terms and Conditions falls on a day which is not a Business Day, the relevant day shall be postponed to the next following Business Day ("**Following Business Day Convention**").]

[If Modified Following Business Day Convention applies, insert:

If a day relevant for a payment within the meaning of these Terms and Conditions falls on a day which is not a Business Day, the relevant day shall be postponed to the next following Business Day unless it would thereby fall in the next calendar month, in which case the relevant day shall be brought forward to the immediately preceding Business Day ("**Modified Following Business Day Convention**").]

- (4) *References.* Reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable: [the Redemption Amount of the Notes,] [the Early Redemption Amount of the Notes,] [the Optional Redemption Amount (Call),] [the Optional Redemption Amount (Put),] and any other amounts which may be payable under or in respect of the Notes.
- (5) *Deposit with the court.* The Issuer may deposit with the competent court any principal not claimed by Holders within 12 months after the relevant due date even though such Holders may not be in default of acceptance of payment. If and to the extent that the deposit is effected, and the right of withdrawal is waived, the respective claims of such Holders against the Issuer shall cease.
- (6) *Default Interest.* If the Issuer fails to make any payment due on the Notes for any reason, the outstanding amount shall bear interest at the rate of two percentage points above the base rate

from, and including, the due date to, but excluding, the date of payment in full. The base interest rate applicable on the last calendar day of a half-year shall be decisive for the next half-year.

§ 7
(Taxation)

All payments of principal in respect of the Notes will be made without withholding or deduction for or on account of any taxes, duties, assessments or governmental charges of whatever nature (the "**Taxes**") imposed, levied, collected, withheld or assessed by the Republic of Austria or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law in the future. In such case, the Issuer will withhold or deduct the relevant Taxes and pay the amounts withheld or deducted to the relevant authorities. The Issuer shall not be obliged to pay any additional amounts of principal on account of any such withholding or deduction.

§ 8
(Prescription)

Claims against the Issuer for payment in respect of the Notes shall be prescribed and become void unless made within thirty years (in the case of principal) and three years (in the case of interest).

§ 9
(Authorised Agents)

- (1) *Principal Paying Agent.* VOLKSBANK WIEN AG, Dietrichgasse 25, 1030 Vienna, Austria, acts as principal paying agent in respect of the Notes (the "**Principal Paying Agent**" and together with any additional paying agents appointed, each a "**Paying Agent**").

[In case further paying agents are appointed, insert:

The additional Paying Agent(s):

Paying Agent(s): **[insert company name and business address of the additional paying agent(s)]**

- (2) *Calculation Agent.* **[insert company name and business address of the Calculation Agent]** shall act as calculation agent for the Notes (the "**Calculation Agent**").
- (3) *Substitution.* The Issuer reserves the right at any time to vary or terminate the appointment of the Principal Paying Agent, any additional Paying Agents and the Calculation Agent and to appoint another Principal Paying Agent or additional or other Paying Agents or another Calculation Agent. It will ensure that at all times: (i) a Principal Paying Agent and a Calculation Agent; (ii) a paying agent in a Member State of the European Union; and (iii) for so long as the Notes are listed on a regulated market, a paying agent with a designated office in the place prescribed by the relevant stock exchange. The Paying Agents and the Calculation Agent reserve the right at any time to designate another office in the same country in place of their respective designated office, notices with respect to any changes in the Principal Paying Agent, the Paying Agents or the Calculation Agent shall be given promptly by the Issuer pursuant to § 11.

- (4) *No agency or trust relationship.* The Paying Agents and the Calculation Agent act solely as agents of the Issuer and do not have any obligations towards any Holder; no agency or trust relationship shall thereby be established between them and the Holders. The Issuer may use the Paying Agents and/or the Calculation Agent in exercising its rights under these Terms and Conditions.
- (5) *Determinations Binding.* All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of these Terms and Conditions by the Issuer, a Paying Agent and/or the Calculation Agent shall (in the absence of manifest error) be binding on the Issuer, the Paying Agent(s) and the Holders.
- (6) *Exclusion of liability.* Neither the Paying Agent(s) nor the Calculation Agent shall have any liability for any error or omission or any subsequent correction based thereon in the calculation or publication of any amount or determination in respect of the Notes except in the case of gross negligence and wilful misconduct.

§ 10 (Debtor substitution)

- (1) *Substitution.* The Issuer shall be entitled at any time [***In the case of eligible Notes and in the case of subordinated Notes, insert:*** subject to compliance with the applicable regulatory requirements for the Notes to be recognised as [***in the case of eligible Notes, insert:*** Eligible Liability Instruments][***in the case of subordinated Notes, insert:*** Tier 2 Instruments] (including, where relevant, the requirements for early redemption or repurchase pursuant to § 5 (4/5/6)), without the consent of the Holders, to substitute another company which is directly or indirectly controlled by the Issuer as the new issuer for all obligations arising from or in connection with the Notes with discharging effect for the Issuer (the "**New Issuer**"), provided that
 - (a) the New Issuer assumes all obligations of the Issuer or in respect of the Notes;
 - (b) the Issuer, if service would have to be effected on the New Issuer outside the Republic of Austria, appoints an agent for service in the Republic of Austria;
 - (c) the New Issuer has obtained all approvals necessary for the substitution of the Notes and the performance of the obligations under or in connection with the Notes;
 - (d) the Issuer unconditionally and irrevocably guarantees the obligations of the New Issuer under the Notes on terms which ensure that each Holder will be placed in an economic position at least equal to that which it would be in the absence of the substitution; and
 - (e) the New Issuer is able to pay to the Clearing System in the Specified Currency all amounts required to satisfy the payment obligations under the Notes without deduction or withholding of any taxes or other duties of any kind imposed, levied or collected by the country (or countries) in which the New Issuer has its registered office or tax residence.
- (2) *References.*
 - (a) In the event of a substitution of the debtor pursuant to § 10 (1), any reference in these Terms and Conditions to the "Issuer" shall be deemed to be a reference to the "New Issuer" and any reference to the Republic of Austria shall be deemed to be a reference to the state in which the New Issuer is resident for tax purposes.

- (b) In § 7, if such reference would be missing due to the preceding paragraph, an alternative reference to the Republic of Austria shall be deemed to be included (in addition to the reference in accordance with the preceding sentence to the state in which the New Issuer is resident for tax purposes).
- (3) *Notice and Effectiveness of the Substitution.* Notice of the substitution of the Issuer shall be given in accordance with § 11. Upon notice of the substitution, the substitution shall become effective and the Issuer and, in the case of a repeated application of this § 10, any former new issuer shall be released from all of its obligations under the Notes (without prejudice to the guarantee under § 10 (1) (d)). In the event of such substitution of a debtor, any regulated markets on which the Notes are listed shall be notified.

§ 11 (Notices)

- (1) *Notices.* All notices of the Issuer concerning the Notes shall be deemed to have been validly given if they are available on the website **[insert website]** or if they are forwarded to the Holders directly or via the custodians relevant to them and, to the extent required by law, have been published in the media specified by law. Any notice so given will be deemed to have been validly given on the fifth day following the date of such publication (or, if published more than once, on the fifth day following the date of the first such publication).
- (2) *Notification to the Clearing System.* The Issuer shall be entitled to replace a publication pursuant to § 11 (1) by a notice to the Clearing System (pursuant to § 1 (4)) for onward transmission to the Holders. Any such notice shall be deemed to be validly given on the fifth Business Day after the date of the notice to the depository.

§ 12 (Invalidity. Amendments)

- (1) *Severability.* If at any time one or several provisions of the Terms and Conditions are or will be invalid, illegal or unenforceable under the laws of any jurisdiction, then such provisions shall be ineffective only to the extent necessary with respect to such jurisdiction without affecting or preventing the validity, legality and enforceability of the remaining provisions of the Terms and Conditions.
- (2) *Amendments.* The Issuer shall be entitled to correct obvious typographical or arithmetical errors or other obvious mistakes, to amend or supplement contradictory or incomplete provisions in these Terms and Conditions without the consent of the Holders, whereby only such amendments or supplements shall be permissible which, taking into account the interests of the Issuer, are reasonable for the Holders, i.e. which do not materially worsen their financial situation. There is no obligation to publish amendments or supplements to these Terms and Conditions, provided that the financial situation of the Holders is not significantly worsened.

§ 13 (Further Issues of Notes and Repurchase)

- (1) *Further Issues of Notes.* The Issuer may from time to time, without the consent of the Holders, issue further Notes having the same terms as the Notes in all respects (or in all respects except for the issue date and/or the issue price) so as to form a single series with the Notes.
- (2) *Repurchase.* The Issuer may repurchase Notes in the open market or otherwise at any price to the extent permitted by law. Notes repurchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to the Paying Agent for cancellation. **[In the case of eligible Notes and subordinated Notes, insert:** Such repurchase is only possible in compliance with all applicable regulatory and other statutory restrictions and provided that the conditions pursuant to § 5 (4/5/6) are met.]

§ 14

(Applicable Law. Place of Performance. Place of Jurisdiction)

- (1) *Applicable Law. Place of Performance.* The form and content of the Notes as well as the contractual and non-contractual rights and obligations of the Holders and the Issuer in connection with the Notes shall be governed exclusively by the laws of the Republic of Austria, excluding its rules of private international law as far as such rules would lead to the application of foreign law. The place of performance is Vienna, Republic of Austria.
- (2) *Place of Jurisdiction.* The non-exclusive place of jurisdiction for all legal disputes with the Issuer arising from the legal relationships governed by these Terms and Conditions is, to the extent permitted by law, Vienna, Austria. The agreement on the place of jurisdiction does not limit the right of a Holder, if and to the extent ordered by applicable law, to bring proceedings before a consumer court.

5.1.3 Option 3 – Floating Interest Rate

§ 1

(Currency. Form. Type of Issue. Denomination. Securitisation. Custody)

(1) *Currency. Denomination.* VOLKSBANK WIEN AG (the "**Issuer**") issues in accordance with the provisions of these terms and conditions (the "**Terms and Conditions**") on (or from) [*insert date of the (initial) issue date*] (the "**Issue Date**") by way of [*insert type of issue*] notes (the "**Notes**" and each a "**Note**") in [*insert specified currency*] (the "**Specified Currency**") in an aggregate principal amount of [*insert aggregate principal amount*] (in words: [*insert aggregate principal amount in words*]) [with the option to increase or decrease the aggregate principal amount] and in the denomination of [*insert denomination*] each (the "**Denomination**").

(2) *Form.* The Notes are being issued in bearer form.

[If the Notes are represented by a non-digital Global Note the following applies:

(3) *Global Note.* This series of Notes is represented by a global note (the "**Global Note**") pursuant to § 24 (b) of the Austrian Securities Deposit Act without coupons. The Global Note shall bear the handwritten or facsimile signatures of two authorised representatives of the Issuer or their representatives and shall, at the option of the Issuer, be signed by or on behalf of the Principal Paying Agent with a control signature. Definitive Notes and interest coupons will not be issued.]

[If the Notes are represented by a digital Global Note the following applies:

(3) *Digital Global Note.* This series of Notes is represented by a digital global note (the "**Global Note**") pursuant to §§ 1 (4) and § 24 (e) of the Austrian Securities Deposit Act, which is originated from the creation of an electronic data record at a central securities depository on the basis of the information electronically communicated to the central securities depository by the Issuer.]

[In case of custody of a non-digital Global Note by VOLKSBANK WIEN AG the following applies:

(4) *Custody.* The Global Note shall be held in custody by or on behalf of a Clearing System until all obligations of the Issuer under the Notes have been satisfied. "**Clearing System**" means the securities depository VOLKSBANK WIEN AG with its business address at Dietrichgasse 25, 1030 Vienna, Austria and any successor in such capacity.]

[In case of custody by OeKB, Clearstream or Euroclear the following applies:

(4) *Custody.* The Global Note shall be held in custody by or on behalf of a Clearing System until all obligations of the Issuer under the Notes have been satisfied. "**Clearing System**" means [*if more than one Clearing System the following applies: each of*] the following: [the securities depository of the OeKB, the OeKB CSD GmbH ("**CSD**") with its business address at Strauchgasse 1-3, 1010 Vienna, Austria] [(,) (and) Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn, Federal Republic of Germany, ("**Clearstream Frankfurt**"),] [(,) (and) Clearstream Banking S.A., société anonyme, Luxembourg, 42 Avenue JF Kennedy, 1855 Luxembourg, Grand Duchy of Luxembourg ("**Clearstream Luxembourg**")]

[(.) (and) Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, 1210 Brussels, Belgium ("Euroclear")] [*specify other Clearing System*] as well as any successor in such capacity.]

- (5) *Holder*. "Holder" means any holder of co-ownership interests or other similar rights in the Global Note which may be transferred to a new Holder in accordance with the applicable law, these Terms and Conditions and the provisions of the Clearing System.

§ 2 (Status)

[In the case of senior Notes the following applies:

- (1) The Notes constitute direct, unsecured and unsubordinated obligations of the Issuer ranking in the event of insolvency or liquidation of the Issuer *pari passu* among themselves and *pari passu* with all other unsecured and unsubordinated instruments or obligations of the Issuer except for any instruments or obligations preferred or subordinated by law.]

[In case of preferred senior Notes, the following applies

- (1) The Notes constitute direct, unsecured and unsubordinated obligations of the Issuer and shall qualify as eligible liabilities (within the meaning of Article 72a (1) lit a and Article 72b CRR with the exception of Article 72b (2) lit d CRR) of the Issuer for the MREL Requirement ranking in the event of insolvency or liquidation of the Issuer *pari passu* among themselves and *pari passu* with all other unsecured and unsubordinated instruments or obligations of the Issuer except for any instruments or obligations preferred or subordinated by law.
- (2) No Holder may set-off any claims under the Notes against any claims of the Issuer. The Notes are not subject to any set off or netting arrangements that would undermine their capacity to absorb losses in resolution and are not, and they shall not at any time be, secured or subject to a guarantee by the Issuer or any other person or subject to any other arrangement that enhances the seniority of the claims under the Notes.
- (3) The ranking of the Notes may not be subsequently modified, and the term of the Notes and any applicable notice period may not be shortened.
- (4) Prior to any insolvency or liquidation of the Issuer, under the applicable banking resolution laws, the Resolution Authority may exercise the power to write down (including to zero) the obligations of the Issuer under the Notes, convert them into shares or other instruments of ownership of the Issuer, in each case in whole or in part, or apply any other resolution tool or action, including (but not limited to) any deferral or transfer of the obligations to another entity, an amendment of the Terms and Conditions or a cancellation of the Notes. The Holders shall be bound by the exercise of the power to write-down or convert or the taking of any resolution action in respect of the Notes. No Holder shall have any claim or other right against the Issuer arising out of any exercise of the power to write-down or convert or the taking of any resolution action. In particular, any exercise of the power to write-down or convert or the taking of any resolution action shall not constitute a default.

- (5) **Definitions:**

"BaSAG" means the Austrian Recovery and Resolution Act (*Sanierungs- und Abwicklungsgesetz*), as amended from time to time and any references in these Terms and

Conditions to relevant provisions of the BaSAG include references to any applicable provisions of law amending or replacing such provisions from time to time.

"**CRR**" means the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (*Capital Requirements Regulation*), as amended or replaced from time to time, and any references in these Terms and Conditions to relevant Articles of the CRR include references to any applicable provisions of law amending or replacing such Articles from time to time.

"**MREL Requirement**" means the minimum requirements for eligible liabilities (MREL) which are or, as the case may be, will be, applicable to the Issuer and/or the Issuer's MREL Group in accordance with

- (i) § 100 BaSAG, as amended; or
- (ii) Article 12 SRMR, as amended,

where "**Issuer's MREL Group**" means the Issuer and its subsidiaries which have to comply with the MREL Requirement on a group basis.

"**SRMR**" means Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 (*Single Resolution Mechanism Regulation*), as amended or replaced from time to time, and any references to relevant provisions of the SRMR in these Terms and Conditions include references to any applicable provision of law amending or replacing such provisions from time to time.

"**Resolution Authority**" means the resolution authority pursuant to Article 4(1)(130) CRR which is responsible for resolution of the Issuer on an individual and/or consolidated basis.]

[In the case of non-preferred senior Notes, the following applies:

- (1) The Notes constitute direct and unsecured obligations of the Issuer and shall qualify as eligible liabilities (within the meaning of Article 72a (1) lit a and Article 72b CRR) of the Issuer for the MREL Requirement, provided that in the event of normal insolvency proceedings (bankruptcy proceeding) of the Issuer, claims under the Notes rank:
 - (a) junior to all other present or future unsecured and unsubordinated instruments or obligations of the Issuer which do not meet the criteria for debt instruments pursuant to § 131(3)(1) to (3) BaSAG;
 - (b) *pari passu*: (i) among themselves; and (ii) with all other present or future non-preferred senior instruments or obligations of the Issuer which meet the criteria for debt instruments pursuant to § 131(3)(1) to (3) BaSAG (other than senior instruments or obligations of the Issuer ranking or expressed to rank senior or junior to the Notes); and
 - (c) senior to all present or future claims under: (i) ordinary shares and other Common Equity Tier 1 instruments pursuant to Article 28 CRR of the Issuer; (ii) instruments of participation capital pursuant to § 23 (4) and (5) BWG in the version prior to the entry into force of the CRR of the Issuer; (iii) Additional Tier 1 instruments pursuant to Article 52 CRR of the

Issuer; (iv) Tier 2 instruments pursuant to Article 63 CRR of the Issuer; and (v) all other subordinated instruments or obligations of the Issuer.

- (2) No Holder may set off any claims under the Notes against any claims of the Issuer. The Notes are not subject to any set off or netting arrangements that would undermine their capacity to absorb losses in resolution and are not, and they shall not at any time be, secured or subject to a guarantee by the Issuer or any other person or subject to any other arrangement that enhances the seniority of the claims under the Notes.
- (3) The ranking of the Notes may not be subsequently modified, and the term of the Notes and any applicable notice period may not be shortened.
- (4) Prior to any insolvency or liquidation of the Issuer, under the applicable banking resolution laws, the Resolution Authority may exercise the power to write down (including to zero) the obligations of the Issuer under the Notes, convert them into shares or other instruments of ownership of the Issuer, in each case in whole or in part, or apply any other resolution tool or action, including (but not limited to) any deferral or transfer of the obligations to another entity, an amendment of the Terms and Conditions or a cancellation of the Notes. The Holders shall be bound by the exercise of the power to write-down or convert or the taking of any resolution action in respect of the Notes. No Holder shall have any claim or other right against the Issuer arising out of any exercise of the power to write-down or convert or the taking of any resolution action. In particular, any exercise of the power to write-down or convert or the taking of any resolution action shall not constitute a default.

(5) **Definitions:**

"**BaSAG**" means the Austrian Recovery and Resolution Act (*Sanierungs- und Abwicklungsgesetz*), as amended from time to time and any references in these Terms and Conditions to relevant provisions of the BaSAG include references to any applicable provisions of law amending or replacing such provisions from time to time.

"**CRR**" means the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (*Capital Requirements Regulation*), as amended or replaced from time to time, and any references in these Terms and Conditions to relevant Articles of the CRR include references to any applicable provisions of law amending or replacing such Articles from time to time.

"**MREL Requirement**" means the minimum requirements for eligible liabilities (MREL) which are or, as the case may be, will be, applicable to the Issuer and/or the Issuer's MREL Group in accordance with

- (i) § 100 BaSAG, as amended; or
- (ii) Article 12 SRMR, as amended,

where "**Issuer's MREL Group**" means the Issuer and its subsidiaries which have to comply with the MREL Requirement on a group basis.

"**SRMR**" means Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 (*Single Resolution Mechanism Regulation*), as amended or replaced from

time to time, and any references to relevant provisions of the SRMR in these Terms and Conditions include references to any applicable provision of law amending or replacing such provisions from time to time.

"Resolution Authority" means the resolution authority pursuant to Article 4(1)(130) CRR which is responsible for resolution of the Issuer on an individual and/or consolidated basis.]

[In the case of subordinated Notes, the following applies:

- (1) The Notes constitute direct, unsecured and subordinated obligations of the Issuer and shall constitute Tier 2 Instruments (as defined below) of the Issuer, provided that claims under the Notes in the event of the insolvency or liquidation of the Issuer and to the extent that the Notes are (at least partly) recognized as own funds items, will rank:
 - (a) junior to all present or future claims from: (i) unsecured and unsubordinated instruments or obligations of the Issuer; (ii) eligible liabilities instruments pursuant to Article 72b CRR of the Issuer; (iii) instruments or obligations of the Issuer that do not result from own funds items of the Issuer; and (iv) any other subordinated obligations of the Issuer which, in accordance with their terms or pursuant to mandatory provisions of law, rank or are expressed to rank senior to the obligations of the Issuer under the Notes at the relevant time;
 - (b) *pari passu*: (i) among themselves; and (ii) with all other present or future claims under Tier 2 Instruments and other subordinated instruments or obligations of the Issuer that do result from own funds items of the Issuer which rank *pari passu* with Tier 2 Instruments; and
 - (c) senior to all present or future claims under: (i) Additional Tier 1 instruments pursuant to Article 52 CRR of the Issuer; (ii) ordinary shares and other Common Equity Tier 1 instruments pursuant to Article 28 CRR of the Issuer; (iii) instruments of participation capital pursuant to § 23 (4) and (5) BWG in the version prior to the entry into force of the CRR of the Issuer; and (iv) all other subordinated instruments or obligations of the Issuer that do result from own funds items of the Issuer which rank junior to the Notes.
- (2) No Holder may set off any claims under the Notes against any claims of the Issuer. The Notes are not subject to any set-off or netting arrangements that would undermine their capacity to absorb losses in resolution, insolvency or liquidation of the Issuer and are not, and they shall not at any time be, secured or subject to a guarantee by the Issuer or any other person or subject to any other arrangement that enhances the seniority of the claims under the Notes.
- (3) The ranking of the Notes may not be subsequently modified, and the term of the Notes and any applicable notice period may not be shortened.
- (4) Prior to any insolvency or liquidation of the Issuer, under the applicable banking resolution laws, the Resolution Authority may exercise the power to write down (including to zero) the obligations of the Issuer under the Notes, convert them into shares or other instruments of ownership of the Issuer, in each case in whole or in part, or apply any other resolution tool or action, including (but not limited to) any deferral or transfer of the obligations to another entity, an amendment of the Terms and Conditions or a cancellation of the Notes. The Holders shall be bound by the exercise of the power to write-down or convert or the taking of any resolution action in respect of the Notes. No Holder shall have any claim or other right against the Issuer arising out of any exercise of the power to write-down or convert or the taking of any resolution action. In

particular, any exercise of the power to write-down or convert or the taking of any resolution action shall not constitute a default.

(5) Definitions:

"Resolution Authority" means the resolution authority pursuant to Article 4(1)(130) CRR which is responsible for resolution of the Issuer on an individual and/or consolidated basis.

"CRR" means the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (*Capital Requirements Regulation*), as amended or replaced from time to time, and any references in these Terms and Conditions to relevant Articles of the CRR include references to any applicable provisions of law amending or replacing such Articles from time to time.

"Tier 2 Instruments" means any (directly or indirectly issued) capital instruments of the Issuer that qualify as Tier 2 instruments pursuant to Article 63 CRR, including any capital instruments that qualify as Tier 2 instruments pursuant to transitional provisions under the CRR.]

[In the case of Covered Bonds, the following applies:

- (a) The Notes constitute direct and unsubordinated obligations of the Issuer and rank *pari passu* among themselves and *pari passu* with all other unsubordinated obligations of the Issuer, present and future, under covered bonds of the same Cover Pool (as defined below).
- (b) The Notes are collateralised in accordance with the Austrian Covered Bond Act (*Pfandbriefgesetz* – "**PfandBG**") through cover assets of the **[insert designation of the cover pool]** (the "**Cover Pool**"), which are intended to preferentially satisfy all collateralised Notes of the Issuer covered by this Cover Pool **[[if requested, provide description of primary assets]]**. The cover assets for the Notes are registered in the cover register (*Deckungsregister*) pursuant to § 10 PfandBG, which is kept by the Issuer in accordance with the PfandBG.]

§ 3
(Interest)

- (2) Interest Payment Dates.** The Notes shall bear interest in respect of their Denomination **[insert frequency]** from, and including, **[insert Interest Commencement Date]** (the "**Interest Commencement Date**") until, and including, the Interest End Date (as defined below) **[in case of Covered Bonds which provide for conditions for a maturity extension, the following applies:** or, if the term of the Notes is extended in accordance with the provisions contained in § 4 (2), until the Extended Maturity Date (as defined in § 4 (1))]. Interest shall be payable in arrear on each **[insert interest payment date(s)]** (each an "**Interest Payment Date**"). The first interest payment shall be made on **[insert first Interest Payment Date]**.

[[If EURIBOR has been specified as the Reference Rate, insert:

- (2) Floating Interest Rate.** The interest rate (the "**Interest Rate**") for each Interest Period (as defined below) shall be equal to **[insert participation factor]** per cent. of the **[insert offered rate]** (the

"Reference Rate") *per annum* [plus/minus] **[insert premium/discount]** *per annum* (the "Margin"), as published on the **[insert screen page]** (the "Screen Page") or any successor screen page on the Interest Determination Date (as defined in § 3(3)) prior to **[insert commencement/end]** of the relevant Interest Period from approx. 11.00 a.m. CET (the "Determined Time"), which determination shall be made by the Calculation Agent (as defined in § 9)].

[[If CMS has been specified as the Reference Rate, insert:

- (2) **Floating Interest Rate.** The interest rate (the "Interest Rate") for each Interest Period (as defined below) shall be equal to **[insert participation factor]** per cent. of the **[[insert number]-year swap rate]** (the mid-swap rate against [●]-month Euribor, expressed as a percentage *per annum*) (the "[Number]-Year Swap Rate") (the "Reference Rate") *per annum* as published on the **[insert screen page]** (the "Screen Page") or any successor screen page on the Interest Determination Date (as defined in § 3(3)) prior to **[insert commencement/end]** of the relevant Interest Period at approx. 11.00 a.m. CET (the "Determined Time"), such determination being made by the Calculation Agent (as defined in § 9), **[plus/minus] [insert premium/discount]** *per annum* (the "Margin").]

If the Reference [Interest] Rate does not appear on the Screen Page at the specified time on the relevant Interest Determination Date, the Reference [Interest] Rate on the Interest Determination Date shall be equal to the Reference [Interest] Rate on the Screen Page on the last day preceding the Interest Determination Date on which such Reference [Interest] Rate was displayed on the Screen Page.

[In the case of preferred senior Notes and non-preferred senior Notes, insert:

If, in the opinion of the Issuer, as a result of the determination of the Reference [Interest] Rate (i) the Notes would no longer comply with the applicable MREL Requirement and/or (ii) it can reasonably be assumed that such determination could result in the Resolution Authority using the next Interest Payment Date rather than the Maturity Date as the effective maturity date of the Notes, the Reference [Interest] Rate applicable to the next and each subsequent Interest Period shall be that determined on the last Interest Determination Date. If this clause is applicable on the Interest Determination Date prior to the commencement of the first Interest Period, the Reference [Interest] Rate applicable to the first and each subsequent Interest Period shall be **[[Reoffer Yield at the time of pricing of the Notes less the Margin][insert other fallback rate]]** per cent. *per annum*].

[In the case of subordinated Notes, insert:

If, in the opinion of the Issuer, [(A)] the determination of the Reference [Interest] Rate would be likely to result in (I) the Notes being excluded from own funds under the CRR from time to time; or (II) a reclassification as lower quality own funds, **[in the case of Subordinated Notes where early redemption is elected following an MREL Disqualification Event, insert:** or (B) as a result of the determination of the Reference [Interest] Rate (I) the Notes would no longer meet the applicable MREL Requirement; and/or (II) the Competent Authority and/or the Resolution Authority could reasonably be expected to use the next Interest Payment Date rather than the Maturity Date as the effective maturity date of the Notes,] the Reference [Interest] Rate applicable to the next and each subsequent Interest Period shall be that determined on the last Interest Determination Date. If this clause is applicable on the Interest Determination Date prior to the

commencement of the first Interest Period, the Reference [Interest] Rate applicable to the first and each subsequent Interest Period shall be **[[Reoffer Yield at the time of pricing of the Notes less the Margin][insert other fallback rate]]** per cent. *per annum.*]]

In the case of a Benchmark Event (as defined below): (i) the Issuer shall use reasonable endeavors to appoint an Independent Adviser to determine, in the Independent Adviser's reasonable discretion (in consultation with the Calculation Agent and acting in good faith and in a commercially reasonable manner), a Substitute Reference [Interest] Rate (the "**Substitution Target**") to replace the Original Reference [Interest] Rate affected by the Benchmark Event; or (ii) if the Independent Adviser is not appointed by the Issuer or cannot be appointed in a timely manner or if an Independent Adviser is appointed by the Issuer but such Independent Adviser does not determine a Substitute Reference [Interest] Rate, then the Issuer may (taking into account the Substitution Target) determine which rate (if any) has replaced the original Reference [Interest] Rate affected by the Benchmark Event. A Substitute Reference [Interest] Rate shall be effective from (and including) the Interest Determination Date determined by the Independent Adviser or the Issuer (as the case may be) in its reasonable discretion, but not earlier than the Interest Determination Date coinciding with or following the Benchmark Event, for the first time with effect for the Interest Period for which the Interest Rate is determined on such Interest Determination Date. The "**Substitute Reference [Interest] Rate**" means a rate (expressed as a percentage *per annum*) derived from an alternative reference [interest] rate (the "**Alternative Reference [Interest] Rate**") determined by the Independent Adviser or the Issuer (as the case may be) in its reasonable discretion, which is provided by a third party and which meets all applicable legal requirements for use in determining payment obligations under the Notes, with such adjustments (e.g. in the form of premiums or discounts) as the Independent Adviser or the Issuer (as the case may be) in its reasonable discretion may determine.

Notwithstanding to the generality of the foregoing, the Issuer may in particular, but without limitation, implement any Official Substitution Concept, any Industry Solution or any Generally Accepted Market Practice.

If the Independent Adviser or the Issuer (as the case may be) determines a Substitute Reference [Interest] Rate, it shall also have the right, in its reasonable discretion, to make such procedural determinations in relation to the determination of the current Substitute Reference [Interest] Rate (e.g. Interest Determination Date, Relevant Specified Time, relevant Screen Page for obtaining the Alternative Reference [Interest] Rate and default provisions in the event of the unavailability of the relevant Screen Page) and to make such adjustments to the definition of "Business Day" in § 6(3) and the Business Day Convention provisions in § 6(3) as may be necessary or expedient in accordance with Generally Accepted Market Practice to make the replacement of the Reference [Interest] Rate by the Substitute Reference [Interest] Rate practicable.

"Benchmark Event" means:

- (a) a public statement or release of information is made by or on behalf of the supervisory authority of the administrator of the Reference [Interest] Rate indicating that such administrator has ceased or will cease to provide the reference rate permanently or indefinitely unless there is a successor administrator who will continue to provide the Reference [Interest] Rate; or
- (b) a public statement or release of information is made by or on behalf of the administrator of the Reference [Interest] Rate indicating that such administrator has ceased or will cease

- to provide the Reference [Interest] Rate permanently or indefinitely unless there is a successor administrator who will continue to provide the Reference [Interest] Rate; or
- (c) a public statement by the supervisor of the administrator of the Reference [Interest] Rate that, in its view, the Reference [Interest] Rate is no longer or will no longer be representative of the underlying market it purports to measure and that no action has been taken or is expected to be taken to remedy such situation, as required by the supervisor of the administrator of the Reference [Interest] Rate; or
 - (d) it has become unlawful for any reason under any law or regulation applicable to the Paying Agent, the Calculation Agent, the Issuer or any other party to use the Reference [Interest] Rate; or
 - (e) the Reference [Interest] Rate ceases to be published permanently without prior official notice from the Supervisory Authority or the Administrator; or
 - (f) a material change is made to the methodology of the Reference [Interest] Rate.

"Official Substitution Concept" means any binding or non-binding statement by a central bank, a supervisory authority or a supervisory or expert body of the financial sector established under public law or composed of publicly appointed members, pursuant to which a certain Reference [Interest] Rate subject to certain adjustments (if any), should or could be used to replace the Reference [Interest] Rate, making certain adjustments where appropriate, or that a certain procedure should or could be used to determine payment obligations which would otherwise be determined by reference to the Reference [Interest] Rate.

"Industry Solution" means any public statement by the International Swaps and Derivatives Association (ISDA), the International Capital Markets Association (ICMA), the Association for Financial Markets in Europe (AFME), the Securities Industry and Financial Markets Association (SIFMA), the SIFMA Asset Management Group (SIFMA AMG), the Loan Markets Association (LMA), the Deutsche Derivate Verband (DDV), the Zertifikate Forum Austria or any other private association of the financial industry pursuant to which a certain reference rate, subject to certain adjustments (if any), should or could be used to replace the Reference [Interest] Rate or pursuant to which a certain procedure should or could be used in order to determine payment obligations which would otherwise be determined by reference to the Reference [Interest] Rate.

"Generally Accepted Market Practice" means the customary use of a certain reference rate, subject to certain adjustments (if any), as substitute for the Reference [Interest] Rate or of provisions, contractual or otherwise, providing for a certain procedure to determine payment obligations which would otherwise have been determined by reference to the Reference [Interest] Rate in other bond issues following the occurrence of a Benchmark Event, or any other generally accepted market practice to replace the Reference [Interest] Rate as reference rate for the determination of payment obligations.

For the purposes of this subparagraph, **"Independent Advisor"** means an independent financial institution of international repute or other independent financial advisor experienced in the international capital markets, in each case appointed by the Issuer at its own expense.

The Independent Advisor or the Issuer (as the case may be) shall be entitled, but not obliged, in its reasonable discretion, to determine a Substitute Reference [Interest] Rate in respect of the same Benchmark Event more than once in accordance with the provisions if such subsequent

determination is better suited than the preceding determination to achieve the Substitution Target. The provisions shall also apply *mutatis mutandis* in the event that a Benchmark Event occurs in respect of an alternative Reference [Interest] Rate previously determined by the Independent Adviser or the Issuer (as the case may be).

If the Independent Adviser or the Issuer (as the case may be) has determined a Substitute Reference [Interest] Rate following the occurrence of a Benchmark Event, it shall be caused that the occurrence of the Benchmark Event, the Substitute Reference [Interest] Rate determined by the Independent Adviser or the Issuer (as the case may be) and any further determinations made by the Independent Adviser or the Issuer (as the case may be) in connection therewith shall be notified in accordance with the foregoing provisions to the Calculation Agent as soon as practicable, but in no event later than the fourth Business Day following the determination of the Substitute Reference [Interest] Rate.

As soon as practicable following such notice, the occurrence of the Benchmark Event, the Substitute Reference [Interest] Rate determined by the Independent Adviser or the Issuer (as the case may be) and any other related determinations by the Independent Adviser or the Issuer (as the case may be) will be caused to be notified to the Holders pursuant to § 11 and to each stock exchange on which the relevant Notes are listed at such time at the initiative of the Issuer and whose rules require notification to the stock exchange. Such notices shall be irrevocable.

[If the Notes have a Minimum Rate of Interest, insert:

Minimum Rate of Interest. If the Rate of Interest in respect of any Interest Period determined in accordance with the above provisions is less than **[insert Minimum Rate of Interest]** per cent. *per annum*, (the "**Minimum Rate of Interest**") the Rate of Interest for such Interest Period shall be the Minimum Rate of Interest.]

[If the Notes have a Maximum Rate of Interest, insert:

Maximum Rate of Interest. If the Rate of Interest in respect of any Interest Period determined in accordance with the above provisions is less than **[insert Maximum Rate of Interest]** per cent. *per annum*, (the "**Maximum Rate of Interest**") the Rate of Interest for such Interest Period shall be the Maximum Rate of Interest.]

- (3) *Interest Determination Date.* The "**Interest Determination Date**" means the **[insert number]** **[London] / [Frankfurt] / [New York] / [T2]** Business Day prior to **[insert commencement/end]** of the relevant Interest Period. **["[London] / [Frankfurt] / [New York] Business Day"** means a day (other than a Saturday, Sunday or public holiday) on which commercial banks are open for business (including foreign exchange and notes and coins transactions) in **[London] / [Frankfurt] / [New York]**]. **[A "T2 Business Day"** means a day on which the Real-Time Gross Settlement System operated by the Eurosystem or any successor system thereto (T2) is operational].
- (4) *Amount of Interest.* The Calculation Agent (as defined in § 9) will calculate prior to each Interest Payment Date the amount of interest payable on each Note (the "**Interest Amount**") for any time period. The Interest Amount shall be determined by applying the Rate of Interest and the Day Count Fraction to the Denomination, whereas the resultant figure is rounded, if the Specified Currency is Euro, upwards or downwards to the nearest 0.01 Euro, rounding up 0.005 Euro, and, if the Specified Currency is not Euro, upwards or downwards to the smallest unit of the Specified Currency, rounding up 0.5 such units.

- (5) *Notification of Interest Rate and Interest Amount.* The Calculation Agent will cause to be notified to the Holders as soon as practicable after each Interest Determination Date the Interest Rate (if applicable) and the Interest Amount for the relevant Interest Period and the relevant Interest Payment Date by notice pursuant to § 11; the Calculation Agent shall also notify any stock exchange on which the Notes are listed at such time at the initiative of the Issuer and the rules required for a notification to the stock exchange. In the event of an extension or shortening of the Interest Period, the notified Interest Amount and Interest Payment Date may be subsequently adjusted (or other appropriate adjustment measures may be taken) without prior notice. Any such adjustment shall be notified promptly to all stock exchanges on which the Notes are listed at that time at the initiative of the Issuer and the rules required for a notification to the stock exchange, and to the Holders.
- (6) *Interest Period.* The period from, and including, the Interest Commencement Date to, and including, the calendar day preceding the first Interest Payment Date and each subsequent period from, and including, an Interest Payment Date to, and including, the calendar day preceding the immediately following Interest Payment Date shall be referred to as an interest period (each an "Interest Period"). The Interest Periods shall [not] be adjusted.
- (7) *Calculation of interest for parts of periods.* Where interest is to be calculated for a period of less than one year, the calculation shall be made on the basis of the Day Count Fraction (as defined below).

"Day Count Fraction" means, in respect of the calculation of the Interest Amount on any Note for any period of time (the "Calculation Period"):

[In the case Actual/Actual (ICMA) the following applies:

"Actual/Actual (ICMA)" means, if the Calculation Period is equal to or shorter than the Interest Period during which it falls, the actual number of days in the Calculation Period divided by the product of: (A) the actual number of days in the respective Interest Period and (B) the number of Interest Periods normally ending in one year.

If the Calculation Period is longer than an Interest Period, the sum of: (A) the actual number of days in the Calculation Period, during which the Interest Period falls, in which it started, divided by the product of: (x) the actual number of days in this Interest Period and (y) the number of Interest Periods normally ending in one year, and (B) the actual number of days of the Calculation Period, during which the next Interest Period falls, divided by the product of: (x) the actual number of days in this Interest Period and (y) the number of Interest Periods normally ending in one year.]

[In the case 30/360 the following applies:

"30/360" means the number of days of the Calculation Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months (unless: (A) the last day of the Calculation Period is the 31st day of a month while the first day of the Calculation Period is neither on the 30th day nor the 31st day of a month, in which case the month containing such day shall not be treated as a month reduced to 30 days), nor the 31st day of a month, in which case the month containing that day shall not be treated as a month extended to 30 days, or (B) the last day of the Calculation Period falls is the last day of February, in which case the month of February shall not be treated as a month extended to 30 days).]

[In the case ACT/360 the following applies:

"ACT/360" means the actual number of days of the Calculation Period divided by 360.]

- (8) *Accrued Interest.* Interest on the Notes will cease to accrue at the end of the day (the "**Interest End Date**") preceding the date on which they become due for redemption. If the Issuer fails to redeem the Notes at maturity, interest will cease to accrue on the day preceding the day on which they are actually redeemed.
- (9) *Accrued Interest.* In the case of purchases and/or sales during the year, accrued interest is [payable / at least minimum rate of interest payable / [and] at most at the maximum rate of interest payable / not payable].

§ 4 (Redemption)

- (1) *Redemption at Maturity [in the case of Covered Bonds which provide for conditions for a maturity extension, the following applies: or at the Extended Maturity Date].* The Notes shall be, unless previously redeemed in whole or in part or repurchased and subject to adjustment in accordance with the provisions set out in § 6 (3), redeemed on [insert Maturity Date] (the "**Maturity Date**") [in the case of Covered Bonds which provide for conditions for a maturity extension, the following applies: or, if the maturity of the Notes is extended in accordance with the provisions contained in § 4 (2), on such date as the special administrator (§ 86 Austrian Insolvency Code) may determine as the extended maturity date (the "**Extended Maturity Date**")] shall be repaid at their redemption amount of [insert redemption price] of the Denomination (the "**Redemption Amount**"). [In the case of Covered Bonds which provide for conditions for a maturity extension, insert: The latest possible Extended Maturity Date shall be [insert date of latest possible Extended Maturity Date].

[In the case of Covered Bonds which provide for conditions for a maturity extension, the following applies:

- (2) *Conditions for a maturity extension:* The maturity of the Notes may be postponed once by up to 12 months to the Extended Maturity Date upon the occurrence of the Objective Trigger Event described below.

Objective trigger event means triggering the maturity extension in the Issuer's insolvency by the special administrator (§ 86 of the Austrian Insolvency Code), provided that the special administrator is convinced at the time of the maturity extension that the liabilities under the Notes can be serviced in full on the Extended Maturity Date. The maturity extension is not at the Issuer's discretion. The occurrence of the Objective Trigger Event and any resulting adjustments of the Interest Period relating thereto shall be notified to the Fiscal Agent and the Holders without undue delay in accordance with § 11.

In the event of a maturity extension, the Issuer will redeem the Notes in whole and not in part on the Extended Maturity Date at the Redemption Amount together with any interest accrued (exclusive) to the Extended Maturity Date. The Interest Payment Date(s) and Interest Period(s) are subject to the determination of the Extended Maturity Date by the Special Administrator (§ 86 of the Insolvency Code). From the Extended Maturity Date onwards, the Bondholders shall have no claim to further interest payments. Neither the non-payment of the outstanding aggregate

principal amount on the Maturity Date nor the postponement of the Maturity Date shall constitute an Event of Default by the Issuer for any purpose or entitle any Noteholder to terminate the Notes or to receive any payment other than as expressly provided for in these Terms and Conditions.

In the event of the insolvency or resolution of the Issuer, payment obligations of the Issuer under the Notes shall not be subject to automatic acceleration and prepayment (bankruptcy remoteness). In each case, the Holders shall have a priority claim in relation to the principal amount and any accrued and future interest from the cover assets and in addition in case of insolvency, to the extent that the aforementioned priority claim cannot be satisfied in full, an insolvency claim against the Issuer.

As competent authority, the Austrian Financial Market Authority (FMA) supervises the issuance of covered bonds and compliance with the provisions of the PfandBG, taking into account the national economic interest in a functioning capital market.

In case of insolvency proceedings, the bankruptcy court shall without undue delay appoint a special administrator to administer priority claims in relation to the principal amount and any accrued and future interest from the cover assets (special estate) (§ 86 of the Insolvency Code). The special administrator shall satisfy due claims of the Holders from the special estate and shall take the necessary administrative measures for this purpose with effect for the special estate, for example by collecting due mortgage claims, selling individual cover assets or by bridge financing.]

§ 5 (Early Redemption)

[If the Issuer has the option to early redeem the Notes the following applies:

- (1) *Early Redemption of the Notes at the Option of the Issuer.* The Issuer may early redeem the Notes in whole or in part on the Optional Redemption Dates (Call) specified below (each an "**Optional Redemption Date (Call)**") at the Optional Redemption Amounts (Call) specified below (each an "**Optional Redemption Amount (Call)**") together with accrued interest.

Optional Redemption Date(s) (Call)	Optional Redemption Amount(s) (Call)
[each business day during the period from [●] (including) until [●] (excluding)]	[100%][Denomination][●]

Notice of early redemption shall be given to the Holders at least ***[insert notice period (call)]*** Business Days (as defined in § 6) prior to the relevant Optional Redemption Date (Call) pursuant to § 11 (whereby these notice shall specify the Optional Redemption Date (Call) specified for the redemption of the Notes).

In case of a partial redemption of Notes, Notes to be redeemed shall be selected no later than 30 days prior to the date fixed for redemption in accordance with the rules and procedures of the relevant Clearing System.]

[In the case of subordinated Notes the following applies:

Any such early redemption shall only be possible if the date of issuance was at least five years ago and the conditions for early redemption set out in § 5 (5/6) are met.]

[In the case of eligible Notes the following applies:

Any such early redemption shall only be possible if the conditions for early redemption set out in § 5 (4/5/6) are met.]]

[If the Issuer does not have the option to early redeem the senior or covered Notes the following applies:

- (1) *No Early Redemption of the Notes at the Option of the Issuer.* An early redemption of the Notes at the option of the Issuer is excluded.]

[If the Issuer does not have the option to early redeem the eligible or subordinated Notes the following applies:

- (1) *No Early Redemption of the Notes at the Option of the Issuer.* Except for § 5 (3) **[In the case the eligible Notes are subject to Early Redemption for Reasons of Taxation, insert: [,] [and] (4)]** **[If the Notes are subject to Early Redemption at the Option of the Issuer due to a minimum outstanding aggregate principal amount of the Notes, insert: and ([4/5)]** of the Terms and Conditions the Issuer has no right to early redeem the Notes prior to their Maturity Date.]

[If the Holders have the option to require early redemption of senior, eligible or covered Notes, insert:

- (2) *Early Redemption at the Option of a Holder.* The Issuer shall, if a Holder notifies the Issuer of its intention to do so at least **[insert minimum notice period (Put)]** and no more than **[insert maximum notice period (Put)]** Business Days (as defined in § 6) in advance, early redeem the relevant Notes of such Holder on any of the following Optional Redemption Dates (Put) (each an "Optional Redemption Date (Put)") at their relevant Optional Redemption Amount (Put) as defined below (the "Optional Redemption Amount (Put)") together with accrued interest.

Optional Redemption Dates (Put)	Optional Redemption Amounts (Put)
[]	[]
[]	[]

In order to exercise this right, the Holder must submit a duly completed exercise notice in the form available from the Paying Agent and the Issuer. Revocation of an exercise of this right is not possible.]

[In the case of eligible Notes the following applies:

Any such early redemption shall only be possible if the conditions for early redemption set out in § 5 (4/5/6) are met.]]

[If the Holders have no option to require the early redemption of the senior, eligible or covered Notes and in the case of subordinated Notes insert:

- (2) *No right of termination or acceleration by the Holders.* The Holders shall have no right to terminate or otherwise accelerate the redemption of the Notes.]

[If, in the case of senior or covered Notes, "Early Redemption in case of Change of Law, Hedging Disruption and/or Increased Hedging Costs" is applicable, insert:

- (3) *Early Redemption in case of Change of Law, Hedging Disruption and/or Increased Hedging Costs.* The Issuer may redeem the Notes at any time prior to the Maturity Date upon the occurrence of Change of Law and/or Hedging Disruption and/or Increased Hedging Costs (each as defined below) at their early redemption amount of **[insert early redemption price]** of the Denomination (the "**Early Redemption Amount**") together with accrued interest. The Issuer shall redeem the Notes in full (but not in part only) on the second Business Day (as defined in § 6) after which notice of the early redemption has been given in accordance with § 11, provided that such date is not later than two Business Days prior to the Maturity Date (the "**Early Redemption Date**") and will pay or cause to be paid the Early Redemption Amount in respect of the Notes to the Holders in accordance with any applicable tax laws or other legal or regulatory requirements and in accordance with and subject to these Terms and Conditions. Payments of taxes or early redemption charges shall be borne by the Holders and the Issuer shall have no liability therefor.

Whereas:

"**Change of Law**" means that (i) due to the enactment of changes in laws or regulations (including but not limited to tax laws) or (ii) changes in the interpretation of judicial or regulatory decisions relevant to the relevant laws or regulations (including statements by tax authorities), the Issuer determines that there has been a material increase in the costs associated with its obligations under the Notes (including, without limitation, increases in tax liabilities, reductions in tax benefits or other adverse effects on tax treatment) if such changes become effective on or after the Issue Date;

"**Hedging Disruption**" means that the Issuer, using commercially reasonable efforts, is unable to (i) enter into, continue or settle any transaction or acquire, exchange, hold or dispose of any asset that the Issuer deems necessary to hedge price risk with respect to its obligations under the Notes or (ii) realise, recover or pass on the proceeds of any transaction or asset; and

"**Increased Hedging Costs**" means that the Issuer is required to pay a materially higher amount of taxes, duties, expenses and fees (other than brokerage fees) in order to (i) enter into, continue or settle any transaction or to acquire, exchange, hold or dispose of any asset, which the Issuer deems necessary to hedge price risks in respect of its obligations under the Notes or (ii) to realise, recover or pass on proceeds from such transactions or assets, provided that amounts which have increased only because of the creditworthiness of the Issuer has declined shall not be deemed to be Increased Hedging Costs.]

[In the case of eligible Notes the following applies:

[In the case the Notes are subject to Early Redemption for Reasons of Taxation, insert:

- (3) *Early Redemption for Reasons of Taxation.* The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 days' nor more than 60 days' prior notice of redemption, in accordance with § 11 of the Terms and Conditions to the Holders (which notice shall be irrevocable), at their early redemption amount of **[insert early redemption price]** of the Denomination together with interest accrued to (but excluding) the redemption date (the "**Early Redemption Amount**"), if there is a change in the applicable taxation classification of the Notes and provided that the conditions set out in § 5 (4/5/6) are met.]

(3/4) Early Redemption for Regulatory Reasons. The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 days' nor more than 60 days' prior notice of redemption, in accordance with § 11 of the Terms and Conditions to the Holders (which notice shall be irrevocable), at their early redemption amount of **[insert early redemption price]** of the Denomination together with interest accrued to (but excluding) the redemption date (the "**Early Redemption Amount**"), if there is a change in the regulatory classification of the Notes that would be likely to result in their exclusion in full or in part from liabilities eligible for the minimum requirement for own funds and eligible liabilities (MREL) pursuant to the MREL Requirement, and provided that the conditions set out in § 5(4/5/6) are met.

[If the Notes are subject to Early Redemption at the Option of the Issuer due to a minimum outstanding aggregate principal amount of the Notes, insert:

(4/5) Early redemption due to minimum outstanding aggregate principal amount. The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 days' nor more than 60 days' prior notice of redemption, in accordance with § 11 of the Terms and Conditions to the Holders (which notice shall be irrevocable), at their early redemption amount of **[insert early redemption price]** of the Denomination together with interest accrued to (but excluding) the redemption date (the "**Early Redemption Amount**"), if at any time the aggregate principal amount of the outstanding Notes held by persons other than the Issuer and its subsidiaries has fallen to 25 per cent. or less of the aggregate principal amount of the Notes originally issued (including any further Notes issued pursuant to § 13 (1)).

Any such early redemption shall only be possible if the conditions set out in § 4 (4/5/6) are met.]

(4/5/6) Conditions for Early Redemption and Repurchase.

Any early redemption pursuant to this § 5 and any repurchase pursuant to § 13 (2) are subject to the Issuer having obtained the prior permission of the Resolution Authority for the early redemption and the repurchase, in accordance with Articles 77 and 78a CRR, if and to the extent such prior permission is required at this time.

[In the case the Notes are subject to Early Redemption for Reasons of Taxation, insert: In the case of any early redemption pursuant to § 5 (3), such permission may further require that the Issuer has demonstrated to the satisfaction of the Resolution Authority that the applicable change in the tax treatment is material and was not reasonably foreseeable as at the date of issuance of the Notes.]

For the avoidance of doubt, any refusal by the Resolution Authority to grant a required permission, authorisation or other consent does not constitute a default or delay.]

[In the case of subordinated Notes the following applies:

(3) Early Redemption for Reasons of Taxation. The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 days' nor more than 60 days' prior notice of redemption, in accordance with § 11 of the Terms and Conditions to the Holders (which notice shall be irrevocable), at their early redemption amount of **[insert early redemption price]** of the Denomination together with interest accrued to (but excluding) the redemption date (the "**Early Redemption Amount**"), if there is a change in

the applicable tax treatment of the Notes and provided that the conditions set out in § 5(5/6) are met.

- (4) *Early Redemption for Regulatory Reasons.* The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 days' nor more than 60 days' prior notice of redemption, in accordance with § 11 of the Terms and Conditions to the Holders (which notice shall be irrevocable), at their early redemption amount of **[insert early redemption price]** of the Denomination together with interest accrued to (but excluding) the redemption date (the "**Early Redemption Amount**"), if as a result of an amendment or supplement to the directives, laws and regulations applicable in the European Union or the Republic of Austria or their interpretation,

[(a)] the regulatory classification of the Notes changes, which would be likely to result in their exclusion from own funds, in whole or in part, or their reclassification as lower quality own funds **[If early redemption is provided for following a MREL Disqualification Event, insert:];** or

(b) the Notes to the extent that, in accordance with Article 64 CRR, a portion of them no longer qualifies as a Tier 2 instrument but instead qualifies as an eligible liability in accordance with Article 72a(1)(b) CRR that no longer meets the MREL Requirement, except where such non-compliance would only be due to the residual maturity of the Notes being less than the period prescribed in Article 72c(1) CRR or the applicable limits on the amount of eligible liabilities being exceeded.

"**BaSAG**" means the Austrian Recovery and Resolution Act (*Sanierungs- und Abwicklungsgesetz*), as amended from time to time and any references in these Terms and Conditions to relevant provisions of the BaSAG include references to any applicable provisions of law amending or replacing such provisions from time to time.

"**MREL Requirement**" means the minimum requirements for eligible liabilities (MREL) which are or, as the case may be, will be, applicable to the Issuer and/or the Issuer's MREL Group in accordance with

- (i) § 100 BaSAG, as amended; or
- (ii) Article 12 SRMR, as amended,

where "**Issuer's MREL Group**" means the Issuer and its subsidiaries which have to comply with the MREL Requirement on a group basis.

"**SRMR**" means Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 (*Single Resolution Mechanism Regulation*), as amended or replaced from time to time, and any references to relevant provisions of the SRMR in these Terms and Conditions include references to any applicable provision of law amending or replacing such provisions from time to time].

Any such early redemption shall only be possible if the conditions set out in § 5 (5/6) are met.]

[If the Notes are subject to Early Redemption at the Option of the Issuer due to a minimum outstanding aggregate principal amount of the Notes, insert:

- (5) *Early redemption due to minimum outstanding aggregate principal amount.* The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 days' nor more than 60 days' prior notice of redemption, in accordance with § 11 of the Terms and Conditions to the Holders (which notice shall be irrevocable), at their early redemption amount of [**insert early redemption price**] of the Denomination together with interest accrued to (but excluding) the redemption date (the "**Early Redemption Amount**"), if at any time the aggregate principal amount of the outstanding Notes held by persons other than the Issuer and its subsidiaries has fallen to 25 per cent. or less of the aggregate principal amount of the Notes originally issued (including any further Notes issued pursuant to § 13 (1)).

Any such early redemption shall only be possible if the conditions set out in § 4 (5/6) are met.]

- (5/6) *Conditions for Early Redemption and Repurchase.* An early redemption pursuant to this § 5 and any repurchase pursuant to § 13 (2) are subject to:

- (a) the Issuer having obtained the prior permission of the Competent Authority (as defined below) for the early redemption or any repurchase of the Notes in accordance with the Articles 77 and 78 CRR, which authorisation may require, *inter alia*, that:
- (i) prior to or simultaneously with the early redemption or such repurchase, the Issuer replaces the Notes with own funds instruments of at least the same quality on terms that are sustainable with regard to the Issuer's earnings capacity; or
 - (ii) the Issuer has demonstrated to the satisfaction of the Competent Authority that the Issuer's own funds and eligible liabilities after such early redemption or repurchase exceed the requirements of the CRR in Directives 2013/36/EU and 2014/59/EU, both as amended, by such margin as the Competent Authority considers necessary; and
- (b) in the case of any early redemption or any repurchase prior to the fifth anniversary of the date of issuance of the Notes, in addition, to the extent applicable to the Issuer at that time:
- (i) in case of early redemption for tax reasons pursuant to § 5 (3), the Issuer has demonstrated to the satisfaction of the Competent Authority that such change of taxation classification is material and was not foreseeable as at the date of issuance of the Notes; or
 - (ii) in case of early redemption for regulatory reasons pursuant to § 5 (4), the Competent Authority considers such change to be sufficiently certain; and the Issuer has demonstrated to the satisfaction of the Competent Authority that the regulatory classification of the Notes was not foreseeable for the Issuer as at the date of issuance of the Notes; or
 - (iii) in case of early redemption due to circumstances other than those set out in items (i) or (ii) above if, earlier or at the same time with such action, the Issuer replaces the Notes with own funds instruments of at least equal quality at terms that are sustainable for the income capacity of the Issuer and the Competent Authority has permitted such action based on the determination that it is beneficial from a prudential point of view and justified by exceptional circumstances.

For the avoidance of doubt, any refusal of the Competent Authority to grant any permission, approval or other authorisation shall not constitute a default or delay.

Whereby:

"Competent Authority" means the competent authority pursuant to Article 4 (1)(40) CRR, which is responsible to supervise the Issuer on an individual and/or consolidated basis.]

§ 6
(Payments)

- (1) **Currency.** Payment of principal and interest on the Notes shall be made in the Specified Currency (see § 1 (1)).
- (2) **Payments.** Payment of principal and interest shall be made, subject to applicable fiscal and other legal provisions, via the Paying Agent(s) for onward transmission to the Clearing Systems or, upon their instruction, by credit to the relevant custodian for the Holder.
- (3) **Payment Business Day.** If the due date for any payment in respect of the Notes would otherwise fall on a calendar day which is not a Business Day (as defined below), then the due date will be postponed according to the Business Day Convention (as defined below). If any date fixed for the payment of principal **[in the case of non-adjusted Interest Periods, insert: and interest]** is postponed, Holders shall not be entitled to payment prior to the adjusted due date and shall not be entitled to claim further interest and other payments due to such postponement.

"Record Date" means the Business Day immediately preceding the due date of a payment in respect of a Note.

[In case the Specified Currency is Euro, insert:

"Business Day" means any day (other than a Saturday or a Sunday) on which (i) the Clearing System as well as (ii) the Real-Time Gross Settlement System operated by the Eurosystem or any successor system thereto (T2) are open to effect payments in Euro.]

[In case the Specified Currency is not Euro, insert:

"Business Day" means any day (other than a Saturday or a Sunday) on which (i) the Clearing System as well as (ii) the banks in **[insert relevant financial centre(s)]** (the **"relevant financial centre(s)"**) are open for business (including foreign exchange transactions and foreign currency deposit transactions) in the Specified Currency].

[If Following Business Day Convention applies, insert:

If a day relevant for a payment within the meaning of these Terms and Conditions falls on a day which is not a Business Day, the relevant day shall be postponed to the next following Business Day (**"Following Business Day Convention"**).]

[If Modified Following Business Day Convention applies, insert:

If a day relevant for a payment within the meaning of these Terms and Conditions falls on a day which is not a Business Day, the relevant day shall be postponed to the next following Business Day unless it would thereby fall in the next calendar month, in which case the relevant day shall be brought forward to the immediately preceding Business Day (**"Modified Following Business Day Convention"**).]

- (4) **References.** Reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable: [the Redemption Amount of the Notes,] [the Early Redemption Amount of the Notes,] [the Optional Redemption Amount (Call),] [the Optional

Redemption Amount (Put),] and any other amounts which may be payable under or in respect of the Notes.

- (5) *Deposit with the court.* The Issuer may deposit with the competent court any principal not claimed by Holders within 12 months after the relevant due date even though such Holders may not be in default of acceptance of payment. If and to the extent that the deposit is effected, and the right of withdrawal is waived, the respective claims of such Holders against the Issuer shall cease.
- (6) *Default Interest.* If the Issuer fails to make any payment due on the Notes for any reason, the outstanding amount shall bear interest at the rate of two percentage points above the base rate from, and including, the due date to, but excluding, the date of payment in full. The base interest rate applicable on the last calendar day of a half-year shall be decisive for the next half-year.

§ 7 (Taxation)

All payments of principal and interest in respect of the Notes will be made without withholding or deduction for or on account of any taxes, duties, assessments or governmental charges of whatever nature (the "**Taxes**") imposed, levied, collected, withheld or assessed by the Republic of Austria or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law in the future. In such case, the Issuer will withhold or deduct the relevant Taxes and pay the amounts withheld or deducted to the relevant authorities. The Issuer shall not be obliged to pay any additional amounts of principal and/or interest on account of any such withholding or deduction.

§ 8 (Prescription)

Claims against the Issuer for payment in respect of the Notes shall be prescribed and become void unless made within thirty years (in the case of principal) and three years (in the case of interest).

§ 9 (Authorised Agents)

- (1) *Principal Paying Agent.* VOLKSBANK WIEN AG, Dietrichgasse 25, 1030 Vienna, Austria, acts as principal paying agent in respect of the Notes (the "**Principal Paying Agent**" and together with any additional paying agents appointed, each a "**Paying Agent**").

[In case further paying agents are appointed, insert:

The additional Paying Agent(s):

Paying Agent(s): **[insert company name and business address of the additional paying agent(s)]**

- (2) *Calculation Agent.* **[insert company name and business address of the Calculation Agent]** shall act as calculation agent for the Notes (the "**Calculation Agent**").

- (3) *Substitution.* The Issuer reserves the right at any time to vary or terminate the appointment of the Principal Paying Agent, any additional Paying Agents and the Calculation Agent and to appoint another Principal Paying Agent or additional or other Paying Agents or another Calculation Agent. It will ensure that at all times: (i) a Principal Paying Agent and a Calculation Agent; (ii) a paying agent in a Member State of the European Union; and (iii) for so long as the Notes are listed on a regulated market, a paying agent with a designated office in the place prescribed by the relevant stock exchange. The Paying Agents and the Calculation Agent reserve the right at any time to designate another office in the same country in place of their respective designated office, notices with respect to any changes in the Principal Paying Agent, the Paying Agents or the Calculation Agent shall be given promptly by the Issuer pursuant to § 11.
- (4) *No agency or trust relationship.* The Paying Agents and the Calculation Agent act solely as agents of the Issuer and do not have any obligations towards any Holder; no agency or trust relationship shall thereby be established between them and the Holders. The Issuer may use the Paying Agents and/or the Calculation Agent in exercising its rights under these Terms and Conditions.
- (5) *Determinations Binding.* All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of these Terms and Conditions by the Issuer, a Paying Agent and/or the Calculation Agent shall (in the absence of manifest error) be binding on the Issuer, the Paying Agent(s) and the Holders.
- (6) *Exclusion of liability.* Neither the Paying Agent(s) nor the Calculation Agent shall have any liability for any error or omission or any subsequent correction based thereon in the calculation or publication of any amount or determination in respect of the Notes except in the case of gross negligence and wilful misconduct.

§ 10
(Debtor substitution)

- (1) *Substitution.* The Issuer shall be entitled at any time [***In the case of eligible Notes and in the case of subordinated Notes, insert:***, subject to compliance with the applicable regulatory requirements for the Notes to be recognised as [***in the case of eligible Notes, insert:*** Eligible Liability Instruments][***in the case of subordinated Notes, insert:*** Tier 2 Instruments] (including, where relevant, the requirements for early redemption or repurchase pursuant to § 5 (4/5/6)), without the consent of the Holders, to substitute another company which is directly or indirectly controlled by the Issuer as the new issuer for all obligations arising from or in connection with the Notes with discharging effect for the Issuer (the "**New Issuer**"), provided that
- (a) the New Issuer assumes all obligations of the Issuer or in respect of the Notes;
 - (b) the Issuer, if service would have to be effected on the New Issuer outside the Republic of Austria, appoints an agent for service in the Republic of Austria;
 - (c) the New Issuer has obtained all approvals necessary for the substitution of the Notes and the performance of the obligations under or in connection with the Notes;
 - (d) the Issuer unconditionally and irrevocably guarantees the obligations of the New Issuer under the Notes on terms which ensure that each Holder will be placed in an economic position at least equal to that which it would be in the absence of the substitution; and

- (e) the New Issuer is able to pay to the Clearing System in the Specified Currency all amounts required to satisfy the payment obligations under the Notes without deduction or withholding of any taxes or other duties of any kind imposed, levied or collected by the country (or countries) in which the New Issuer has its registered office or tax residence.
- (2) *References.*
- (a) In the event of a substitution of the debtor pursuant to § 10 (1), any reference in these Terms and Conditions to the "Issuer" shall be deemed to be a reference to the "New Issuer" and any reference to the Republic of Austria shall be deemed to be a reference to the state in which the New Issuer is resident for tax purposes.
- (b) In § 7, if such reference would be missing due to the preceding paragraph, an alternative reference to the Republic of Austria shall be deemed to be included (in addition to the reference in accordance with the preceding sentence to the state in which the New Issuer is resident for tax purposes).
- (3) *Notice and Effectiveness of the Substitution.* Notice of the substitution of the Issuer shall be given in accordance with § 11. Upon notice of the substitution, the substitution shall become effective and the Issuer and, in the case of a repeated application of this § 10, any former new issuer shall be released from all of its obligations under the Notes (without prejudice to the guarantee under § 10 (1) (d)). In the event of such substitution of a debtor, any regulated markets on which the Notes are listed shall be notified.

§ 11 (Notices)

- (1) *Notices.* All notices of the Issuer concerning the Notes shall be deemed to have been validly given if they are available on the website **[insert website]** or if they are forwarded to the Holders directly or via the custodians relevant to them and, to the extent required by law, have been published in the media specified by law. Any notice so given will be deemed to have been validly given on the fifth day following the date of such publication (or, if published more than once, on the fifth day following the date of the first such publication).
- (2) *Notification to the Clearing System.* The Issuer shall be entitled to replace a publication pursuant to § 11 (1) by a notice to the Clearing System (pursuant to § 1 (4)) for onward transmission to the Holders. Any such notice shall be deemed to be validly given on the fifth Business Day after the date of the notice to the depository.

§ 12 (Invalidity. Amendments)

- (1) *Severability.* If at any time one or several provisions of the Terms and Conditions are or will be invalid, illegal or unenforceable under the laws of any jurisdiction, then such provisions shall be ineffective only to the extent necessary with respect to such jurisdiction without affecting or preventing the validity, legality and enforceability of the remaining provisions of the Terms and Conditions.

- (2) *Amendments.* The Issuer shall be entitled to correct obvious typographical or arithmetical errors or other obvious mistakes, to amend or supplement contradictory or incomplete provisions in these Terms and Conditions without the consent of the Holders, whereby only such amendments or supplements shall be permissible which, taking into account the interests of the Issuer, are reasonable for the Holders, i.e. which do not materially worsen their financial situation. There is no obligation to publish amendments or supplements to these Terms and Conditions, provided that the financial situation of the Holders is not significantly worsened.

§ 13

(Further Issues of Notes and Repurchase)

- (1) *Further Issues of Notes.* The Issuer may from time to time, without the consent of the Holders, issue further Notes having the same terms as the Notes in all respects (or in all respects except for the issue date, the interest commencement date and/or the issue price) so as to form a single series with the Notes.
- (2) *Repurchase.* The Issuer may repurchase Notes in the open market or otherwise at any price to the extent permitted by law. Notes repurchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to the Paying Agent for cancellation. **[In the case of eligible Notes and subordinated Notes, insert:** Such repurchase is only possible in compliance with all applicable regulatory and other statutory restrictions and provided that the conditions pursuant to § 5 (4/5/6) are met.]

§ 14

(Applicable Law. Place of Performance. Place of Jurisdiction)

- (1) *Applicable Law. Place of Performance.* The form and content of the Notes as well as the contractual and non-contractual rights and obligations of the Holders and the Issuer in connection with the Notes shall be governed exclusively by the laws of the Republic of Austria, excluding its rules of private international law as far as such rules would lead to the application of foreign law. The place of performance is Vienna, Republic of Austria.
- (2) *Place of Jurisdiction.* The non-exclusive place of jurisdiction for all legal disputes with the Issuer arising from the legal relationships governed by these Terms and Conditions is, to the extent permitted by law, Vienna, Austria. The agreement on the place of jurisdiction does not limit the right of a Holder, if and to the extent ordered by applicable law, to bring proceedings before a consumer court.

5.1.4 Option 4 – Fixed to Floating Interest Rate or Fixed to Fixed Interest Rate

§ 1

(Currency. Form. Type of Issue. Denomination. Securitisation. Custody)

(1) *Currency. Denomination.* VOLKSBANK WIEN AG (the "**Issuer**") issues in accordance with the provisions of these terms and conditions (the "**Terms and Conditions**") on (or from) [*insert date of the (initial) issue date*] (the "**Issue Date**") by way of [*insert type of issue*] notes (the "**Notes**" and each a "**Note**") in [*insert specified currency*] (the "**Specified Currency**") in an aggregate principal amount of [*insert aggregate principal amount*] (in words: [*insert aggregate principal amount in words*]) [with the option to increase or decrease the aggregate principal amount] and in the denomination of [*insert denomination*] each (the "**Denomination**").

(2) *Form.* The Notes are being issued in bearer form.

[If the Notes are represented by a non-digital Global Note the following applies:

(3) *Global Note.* This series of Notes is represented by a global note (the "**Global Note**") pursuant to § 24 (b) of the Austrian Securities Deposit Act without coupons. The Global Note shall bear the handwritten or facsimile signatures of two authorised representatives of the Issuer or their representatives and shall, at the option of the Issuer, be signed by or on behalf of the Principal Paying Agent with a control signature. Definitive Notes and interest coupons will not be issued.]

[If the Notes are represented by a digital Global Note the following applies:

(3) *Digital Global Note.* This series of Notes is represented by a digital global note (the "**Global Note**") pursuant to §§ 1 (4) and § 24 (e) of the Austrian Securities Deposit Act, which is originated from the creation of an electronic data record at a central securities depository on the basis of the information electronically communicated to the central securities depository by the Issuer.]

[In case of custody of a non-digital Global Note by VOLKSBANK WIEN AG the following applies:

(4) *Custody.* The Global Note shall be held in custody by or on behalf of a Clearing System until all obligations of the Issuer under the Notes have been satisfied. "**Clearing System**" means the securities depository VOLKSBANK WIEN AG with its business address at Dietrichgasse 25, 1030 Vienna, Austria and any successor in such capacity.]

[In case of custody by OeKB, Clearstream or Euroclear the following applies:

(4) *Custody.* The Global Note shall be held in custody by or on behalf of a Clearing System until all obligations of the Issuer under the Notes have been satisfied. "**Clearing System**" means [*if more than one Clearing System the following applies: each of*] the following: [the securities depository of the OeKB, the OeKB CSD GmbH ("**CSD**") with its business address at Strauchgasse 1-3, 1010 Vienna, Austria] [(,) (and) Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn, Federal Republic of Germany, ("**Clearstream Frankfurt**"),] [(,) (and) Clearstream Banking S.A., société anonyme, Luxembourg, 42 Avenue JF Kennedy, 1855 Luxembourg, Grand Duchy of Luxembourg ("**Clearstream Luxembourg**")]

[(.) (and) Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, 1210 Brussels, Belgium ("Euroclear")] [*specify other Clearing System*] as well as any successor in such capacity.]

- (5) *Holder*. "Holder" means any holder of co-ownership interests or other similar rights in the Global Note which may be transferred to a new Holder in accordance with the applicable law, these Terms and Conditions and the provisions of the Clearing System.

§ 2 (Status)

[In the case of senior Notes the following applies:

- (1) The Notes constitute direct, unsecured and unsubordinated obligations of the Issuer ranking in the event of insolvency or liquidation of the Issuer *pari passu* among themselves and *pari passu* with all other unsecured and unsubordinated instruments or obligations of the Issuer except for any instruments or obligations preferred or subordinated by law.]

[In case of preferred senior Notes, the following applies

- (1) The Notes constitute direct, unsecured and unsubordinated obligations of the Issuer and shall qualify as eligible liabilities (within the meaning of Article 72a (1) lit a and Article 72b CRR with the exception of Article 72b (2) lit d CRR) of the Issuer for the MREL Requirement ranking in the event of insolvency or liquidation of the Issuer *pari passu* among themselves and *pari passu* with all other unsecured and unsubordinated instruments or obligations of the Issuer except for any instruments or obligations preferred or subordinated by law.
- (2) No Holder may set off any claims under the Notes against any claims of the Issuer. The Notes are not subject to any set off or netting arrangements that would undermine their capacity to absorb losses in resolution and are not, and they shall not at any time be, secured or subject to a guarantee by the Issuer or any other person or subject to any other arrangement that enhances the seniority of the claims under the Notes.
- (3) The ranking of the Notes may not be subsequently modified, and the term of the Notes and any applicable notice period may not be shortened.
- (4) Prior to any insolvency or liquidation of the Issuer, under the applicable banking resolution laws, the Resolution Authority may exercise the power to write down (including to zero) the obligations of the Issuer under the Notes, convert them into shares or other instruments of ownership of the Issuer, in each case in whole or in part, or apply any other resolution tool or action, including (but not limited to) any deferral or transfer of the obligations to another entity, an amendment of the Terms and Conditions or a cancellation of the Notes. The Holders shall be bound by the exercise of the power to write-down or convert or the taking of any resolution action in respect of the Notes. No Holder shall have any claim or other right against the Issuer arising out of any exercise of the power to write-down or convert or the taking of any resolution action. In particular, any exercise of the power to write-down or convert or the taking of any resolution action shall not constitute a default.]

- (5) **Definitions:**

"BaSAG" means the Austrian Recovery and Resolution Act (*Sanierungs- und Abwicklungsgesetz*), as amended from time to time and any references in these Terms and

Conditions to relevant provisions of the BaSAG include references to any applicable provisions of law amending or replacing such provisions from time to time.

"**CRR**" means the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (*Capital Requirements Regulation*), as amended or replaced from time to time, and any references in these Terms and Conditions to relevant Articles of the CRR include references to any applicable provisions of law amending or replacing such Articles from time to time.

"**MREL Requirement**" means the minimum requirements for eligible liabilities (MREL) which are or, as the case may be, will be, applicable to the Issuer and/or the Issuer's MREL Group in accordance with

- (i) § 100 BaSAG, as amended; or
- (ii) Article 12 SRMR, as amended,

where "**Issuer's MREL Group**" means the Issuer and its subsidiaries which have to comply with the MREL Requirement on a group basis.

"**SRMR**" means Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 (*Single Resolution Mechanism Regulation*), as amended or replaced from time to time, and any references to relevant provisions of the SRMR in these Terms and Conditions include references to any applicable provision of law amending or replacing such provisions from time to time.

"**Resolution Authority**" means the resolution authority pursuant to Article 4(1)(130) CRR which is responsible for resolution of the Issuer on an individual and/or consolidated basis.]

[In the case of non-preferred senior Notes, the following applies:

- (1) The Notes constitute direct and unsecured obligations of the Issuer and shall qualify as eligible liabilities (within the meaning of Article 72a (1) lit a and Article 72b CRR) of the Issuer for the MREL Requirement, provided that in the event of normal insolvency proceedings (bankruptcy proceeding) of the Issuer, claims under the Notes rank:
 - (a) junior to all other present or future unsecured and unsubordinated instruments or obligations of the Issuer which do not meet the criteria for debt instruments pursuant to § 131(3)(1) to (3) BaSAG;
 - (b) *pari passu*: (i) among themselves; and (ii) with all other present or future non-preferred senior instruments or obligations of the Issuer which meet the criteria for debt instruments pursuant to § 131(3)(1) to (3) BaSAG (other than senior instruments or obligations of the Issuer ranking or expressed to rank senior or junior to the Notes); and
 - (c) senior to all present or future claims under: (i) ordinary shares and other Common Equity Tier 1 instruments pursuant to Article 28 CRR of the Issuer; (ii) instruments of participation capital pursuant to § 23 (4) and (5) BWG in the version prior to the entry into force of the CRR of the Issuer; (iii) Additional Tier 1 instruments pursuant to Article 52 CRR of the

Issuer; (iv) Tier 2 instruments pursuant to Article 63 CRR of the Issuer; and (v) all other subordinated instruments or obligations of the Issuer.

- (2) No Holder may set off any claims under the Notes against any claims of the Issuer. The Notes are not subject to any set off or netting arrangements that would undermine their capacity to absorb losses in resolution and are not, and they shall not at any time be, secured or subject to a guarantee by the Issuer or any other person or subject to any other arrangement that enhances the seniority of the claims under the Notes.
- (3) The ranking of the Notes may not be subsequently modified, and the term of the Notes and any applicable notice period may not be shortened.
- (4) Prior to any insolvency or liquidation of the Issuer, under the applicable banking resolution laws, the Resolution Authority may exercise the power to write down (including to zero) the obligations of the Issuer under the Notes, convert them into shares or other instruments of ownership of the Issuer, in each case in whole or in part, or apply any other resolution tool or action, including (but not limited to) any deferral or transfer of the obligations to another entity, an amendment of the Terms and Conditions or a cancellation of the Notes. The Holders shall be bound by the exercise of the power to write-down or convert or the taking of any resolution action in respect of the Notes. No Holder shall have any claim or other right against the Issuer arising out of any exercise of the power to write-down or convert or the taking of any resolution action. In particular, any exercise of the power to write-down or convert or the taking of any resolution action shall not constitute a default.

(5) **Definitions:**

"**BaSAG**" means the Austrian Recovery and Resolution Act (*Sanierungs- und Abwicklungsgesetz*), as amended from time to time and any references in these Terms and Conditions to relevant provisions of the BaSAG include references to any applicable provisions of law amending or replacing such provisions from time to time.

"**CRR**" means the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (*Capital Requirements Regulation*), as amended or replaced from time to time, and any references in these Terms and Conditions to relevant Articles of the CRR include references to any applicable provisions of law amending or replacing such Articles from time to time.

"**MREL Requirement**" means the minimum requirements for eligible liabilities (MREL) which are or, as the case may be, will be, applicable to the Issuer and/or the Issuer's MREL Group in accordance with

- (i) § 100 BaSAG, as amended; or
- (ii) Article 12 SRMR, as amended,

where "**Issuer's MREL Group**" means the Issuer and its subsidiaries which have to comply with the MREL Requirement on a group basis.

"**SRMR**" means Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 (*Single Resolution Mechanism Regulation*), as amended or replaced from

time to time, and any references to relevant provisions of the SRMR in these Terms and Conditions include references to any applicable provision of law amending or replacing such provisions from time to time.

"Resolution Authority" means the resolution authority pursuant to Article 4(1)(130) CRR which is responsible for resolution of the Issuer on an individual and/or consolidated basis.]

[In the case of subordinated Notes, the following applies:

- (1) The Notes constitute direct, unsecured and subordinated obligations of the Issuer and shall constitute Tier 2 Instruments (as defined below) of the Issuer, provided that claims under the Notes in the event of the insolvency or liquidation of the Issuer and to the extent that the Notes are (at least partly) recognized as own funds items, will rank:
 - (a) junior to all present or future claims from: (i) unsecured and unsubordinated instruments or obligations of the Issuer; (ii) eligible liabilities instruments pursuant to Article 72b CRR of the Issuer; (iii) instruments or obligations of the Issuer that do not result from own funds items of the Issuer; and (iv) any other subordinated obligations of the Issuer which, in accordance with their terms or pursuant to mandatory provisions of law, rank or are expressed to rank senior to the obligations of the Issuer under the Notes at the relevant time;
 - (b) *pari passu*: (i) among themselves; and (ii) with all other present or future claims under Tier 2 Instruments and other subordinated instruments or obligations of the Issuer that do result from own funds items of the Issuer which rank *pari passu* with Tier 2 Instruments; and
 - (c) senior to all present or future claims under: (i) Additional Tier 1 instruments pursuant to Article 52 CRR of the Issuer; (ii) ordinary shares and other Common Equity Tier 1 instruments pursuant to Article 28 CRR of the Issuer; (iii) instruments of participation capital pursuant to § 23 (4) and (5) BWG in the version prior to the entry into force of the CRR of the Issuer; and (iv) all other subordinated instruments or obligations of the Issuer that do result from own funds items of the Issuer which rank junior to the Notes.
- (2) No Holder may set off any claims under the Notes against any claims of the Issuer. The Notes are not subject to any set off or netting arrangements that would undermine their capacity to absorb losses in resolution, insolvency or liquidation of the Issuer and are not, and they shall not at any time be, secured or subject to a guarantee by the Issuer or any other person or subject to any other arrangement that enhances the seniority of the claims under the Notes.
- (3) The ranking of the Notes may not be subsequently modified, and the term of the Notes and any applicable notice period may not be shortened.
- (4) Prior to any insolvency or liquidation of the Issuer, under the applicable banking resolution laws, the Resolution Authority may exercise the power to write down (including to zero) the obligations of the Issuer under the Notes, convert them into shares or other instruments of ownership of the Issuer, in each case in whole or in part, or apply any other resolution tool or action, including (but not limited to) any deferral or transfer of the obligations to another entity, an amendment of the Terms and Conditions or a cancellation of the Notes. The Holders shall be bound by the exercise of the power to write-down or convert or the taking of any resolution action in respect of the Notes. No Holder shall have any claim or other right against the Issuer arising out of any exercise of the power to write-down or convert or the taking of any resolution action. In

particular, any exercise of the power to write-down or convert or the taking of any resolution action shall not constitute a default.

(5) Definitions:

"Resolution Authority" means the resolution authority pursuant to Article 4(1)(130) CRR which is responsible for resolution of the Issuer on an individual and/or consolidated basis.

"CRR" means the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (*Capital Requirements Regulation*), as amended or replaced from time to time, and any references in these Terms and Conditions to relevant Articles of the CRR include references to any applicable provisions of law amending or replacing such Articles from time to time.

"Tier 2 Instruments" means any (directly or indirectly issued) capital instruments of the Issuer that qualify as Tier 2 instruments pursuant to Article 63 CRR, including any capital instruments that qualify as Tier 2 instruments pursuant to transitional provisions under the CRR.]

[In the case of Covered Bonds, the following applies:

- (a) The Notes constitute direct and unsubordinated obligations of the Issuer and rank *pari passu* among themselves and *pari passu* with all other unsubordinated obligations of the Issuer, present and future, under covered bonds of the same Cover Pool (as defined below).
- (b) The Notes are collateralised in accordance with the Austrian Covered Bond Act (*Pfandbriefgesetz – "PfandBG"*) through cover assets of the **[insert designation of the cover pool]** (the "**Cover Pool**"), which are intended to preferentially satisfy all collateralised Notes of the Issuer covered by this Cover Pool **[([if requested, provide description of primary assets])]**. The cover assets for the Notes are registered in the cover register (*Deckungsregister*) pursuant to § 10 PfandBG, which is kept by the Issuer in accordance with the PfandBG.]

§ 3
(Interest)

- (1) **Fixed Interest Rate and Fixed Interest Payment Dates.** The Notes shall bear interest in respect of their Denomination from, and including, **[insert Interest Commencement Date]** (the "**Interest Commencement Date**") until the **[insert interest rate change date]** (the "**Interest Rate Change Date**") (excluding) **[insert frequency]** at a fixed rate of **[insert fixed interest rate]** per cent. *per annum* (the "**Fixed Rate of Interest**"). **[in the case of Notes with a fixed to fixed interest rate insert:** and from the Interest Rate Change Date (inclusive) to the Maturity Date (as defined in § 4 (1)) **[in the case of Covered Bonds which provide for conditions for a maturity extension, insert:** or, if the maturity of the Bonds is extended in accordance with the provisions contained in § 4 (2), until the Extended Maturity Date (as defined in § 4 (1))] (exclusive) (the "**Second Period**") shall bear interest at the reset rate (determined in accordance with § 3 (2)). Interest shall be payable in arrear on the **[insert fixed interest payment date]** [of each year] (each a "**Fixed**

Interest Payment Date" or an **"Interest Payment Date"**). The [first] interest payment shall be made on **[insert first fixed Interest Payment Date]**.

[In the case of Notes with a fixed to fixed interest rate insert:

- (2) (a) *Determination of the Reset Rate.* The interest rate for the Second Period (the **"Reset Rate"**) shall be the Reference Rate (as defined below) **[in the case of a Margin insert: [plus] [minus]** the Margin (as defined below). **[in the case of a Factor insert: [and]** multiplied by the Factor **[insert factor]**], but not less than 0.00 per cent. *per annum*.

[If the Notes carry a minimum interest rate, insert:

If the Reset Rate determined in accordance with the above provisions for the Second Period is less than **[insert minimum rate]** per cent. *per annum*, the Reset Rate for the Second Period shall be **[insert minimum rate]** per cent. *per annum*.

[If the Notes carry a maximum rate of interest, insert:

If the Reset Rate for the Second Period determined in accordance with the above provisions is higher than **[insert maximum rate]** per cent. *per annum*, the Reset Rate for the Second Period shall be **[insert maximum rate]** per cent. *per annum*.

The Calculation Agent will determine the relevant Reference Rate in accordance with this § 3 (2)(a) for the Interest Rate Change Date on the Interest Rate Change Determination Date.

The **"Reference Rate"** for the Interest Rate Change Date will,

- (A) so long as no Benchmark Event (as defined in § 3 ([5]) has occurred, be the Original Benchmark Rate determined by the Calculation Agent on the Interest Rate Change Date; or
- (B) if a Benchmark Event has occurred, determined in accordance with § 3 ([5]) for the Second Period [; or][.]

[in the case of preferred senior Notes and non-preferred senior Notes, insert:

- (C) if, in the opinion of the Issuer, as a result of the determination of the Reference Rate (i) the Notes would cease to comply with the applicable MREL Requirement and/or (ii) it is reasonable to assume that such determination could result in, that the Resolution Authority would use the next Interest Payment Date rather than the Maturity Date as the effective maturity date of the Notes, the Reference Rate applicable to the Second Period shall be determined as **[[Reoffer Yield at the time of pricing of the Notes less the Margin][insert other fallback rate]]** per cent. *per annum*.]

[in the case of subordinated Notes, insert:

- (C) if, in the opinion of the Issuer [(A)] the determination of the Reference Rate would be likely to result in (I) the Notes being excluded from own funds under the CRR from time to time; or (II) a reclassification as lower quality own funds, **[in the case of subordinated Notes where early redemption is elected following an MREL Disqualification Event, insert:** or (B) as a result of the determination of the Reference Rate (I) the Notes would no longer meet the applicable MREL Requirement; and/or (II) the Competent Authority and/or the Resolution Authority could reasonably be expected to use the next Interest Payment Date rather than the Maturity Date as the effective maturity date of the Notes,] as the Reference

Rate applicable to the Second Period shall be set at **[[Reoffer Yield at the time of pricing of the Notes less the Margin][insert other fallback rate]]** per cent. *per annum.*]

[If the term of the Reference Rate is different from the term of the regular interest payments (quarterly, semi-annually or annually), insert: For the purposes of determining the Reset Rate based on a Reference Rate which is determined on the basis of a benchmark rate which is not expressed as a **[in the case of a quarterly rate, insert: quarterly] [in the case of a half-yearly rate, insert: half-yearly] [in the case of an annual rate, insert: annual]** rate, the sum of such Reference Rate and the Margin shall be converted by the Independent Adviser into **[in the case of a quarterly rate, insert: a quarterly] [in the case of a half-yearly rate, insert: a half-yearly] [in the case of an annual rate, insert: an annual]** rate in a commercially reasonable manner.]

"**Original Benchmark Rate**" in relation to the Second Period means the annual swap rate (expressed as a percentage) for swap transactions in the Specified Currency with a maturity **[of [insert relevant maturity]]** [corresponding to the term of the Second Period commencing on the Interest Rate Change Date] displayed on the Screen Page (as defined below) at **[insert relevant time] ([insert relevant financial centre] time)** on the relevant Interest Rate Change Determination Date (as defined below) and calculated by its Benchmark Administrator using the methodology in effect at the Interest Commencement Date, in each case as determined by the Calculation Agent.

If the Original Benchmark Rate does not appear on the Screen Page as at such time on the relevant Reset Determination Date, but no Effective Date of a Benchmark Event has occurred, the Reference Rate on the Interest Rate Change Determination Date shall be equal to the Original Benchmark Rate on the Screen Page on the last day preceding the Interest Rate Change Determination Date on which such Original Benchmark Rate was displayed on the Screen Page.

"**Margin**" means **[insert Margin (for eligible Notes and subordinated Notes insert the initial credit spread as at the pricing date (which does not include any increase in the interest rate or other inducement to redeem the Notes))]** per cent. *per annum.*

Whereas:

"**Interest Rate Change Determination Date**" means the **[first] [second] [insert other relevant number of Business Days]** Business Day [(as defined in § 6(3))] prior to the Interest Rate Change Date. **[if a definition of "Business Day" other than that set out in § 6(3) is required, insert:** For the purposes of this § 3(2) only, "**Business Day**" means a calendar day (other than a Saturday or Sunday **[if the Reference Rate is the USD Swap Rate, insert:** or a calendar day on which the Securities Industry and Financial Markets Association (or any successor thereto) recommends that its members' fixed income departments remain closed for trading in U.S. Government Securities all day)]**), [.] [insert:** on which **[if T2 is to be open, insert:** all relevant parts of the Real-Time Gross Settlement System operated by the Eurosystem or any successor system thereto (T2) are open for the purpose of effecting payments] **[and] commercial banks and foreign exchange markets in [insert relevant financial centres] settle payments and are open for general business (including trading in foreign exchange and foreign currency deposits)].**

"**Screen Page**" means **[insert relevant Screen Page, heading, title]** or the successor page displayed by the same information service or any other information service nominated by the

Calculation Agent as a substitute information service for the purposes of displaying the Reference Rate.

(b) *Notification of the Exchange Rate.* The Calculation Agent shall cause the Reset Rate to be notified to the Issuer, to each stock exchange on which the Notes are listed from time to time (if required under the rules of any such stock exchange) and to the Holders in accordance with § 11 as soon as practicable after it is determined.]

[In the case of Notes with a fixed to floating interest rate, insert:

- (2) *Floating Interest Payment Dates.* The Notes shall bear interest in respect of their Denomination from the Interest Rate Change Date (including) until the calendar day preceding the Maturity Date (as defined in § 4) **[insert frequency] [in case of Covered Bonds which provide for conditions for a maturity extension, insert:** or, if the term of the Notes is extended in accordance with the provisions contained in § 4 (2), until and including the Extended Maturity Date (as defined in § 4 (1))] shall bear interest at the Floating Interest Rate (as defined below). The Floating Interest shall be payable in arrear on each **[insert Floating Interest Payment Date(s)]** ([each] a "Floating Interest Payment Date" and, together with the Fixed Interest Payment Dates, each an "Interest Payment Date"). The first floating interest payment shall be made on **[insert first Floating Interest Payment Date]**.
- (3) *Interest Periods.* The period from and including the Interest Commencement Date to and including the calendar day preceding the first Fixed Interest Payment Date and each subsequent period from and including the Fixed Interest Payment Date to and including the calendar day preceding the immediately following last Fixed Interest Payment Date shall be referred to as the fixed interest period (the "Fixed Interest Period" together, the "Interest Periods"). The Fixed Interest Periods shall [not] be adjusted. **[In the case of Notes with a fixed-to-floating interest rate, insert:** The period from the Interest Rate Change Date or from and including each Floating Interest Payment Date to and including the calendar day preceding the next Floating Interest Payment Date shall be referred to as the Floating Interest Period (the "Floating Interest Period" and the Floating Interest Periods together with the Fixed Interest Periods, the "Interest Periods"). The Floating Interest Periods shall [not] be adjusted.

[In the case of Notes with a fixed-to-floating interest rate, insert:

[If EURIBOR has been specified as the Reference Rate, insert:

- (4) *Floating Interest Rate.* The floating interest rate (the "Floating Interest Rate") for each Floating Interest Period shall be equal to **[insert participation factor]** per cent. of the **[insert offered rate]** (the "Reference Rate") per annum [plus/minus] **[insert margin (for eligible Notes and subordinated Notes, insert the initial credit spread as at the pricing date (which does not include any increase in the interest rate or any other incentive to redeem the Notes))]** per annum (the "Margin"), as published on the **[insert screen page]** (the "Screen Page") or any successor screen page on the Interest Determination Date (as defined in § 3(5)) prior to **[insert commencement/end]** of the relevant Interest Period from approx. 11.00 a.m. CET (the "Determined Time"), which determination shall be made by the Calculation Agent (as defined in § 9)].

[If CMS has been specified as the Reference Rate, insert:

- (4) *Floating Interest Rate.* The floating interest rate (the "**Floating Interest Rate**") for each Floating Interest Period shall be equal to **[insert participation factor]** per cent. of the **[[insert number]-year swap rate]** (the mid-swap rate against **[●]-month** Euribor, expressed as a percentage per annum) (the "**Number-Year Swap Rate**") (the "**Reference Rate**") *per annum* as published on the **[insert screen page]** (the "**Screen Page**") or any successor screen page on the Interest Determination Date (as defined in § 3(5)) prior to **[insert commencement/end]** of the relevant Interest Period at approx. 11.00 a.m. CET (the "**Determined Time**"), such determination being made by the Calculation Agent (as defined in § 9), **[plus/minus] [insert margin (for eligible Notes and subordinated Notes, insert the initial credit spread as at the Pricing Date (which does not include any increase in the Interest Rate or any other incentive to redeem the Notes))]** *per annum* (the "**Margin**").]

[If either the Reference (Interest) Rate or the interest rate of the previous period has been specified as the interest rate, insert:

- (4) *Floating Interest Rate.* The floating interest rate (the "**Floating Interest Rate**") for each Interest Period shall be equal to either the interest rate of the previous period or the **[insert offered rate]** (the "**Reference Rate**") *per annum* **[plus/minus] [insert margin (for eligible Notes and subordinated Notes, insert the initial credit spread as at the pricing date (which does not include any increase in the interest rate or any other incentive to redeem the Notes))]** *per annum* (the "**Margin**") displayed on the **[insert screen page]** (the "**Screen Page**") or any successor page on the Interest Determination Date (as defined in § 3 (5)) from approximately. 11.00 a.m. CET (the "**Determined Time**"), as determined by the Calculation Agent (as defined in § 9), and whichever is higher on the Interest Determination Date].

[If the interest rate specified is the result of a calculation of two interest rates, insert:

- (4) *Floating Interest Rate.* The floating interest rate (the "**Floating Interest Rate**") for each Floating Interest Period shall be calculated in accordance with the following formula involving two Reference Rates (as defined below): **[insert participation factor]** multiplied by the difference between Reference Rate 1 and Reference Rate 2. Reference Rate 1 (the "**Reference Rate 1**") is equal to the **[[insert number]-year swap rate]** (the average swap rate against the **[●]-month** Euribor, expressed as a percentage *per annum*) (the "**Number-Year Swap Rate**") *per annum* as published on the **[insert screen page]** (the "**Screen Page**") or any successor screen page on the Interest Determination Date (as defined in § 3(5)) prior to **[insert commencement/end]** of the relevant Interest Period at approx. 11.00 a.m. CET (the "**Determined Time**"), the determination being made by the Calculation Agent (as defined in § 9). The Reference Rate 2 (the "**Reference Rate 2**") shall be equal to the **[[insert number]-year swap rate]** (the mid-swap rate against the **[●]-month** Euribor expressed as a percentage *per annum*) (the "**[insert number]-year swap rate**") *per annum* displayed on the Screen Page or any successor page on the Interest Determination Date (as defined in § 3(5)) prior to **[insert commencement/end]** of the relevant Interest Period at approx. 11.00 a.m. CET (the "**Determined Time**"), such determination being made by the Calculation Agent (as defined in § 9)].

[If the Notes carry a minimum interest rate, insert:

Minimum Interest Rate. If the interest rate determined in accordance with the above provisions for any Interest Period is less than **[insert minimum interest rate]** per cent. *per annum* (the

"**Minimum Interest Rate**"), the interest rate for that Interest Period shall be the Minimum Interest Rate.]

[If the Notes carry a maximum interest rate, insert:

Maximum Interest Rate. If the interest rate determined in accordance with the above provisions for any Interest Period is greater than **[insert maximum interest rate]** per cent. *per annum* (the "**Maximum Interest Rate**"), the interest rate for that Interest Period shall be the Maximum Interest Rate.]

[If a Target Coupon applies (other than in the case of subordinated Notes and eligible bonds), insert:

- (4) *Target Coupon.* The sum of all annual interest payments shall not exceed **[insert number]** per cent. of the nominal amount (the "**Target Coupon**"). The final interest payment shall be the Target Coupon minus the sum of all interest payments previously made.]

If the Reference **[Interest]** Rate does not appear on the Screen Page at the specified time on the relevant Interest Determination Date, the Reference **[Interest]** Rate on the Interest Determination Date shall be equal to the Reference **[Interest]** Rate on the Screen Page on the last day preceding the Interest Determination Date on which such Reference **[Interest]** Rate was displayed on the Screen Page.

[In the case of preferred senior Notes and non-preferred senior Notes:, insert:

If, in the opinion of the Issuer, as a result of the determination of the Reference **[Interest]** Rate (i) the Notes would no longer comply with the applicable MREL Requirement and/or (ii) it can reasonably be assumed that such determination could result in the Resolution Authority using the next Interest Payment Date and not the Maturity Date as the effective maturity date of the Notes, the Reference **[Interest]** Rate applicable to the next and each subsequent Floating Rate Period shall be the Reference **[Interest]** Rate determined on the last Interest Determination Date. If this clause is applicable on the Interest Determination Date prior to the commencement of the first Floating Interest Period, the Reference **[Interest]** Rate applicable to the first and each subsequent Interest Period shall be **[[Reoffer Yield at the time of pricing of the Notes less the Margin][insert other fallback rate]]** per cent. *per annum*].

[In the case of subordinated Notes, insert:

If, in the opinion of the Issuer, **[(A)]** the determination of the Reference **[Interest]** Rate would be likely to result in (I) the Notes being excluded from own funds under the CRR from time to time; or (II) a reclassification as lower quality own funds, **[in the case of subordinated Notes where early redemption is elected following an MREL Disqualification Event, insert:** or (B) as a result of the determination of the Reference **[Interest]** Rate (I) the Notes would no longer meet the applicable MREL Requirement; and/or (II) the Competent Authority and/or the Resolution Authority could reasonably be expected to use the next Interest Payment Date rather than the Maturity Date as the effective maturity date of the Notes,] the Reference **[Interest]** Rate applicable to the next and each subsequent Floating Rate Period shall be that determined on the last Interest Determination Date. If this clause is applicable on the Interest Determination Date prior to the commencement of the first Floating Interest Period, the Reference **[Interest]** Rate applicable to the first and each subsequent Interest Period shall be **[[Reoffer Yield at the time of pricing of the Notes less the Margin][insert other fallback rate]]** per cent. *per annum*].

(5) *New [Reference [Interest] Rate][Benchmark Rate]*. In the case of a Benchmark Event (as defined below): (i) the Issuer shall use reasonable endeavors to appoint an Independent Adviser to determine, in the Independent Adviser's reasonable discretion (in consultation with the Calculation Agent and acting in good faith and in a commercially reasonable manner), a Substitute [Reference [Interest] Rate][Benchmark Rate] (the "**Substitution Target**") to replace the Original [Reference [Interest] Rate][Original Benchmark Rate] affected by the Benchmark Event; or (ii) if the Independent Adviser is not appointed by the Issuer or cannot be appointed in a timely manner or if an Independent Adviser is appointed by the Issuer but such Independent Adviser does not determine a Substitute Reference [Interest] Rate, then the Issuer may (taking into account the Substitution Target) determine which rate (if any) has replaced the Original [Reference [Interest] Rate][Original Benchmark Rate] affected by the Benchmark Event. A Substitute [Reference [Interest] Rate][Benchmark Rate] shall be effective from (and including) the [Interest Determination Date][Interest Rate Change Determination Date] determined by the Independent Adviser or the Issuer (as the case may be) in its reasonable discretion, but not earlier than the [Interest Determination Date][Interest Rate Change Determination Date] coinciding with or following the Benchmark Event, for the first time with effect for the Interest Period for which the Interest Rate is determined on such [Interest Determination Date][Interest Rate Change Determination Date]. The "**Substitute [Reference [Interest] Rate][Benchmark Rate]**" means a rate (expressed as a percentage *per annum*) derived from an alternative reference [interest] rate (the "**Alternative [Reference [Interest] Rate][Benchmark Rate]**") determined by the Independent Adviser or the Issuer (as the case may be) in its reasonable discretion, which is provided by a third party and which meets all applicable legal requirements for use in determining payment obligations under the Notes, with such adjustments (e.g. in the form of premiums or discounts) as the Independent Adviser or the Issuer (as the case may be) in its reasonable discretion may determine.

Notwithstanding to the generality of the foregoing, the Issuer may in particular, but without limitation, implement any Official Substitution Concept, any Industry Solution or any Generally Accepted Market Practice.

If the Independent Adviser or the Issuer (as the case may be) determines a Substitute [Reference [Interest] Rate][Benchmark Rate], it shall also have the right, in its reasonable discretion, to make such procedural determinations in relation to the determination of the current Substitute [Reference [Interest] Rate][Benchmark Rate] (e.g. [Interest Determination Date][Interest Rate Change Determination Date], Relevant Specified Time, relevant Screen Page for obtaining the Alternative [Reference [Interest] Rate][Benchmark Rate] and default provisions in the event of the unavailability of the relevant Screen Page) and to make such adjustments to the definition of "Business Day" in § 6(3) and the Business Day Convention provisions in § 6(3) as may be necessary or expedient in accordance with Generally Accepted Market Practice to make the replacement of the [Reference [Interest] Rate][Original Benchmark Rate] by the [Substitute Reference [Interest] Rate] [Benchmark Rate] practicable.

"Benchmark Event" means:

- (a) a public statement or release of information is made by or on behalf of the supervisory authority of the administrator of the Reference [Interest] Rate indicating that such administrator has ceased or will cease to provide the reference rate permanently or indefinitely unless there is a successor administrator who will continue to provide the Reference [Interest] Rate; or

- (b) a public statement or release of information is made by or on behalf of the administrator of the Reference [Interest] Rate indicating that such administrator has ceased or will cease to provide the Reference [Interest] Rate permanently or indefinitely unless there is a successor administrator who will continue to provide the Reference [Interest] Rate; or
- (c) a public statement by the supervisor of the administrator of the Reference [Interest] Rate that, in its view, the Reference [Interest] Rate is no longer or will no longer be representative of the underlying market it purports to measure and that no action has been taken or is expected to be taken to remedy such situation, as required by the supervisor of the administrator of the Reference [Interest] Rate; or
- (d) it has become unlawful for any reason under any law or regulation applicable to the Paying Agent, the Calculation Agent, the Issuer or any other party to use the Reference [Interest] Rate; or
- € the reference[interest]rate ceases to be published permanently without prior official notice from the Supervisory Authority or the Administrator; or
- (f) a material change is made to the methodology of the Reference [Interest] Rate.

"Official Substitution Concept" means any binding or non-binding statement by a central bank, a supervisory authority or a supervisory or expert body of the financial sector established under public law or composed of publicly appointed members, pursuant to which a certain [Reference [Interest] Rate][Original Benchmark Rate] subject to certain adjustments (if any), should or could be used to replace the [Reference [Interest] Rate][Original Benchmark Rate], making certain adjustments where appropriate, or that a certain procedure should or could be used to determine payment obligations which would otherwise be determined by reference to the Reference [Interest] Rate.

"Industry Solution" means any public statement by the International Swaps and Derivatives Association (ISDA), the International Capital Markets Association (ICMA), the Association for Financial Markets in Europe (AFME), the Securities Industry and Financial Markets Association (SIFMA), the SIFMA Asset Management Group (SIFMA AMG), the Loan Markets Association (LMA), the Deutsche Derivate Verband (DDV), the Zertifikate Forum Austria or any other private association of the financial industry pursuant to which a certain reference rate, subject to certain adjustments (if any), should or could be used to replace the [Reference [Interest] Rate][Original Benchmark Rate] or pursuant to which a certain procedure should or could be used in order to determine payment obligations which would otherwise be determined by reference to the [Reference [Interest] Rate][Original Benchmark Rate].

"Generally Accepted Market Practice" means the customary use of a certain reference rate, subject to certain adjustments (if any), as substitute for the [Reference [Interest] Rate][Original Benchmark Rate] or of provisions, contractual or otherwise, providing for a certain procedure to determine payment obligations which would otherwise have been determined by reference to the [Reference [Interest] Rate][Original Benchmark Rate] in other bond issues following the occurrence of a Benchmark Event, or any other Generally Accepted Market Practice to replace the [Reference [Interest] Rate][Original-benchmark rate] as reference rate for the determination of payment obligations.

For the purposes of this subparagraph, "**Independent Advisor**" means an independent financial institution of international repute or other independent financial advisor experienced in the international capital markets, in each case appointed by the Issuer at its own expense.

The Independent Adviser or the Issuer (as the case may be) shall be entitled, but not obliged, in its reasonable discretion, to determine a Substitute [Reference [Interest] Rate][Benchmark Rate] in respect of the same Benchmark Event more than once in accordance with the provisions if such subsequent determination is better suited than the preceding determination to achieve the Substitution Target. The provisions shall also apply *mutatis mutandis* in the event that a Benchmark Event occurs in respect of an Alternative [Reference [Interest] Rate][Benchmark Rate] previously determined by the Independent Adviser or the Issuer (as the case may be).

If the Independent Adviser or the Issuer (as the case may be) has determined a Substitute Reference [Interest] Rate following the occurrence of a Benchmark Event, it shall be caused that the occurrence of the Benchmark Event, the Substitute Reference [Interest] Rate determined by the Independent Adviser or the Issuer (as the case may be) and any further determinations made by the Independent Adviser or the Issuer (as the case may be) in connection therewith shall be notified in accordance with the foregoing provisions to the Calculation Agent as soon as practicable, but in no event later than the fourth Business Day following the determination of the Substitute Reference [Interest] Rate.

As soon as practicable following such notice, the occurrence of the Benchmark Event, the Substitute Reference [Interest] Rate determined by the Independent Adviser or the Issuer (as the case may be) and any other related determinations by the Independent Adviser or the Issuer (as the case may be) shall be notified to the Holders pursuant to § 11 and to any stock exchange on which the relevant Notes are listed at such time at the initiative of the Issuer and whose rules require notification to the stock exchange. Such notices shall be irrevocable.

[In the case of Notes with a fixed to floating interest rate, insert:

- ([6])** *Interest Determination Date.* The "**Interest Determination Date**" means the **[insert number]** **[London] / [Frankfurt] / [New York] / [T2]** Business Day prior to **[insert commencement/end]** of the respective Floating Interest Period. **["[London] / [Frankfurt] / [New-York] Business Day"** means a day (other than a Saturday, Sunday or public holiday) on which commercial banks are open for business (including foreign exchange and notes and coins transactions) in **[London] / [Frankfurt] / [New-York]]**. **[A "T2 Business Day"** means a day on which the Real-Time Gross Settlement System operated by the Eurosystem or any successor system thereto (T2) is operational].
- ([7])** *Amount of Interest.* The Calculation Agent (as defined in § 9) will calculate prior to each Interest Payment Date the amount of interest payable on each Note (the "**Interest Amount**") for any such time period. The Interest Amount shall be determined by applying the (Fixed Interest Rate or **[Floating Interest Rate][Reset Rate]**) Interest Rate and the Day Count Fraction to the Denomination, whereas the resultant figure is rounded, if the Specified Currency is Euro, upwards or downwards to the nearest 0.01 Euro, rounding up 0.005 Euro, and, if the Specified Currency is not Euro, upwards or downwards to the smallest unit of the Specified Currency, rounding up 0.5 such units.

[In the case of Notes with a fixed to floating interest rate, insert:

- ([8])** *Notification of Interest Rate and Interest Amount.* The Calculation Agent will cause to be notified to the Holders as soon as practicable after each Interest Determination Date the Floating Interest Rate (if applicable) and the Interest Amount for the relevant Interest Period and the relevant Interest Payment Date by notice pursuant to § 11; the Calculation Agent shall also notify any stock exchange on which the Notes are listed at such time at the initiative of the Issuer and the rules required for a notification to the stock exchange. In the event of an extension or shortening of the Interest Period, the notified Interest Amount and Interest Payment Date may be subsequently adjusted (or other appropriate adjustment measures may be taken) without prior notice. Any such adjustment shall be notified promptly to all stock exchanges on which the Notes are listed at that time at the initiative of the Issuer and the rules required for a notification to the stock exchange, and to the Holders.
- ([9])** *Calculation of interest for parts of periods.* Where interest is to be calculated for a period of less than one year, the calculation shall be made on the basis of the Day Count Fraction (as defined below).

"Day Count Fraction" means, in respect of the calculation of the Interest Amount on any Note for any period of time of a Fixed Interest Period [Actual/Actual (ICMA)] [30/360] [ACT/360] **[In the case of Notes with a fixed to floating interest rate, insert:** and for any period of a Floating Interest Period [Actual/Actual (ICMA)] [30/360] [ACT/360]] each an **"Calculation Period"**):

Whereby:

[In the case Actual/Actual (ICMA) the following applies:

"Actual/Actual (ICMA)" means, if the Calculation Period is equal to or shorter than the Interest Period during which it falls, the actual number of days in the Calculation Period divided by the product of: (A) the actual number of days in the respective Interest Period and (B) the number of Interest Periods normally ending in one year.

If the Calculation Period is longer than an Interest Period, the sum of: (A) the actual number of days in the Calculation Period, during which the Interest Period falls, in which it started, divided by the product of (x) the actual number of days in this Interest Period and (y) the number of Interest Periods normally ending in one year, and (B) the actual number of days of the Calculation Period, during which the next Interest Period falls, divided by the product of: (x) the actual number of days in this Interest Period and (y) the number of Interest Periods normally ending in one year.]

[In the case 30/360 the following applies:

"30/360" means the number of days of the Calculation Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months (unless: (A) the last day of the Calculation Period is the 31st day of a month while the first day of the Calculation Period is neither on the 30th day nor the 31st day of a month, in which case the month containing such day shall not be treated as a month reduced to 30 days). nor the 31st day of a month, in which case the month containing that day shall not be treated as a month extended to 30 days, or (B) the last day of the Calculation Period falls is the last day of February, in which case the month of February shall not be treated as a month extended to 30 days).]

[In the case ACT/360 the following applies:

"ACT/360" means the actual number of days of the Calculation Period divided by 360.]

- (9) *Accrued Interest.* Interest on the Notes will cease to accrue at the end of the day (the "**Interest End Date**") preceding the date on which they become due for redemption. If the Issuer fails to redeem the Notes at maturity, interest will cease to accrue on the day preceding the day on which they are actually redeemed.
- (10) *Accrued Interest.* In the case of a fixed interest period purchases and/or sales during the year, accrued interest is [payable / not payable.] [***In the case of Notes with a fixed to floating interest rate, insert:*** In the case of a floating interest period purchases and/or sales during the year, accrued interest is [payable / minimum rate of interest payable / [and] at most at the maximum rate of interest payable / not payable].]

§ 4 (Redemption)

- (1) *Redemption at Maturity* [***in the case of Covered Bonds which provide for conditions for a maturity extension, the following applies: or at the Extended Maturity Date***]. The Notes shall be, unless previously redeemed in whole or in part or repurchased and subject to adjustment in accordance with the provisions set out in § 6 (3), redeemed on [***insert Maturity Date***] (the "**Maturity Date**") [***in the case of Covered Bonds which provide for conditions for a maturity extension, the following applies:*** or, if the maturity of the Notes is extended in accordance with the provisions contained in § 4 (2), on such date as the special administrator (§ 86 Austrian Insolvency Code) may determine as the extended maturity date (the "**Extended Maturity Date**") shall be repaid at their redemption amount of [***insert redemption price***] of the Denomination (the "**Redemption Amount**"). [***In the case of Covered Bonds which provide for conditions for a maturity extension, insert:*** The latest possible Extended Maturity Date shall be [***insert date of latest possible Extended Maturity Date***].

[In the case of Covered Bonds which provide for conditions for a maturity extension, the following applies:

- (2) Conditions for a maturity extension: The maturity of the Notes may be postponed once by up to 12 months to the Extended Maturity Date upon the occurrence of the Objective Trigger Event described below.

Objective trigger event means triggering the maturity extension in the Issuer's insolvency by the special administrator (§ 86 of the Austrian Insolvency Code), provided that the special administrator is convinced at the time of the maturity extension that the liabilities under the Notes can be serviced in full on the Extended Maturity Date. The maturity extension is not at the Issuer's discretion. The occurrence of the Objective Trigger Event and any resulting adjustments of the Interest Period relating thereto shall be notified to the Fiscal Agent and the Holders without undue delay in accordance with § 11.

In the event of a maturity extension, the Issuer will redeem the Notes in whole and not in part on the Extended Maturity Date at the Redemption Amount together with any interest accrued (exclusive) to the Extended Maturity Date. The Interest Payment Date(s) and Interest Period(s) are subject to the determination of the Extended Maturity Date by the Special Administrator (§ 86 of the Insolvency Code). From the Extended Maturity Date onwards, the Bondholders shall have

no claim to further interest payments. Neither the non-payment of the outstanding aggregate principal amount on the Maturity Date nor the postponement of the Maturity Date shall constitute an Event of Default by the Issuer for any purpose or entitle any Noteholder to terminate the Notes or to receive any payment other than as expressly provided for in these Terms and Conditions.

In the event of the insolvency or resolution of the Issuer, payment obligations of the Issuer under the Notes shall not be subject to automatic acceleration and prepayment (bankruptcy remoteness). In each case, the Holders shall have a priority claim in relation to the principal amount and any accrued and future interest from the cover assets and in addition in case of insolvency, to the extent that the aforementioned priority claim cannot be satisfied in full, an insolvency claim against the Issuer.

As competent authority, the Austrian Financial Market Authority (FMA) supervises the issuance of covered bonds and compliance with the provisions of the PfandBG, taking into account the national economic interest in a functioning capital market.

In case of insolvency proceedings, the bankruptcy court shall without undue delay appoint a special administrator to administer priority claims in relation to the principal amount and any accrued and future interest from the cover assets (special estate) (§ 86 of the Insolvency Code). The special administrator shall satisfy due claims of the Holders from the special estate and shall take the necessary administrative measures for this purpose with effect for the special estate, for example by collecting due mortgage claims, selling individual cover assets or by bridge financing.]

§ 5 (Early Redemption)

[If the Issuer has the option to early redeem the Notes the following applies:

- (1) *Early Redemption of the Notes at the Option of the Issuer.* The Issuer may early redeem the Notes in whole or in part on the Optional Redemption Dates (Call) specified below (each an "**Optional Redemption Date (Call)**") at the Optional Redemption Amounts (Call) specified below (each an "**Optional Redemption Amount (Call)**") together with accrued interest.

Optional Redemption Date(s) (Call)	Optional Redemption Amount(s) (Call)
[each business day during the period from [●] (including) until [●] (excluding)]	[100%][Denomination][●]

Notice of early redemption shall be given to the Holders at least ***[insert notice period (call)]*** Business Days (as defined in § 6) prior to the relevant Optional Redemption Date (Call) pursuant to § 11 (whereby these notice shall specify the Optional Redemption Date (Call) specified for the redemption of the Notes).

In case of a partial redemption of Notes, Notes to be redeemed shall be selected no later than 30 days prior to the date fixed for redemption in accordance with the rules and procedures of the relevant Clearing System.]

[In the case of subordinated Notes the following applies:

Any such early redemption shall only be possible if the date of issuance was at least five years ago and the conditions for early redemption set out in § 5 (5/6) are met.]

[In the case of eligible Notes the following applies:

Any such early redemption shall only be possible if the conditions for early redemption set out in § 5 (4/5/6) are met.]]

[If the Issuer does not have the option to early redeem the senior or covered Notes the following applies:

- (1) *No Early Redemption of the Notes at the Option of the Issuer.* An early redemption of the Notes at the option of the Issuer is excluded.]

[If the Issuer does not have the option to early redeem the eligible or subordinated Notes the following applies:

- (1) *No Early Redemption of the Notes at the Option of the Issuer.* Except for § 5 (3) **[In the case the eligible Notes are subject to Early Redemption for Reasons of Taxation, insert: [,] [and] (4)]** **[If the Notes are subject to Early Redemption at the Option of the Issuer due to a minimum outstanding aggregate principal amount of the Notes, insert: and ([4/5)]** of the Terms and Conditions the Issuer has no right to early redeem the Notes prior to their Maturity Date.]

[If the Holders have the option to require early redemption of senior, eligible or covered Notes, insert:

- (2) *Early Redemption at the Option of a Holder.* The Issuer shall, if a Holder notifies the Issuer of its intention to do so at least **[insert minimum notice period (Put)]** and no more than **[insert maximum notice period (Put)]** Business Days (as defined in § 6) in advance, early redeem the relevant Notes of such Holder on any of the following Optional Redemption Dates (Put) (each an "Optional Redemption Date (Put)") at their relevant Optional Redemption Amount (Put) as defined below (the "Optional Redemption Amount (Put)") together with accrued interest.

Optional Redemption Dates (Put)	Optional Redemption Amounts (Put)
[]	[]
[]	[]

In order to exercise this right, the Holder must submit a duly completed exercise notice in the form available from the Paying Agent and the Issuer. Revocation of an exercise of this right is not possible.]

[In the case of eligible Notes the following applies:

Any such early redemption shall only be possible if the conditions for early redemption set out in § 5 (4/5/6) are met.]]

[If the Holders have no option to require the early redemption of the senior, eligible or covered Notes and in the case of subordinated Notes insert:

- (2) *No right of termination or acceleration by the Holders.* The Holders shall have no right to terminate or otherwise accelerate the redemption of the Notes.]

[If, in the case of senior or covered Notes, "Early Redemption in case of Change of Law, Hedging Disruption and/or Increased Hedging Costs" is applicable, insert:

- (3) *Early Redemption in case of Change of Law, Hedging Disruption and/or Increased Hedging Costs.* The Issuer may redeem the Notes at any time prior to the Maturity Date upon the occurrence of Change of Law and/or Hedging Disruption and/or Increased Hedging Costs (each as defined below) at their early redemption amount of **[insert early redemption price]** of the Denomination (the "**Early Redemption Amount**") together with accrued interest. The Issuer shall redeem the Notes in full (but not in part only) on the second Business Day (as defined in § 6) after which notice of the early redemption has been given in accordance with § 11, provided that such date is not later than two Business Days prior to the Maturity Date (the "**Early Redemption Date**") and will pay or cause to be paid the Early Redemption Amount in respect of the Notes to the Holders in accordance with any applicable tax laws or other legal or regulatory requirements and in accordance with and subject to these Terms and Conditions. Payments of taxes or early redemption charges shall be borne by the Holders and the Issuer shall have no liability therefor.

Whereas:

"**Change of Law**" means that (i) due to the enactment of changes in laws or regulations (including but not limited to tax laws) or (ii) changes in the interpretation of judicial or regulatory decisions relevant to the relevant laws or regulations (including statements by tax authorities), the Issuer determines that there has been a material increase in the costs associated with its obligations under the Notes (including, without limitation, increases in tax liabilities, reductions in tax benefits or other adverse effects on tax treatment) if such changes become effective on or after the Issue Date;

"**Hedging Disruption**" means that the Issuer, using commercially reasonable efforts, is unable to (i) enter into, continue or settle any transaction or acquire, exchange, hold or dispose of any asset that the Issuer deems necessary to hedge price risk with respect to its obligations under the Notes or (ii) realise, recover or pass on the proceeds of any transaction or asset; and

"**Increased Hedging Costs**" means that the Issuer is required to pay a materially higher amount of taxes, duties, expenses and fees (other than brokerage fees) in order to (i) enter into, continue or settle any transaction or to acquire, exchange, hold or dispose of any asset, which the Issuer deems necessary to hedge price risks in respect of its obligations under the Notes or (ii) to realise, recover or pass on proceeds from such transactions or assets, provided that amounts which have increased only because of the creditworthiness of the Issuer has declined shall not be deemed to be Increased Hedging Costs.]

[In the case of eligible Notes the following applies:

[In the case the Notes are subject to Early Redemption for Reasons of Taxation, insert:

- (3) *Early Redemption for Reasons of Taxation.* The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 days' nor more than 60 days' prior notice of redemption, in accordance with § 11 of the Terms and Conditions to the Holders (which notice shall be irrevocable), at their early redemption amount of **[insert early redemption price]** of the Denomination together with interest accrued to (but excluding) the redemption date (the "**Early Redemption Amount**"), if there is a change in the applicable taxation classification of the Notes, and provided that the conditions set out in § 5 (4/5/6) are met.]

(3/4) Early Redemption for Regulatory Reasons. The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 days' nor more than 60 days' prior notice of redemption, in accordance with § 11 of the Terms and Conditions to the Holders (which notice shall be irrevocable), at their early redemption amount of **[insert early redemption price]** of the Denomination together with interest accrued to (but excluding) the redemption date (the "**Early Redemption Amount**"), if there is a change in the regulatory classification of the Notes that would be likely to result in their exclusion in full or in part from liabilities eligible for the minimum requirement for own funds and eligible liabilities (MREL) pursuant to the MREL Requirement, and provided that the conditions set out in § 5(4/5/6) are met.

[If the Notes are subject to Early Redemption at the Option of the Issuer due to a minimum outstanding aggregate principal amount of the Notes, insert:

(4/5) Early redemption due to minimum outstanding aggregate principal amount. The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 days' nor more than 60 days' prior notice of redemption, in accordance with § 11 of the Terms and Conditions to the Holders (which notice shall be irrevocable), at their early redemption amount of **[insert early redemption price]** of the Denomination together with interest accrued to (but excluding) the redemption date (the "**Early Redemption Amount**"), if at any time the aggregate principal amount of the outstanding Notes held by persons other than the Issuer and its subsidiaries has fallen to 25 per cent. or less of the aggregate principal amount of the Notes originally issued (including any further Notes issued pursuant to § 13 (1)).

Any such early redemption shall only be possible if the conditions set out in § 4 (4/5/6) are met.]

(4/5/6) Conditions for Early Redemption and Repurchase.

Any early redemption pursuant to this § 5 and any repurchase pursuant to § 13 (2) are subject to the Issuer having obtained the prior permission of the Resolution Authority for the early redemption and the repurchase, in accordance with Articles 77 and 78a CRR, if and to the extent such prior permission is required at this time.

[In the case the Notes are subject to Early Redemption for Reasons of Taxation, insert: In the case of any early redemption pursuant to § 5 (3), such permission may further require that the Issuer has demonstrated to the satisfaction of the Resolution Authority that the applicable change in the tax treatment is material and was not reasonably foreseeable as at the date of issuance of the Notes.]

For the avoidance of doubt, any refusal by the Resolution Authority to grant a required permission, authorisation or other consent does not constitute a default or delay.]

[In the case of subordinated Notes the following applies:

(4) Early Redemption for Reasons of Taxation. The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 days' nor more than 60 days' prior notice of redemption, in accordance with § 11 of the Terms and Conditions to the Holders (which notice shall be irrevocable), at their early redemption amount of **[insert early redemption price]** of the Denomination together with interest accrued to (but excluding) the redemption date (the "**Early**

Redemption Amount"), if there is a change in the applicable tax treatment of the Notes and provided that the conditions set out in § 5(4) are met.

(5) *Early Redemption for Regulatory Reasons.* The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 days' nor more than 60 days' prior notice of redemption, in accordance with § 11 of the Terms and Conditions to the Holders (which notice shall be irrevocable), at their early redemption amount of **[insert early redemption price]** of the Denomination together with interest accrued to (but excluding) the redemption date (the **"Early Redemption Amount"**), if as a result of an amendment or supplement to the directives, laws and regulations applicable in the European Union or the Republic of Austria or their interpretation,

[(a)] the regulatory classification of the Notes changes, which would be likely to result in their exclusion from own funds, in whole or in part, or their reclassification as lower quality own funds **[If early redemption is provided for following a MREL Disqualification Event, insert:; or**

(b) the Notes to the extent that, in accordance with Article 64 CRR, a portion of them no longer qualifies as a Tier 2 instrument but instead qualifies as an eligible liability in accordance with Article 72a(1)(b) CRR that no longer meets the MREL Requirement, except where such non-compliance would only be due to the residual maturity of the Notes being less than the period prescribed in Article 72c(1) CRR or the applicable limits on the amount of eligible liabilities being exceeded.

"BaSAG" means the Austrian Recovery and Resolution Act (*Sanierungs- und Abwicklungsgesetz*), as amended from time to time and any references in these Terms and Conditions to relevant provisions of the BaSAG include references to any applicable provisions of law amending or replacing such provisions from time to time.

"MREL Requirement" means the minimum requirements for eligible liabilities (MREL) which are or, as the case may be, will be, applicable to the Issuer and/or the Issuer's MREL Group in accordance with

(i) § 100 BaSAG, as amended; or

(ii) Article 12 SRMR, as amended,

where **"Issuer's MREL Group"** means the Issuer and its subsidiaries which have to comply with the MREL Requirement on a group basis.

"SRMR" means Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 (*Single Resolution Mechanism Regulation*), as amended or replaced from time to time, and any references to relevant provisions of the SRMR in these Terms and Conditions include references to any applicable provision of law amending or replacing such provisions from time to time].

Any such early redemption shall only be possible if the conditions set out in § 5 (5/6) are met.]

[If the Notes are subject to Early Redemption at the Option of the Issuer due to a minimum outstanding aggregate principal amount of the Notes, insert:

- (5) *Early redemption due to minimum outstanding aggregate principal amount.* The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 days' nor more than 60 days' prior notice of redemption, in accordance with § 11 of the Terms and Conditions to the Holders (which notice shall be irrevocable), at their early redemption amount of [*insert early redemption price*] of the Denomination together with interest accrued to (but excluding) the redemption date (the "**Early Redemption Amount**"), if at any time the aggregate principal amount of the outstanding Notes held by persons other than the Issuer and its subsidiaries has fallen to 25 per cent. or less of the aggregate principal amount of the Notes originally issued (including any further Notes issued pursuant to § 13 (1)).

Any such early redemption shall only be possible if the conditions set out in § 4 (5/6) are met.]

- (5/6) *Conditions for Early Redemption and Repurchase.* An early redemption pursuant to this § 5 and any repurchase pursuant to § 13 (2) are subject to:

- (a) the Issuer having obtained the prior permission of the Competent Authority (as defined below) for the early redemption or any repurchase of the Notes in accordance with the Articles 77 and 78 CRR, which authorisation may require, *inter alia*, that:
 - (i) prior to or simultaneously with the early redemption or such repurchase, the Issuer replaces the Notes with own funds instruments of at least the same quality on terms that are sustainable with regard to the Issuer's earnings capacity; or
 - (ii) the Issuer has demonstrated to the satisfaction of the Competent Authority that the Issuer's own funds and eligible liabilities after such early redemption or repurchase exceed the requirements of the CRR in Directives 2013/36/EU and 2014/59/EU, both as amended, by such margin as the Competent Authority considers necessary; and
- (b) in the case of any early redemption or any repurchase prior to the fifth anniversary of the date of issuance of the Notes, in addition, to the extent applicable to the Issuer at that time:
 - (i) in case of early redemption for tax reasons pursuant to § 5 (3), the Issuer has demonstrated to the satisfaction of the Competent Authority that such change of taxation classification is material and was not foreseeable as at the date of issuance of the Notes; or
 - (ii) in case of early redemption for regulatory reasons pursuant to § 5 (4), the Competent Authority considers such change to be sufficiently certain; and the Issuer has demonstrated to the satisfaction of the Competent Authority that the regulatory classification of the Notes was not foreseeable for the Issuer as at the date of issuance of the Notes, or
 - (iii) in case of early redemption due to circumstances other than those set out in items (i) or (ii) above if, earlier or at the same time with such action, the Issuer replaces the Notes with own funds instruments of at least equal quality at terms that are sustainable for the income capacity of the Issuer and the Competent Authority has permitted such action based on the determination that it is beneficial from a prudential point of view and justified by exceptional circumstances.

For the avoidance of doubt, any refusal of the Competent Authority to grant any permission, approval or other authorisation shall not constitute a default or delay.

Whereby:

"**Competent Authority**" means the competent authority pursuant to Article 4 (1)(40) CRR, which is responsible to supervise the Issuer on an individual and/or consolidated basis.]

§ 6 (Payments)

- (1) *Currency.* Payment of principal and interest on the Notes shall be made in the Specified Currency (see § 1 (1)).
- (2) *Payments.* Payment of principal and interest shall be made, subject to applicable fiscal and other legal provisions, via the Paying Agent(s) for onward transmission to the Clearing Systems or, upon their instruction, by credit to the relevant custodian for the Holder.
- (3) *Payment Business Day.* If the due date for any payment within a fixed interest period in respect of the Notes would otherwise fall on a calendar day which is not a Business Day (as defined below), then the due date will be postponed according to the Business Day Convention (as defined below). If any date fixed for the payment of principal [*in the case of non-adjusted Interest Periods, insert:* and interest] is postponed, Holders shall not be entitled to payment prior to the adjusted due date and shall not be entitled to claim further interest and other payments due to such postponement.

[In the case of Notes with a fixed to floating interest rate, insert:

If the due date for any payment within a floating interest period in respect of the Notes would otherwise fall on a calendar day which is not a Business Day (as defined below), then the due date will be postponed according to the Business Day Convention (as defined below). If any date fixed for the payment of principal [*in the case of non-adjusted Interest Periods, insert:* and interest] is postponed, Holders shall not be entitled to payment prior to the adjusted due date and shall not be entitled to claim further interest and other payments due to such postponement.

"**Record Date**" means the Business Day immediately preceding the due date of a payment in respect of a Note.

[In case the Specified Currency is Euro, insert:

"**Business Day**" means any day (other than a Saturday or a Sunday) on which (i) the Clearing System as well as (ii) the Real-Time Gross Settlement System operated by the Eurosystem or any successor system thereto (T2) are open to effect payments in Euro.]

[In case the Specified Currency is not Euro, insert:

"**Business Day**" means any day (other than a Saturday or a Sunday) on which (i) the Clearing System as well as (ii) the banks in [*insert relevant financial centre(s)*] (the "**relevant financial centre(s)**") are open for business (including foreign exchange transactions and foreign currency deposit transactions) in the Specified Currency].

[If Following Business Day Convention applies, insert:

If a day relevant for a payment within the meaning of these Terms and Conditions [during a Fixed Interest Period] [and] [during a Floating Interest Period] falls on a day which is not a Business Day, the relevant day shall be postponed to the next following Business Day ("**Following Business Day Convention**").]

[If Modified Following Business Day Convention applies, insert:

If a day relevant for a payment within the meaning of these Terms and Conditions [during a Fixed Interest Period] [and] [during a Floating Interest Period] falls on a day which is not a Business Day, the relevant day shall be postponed to the next following Business Day unless it would thereby fall in the next calendar month, in which case the relevant day shall be brought forward to the immediately preceding Business Day ("**Modified Following Business Day Convention**").]

- (4) *References.* Reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable: [the Redemption Amount of the Notes,] [the Early Redemption Amount of the Notes,] [the Optional Redemption Amount (Call),] [the Optional Redemption Amount (Put),] and any other amounts which may be payable under or in respect of the Notes.
- (5) *Deposit with the court.* The Issuer may deposit with the competent court any principal not claimed by Holders within 12 months after the relevant due date even though such Holders may not be in default of acceptance of payment. If and to the extent that the deposit is effected, and the right of withdrawal is waived, the respective claims of such Holders against the Issuer shall cease.
- (6) *Default Interest.* If the Issuer fails to make any payment due on the Notes for any reason, the outstanding amount shall bear interest at the rate of two percentage points above the base rate from, and including, the due date to, but excluding, the date of payment in full. The base interest rate applicable on the last calendar day of a half-year shall be decisive for the next half-year.

**§ 7
(Taxation)**

All payments of principal and interest in respect of the Notes will be made without withholding or deduction for or on account of any taxes, duties, assessments or governmental charges of whatever nature (the "**Taxes**") imposed, levied, collected, withheld or assessed by the Republic of Austria or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law in the future. In such case, the Issuer will withhold or deduct the relevant Taxes and pay the amounts withheld or deducted to the relevant authorities. The Issuer shall not be obliged to pay any additional amounts of principal and/or interest on account of any such withholding or deduction.

**§ 8
(Prescription)**

Claims against the Issuer for payment in respect of the Notes shall be prescribed and become void unless made within thirty years (in the case of principal) and three years (in the case of interest).

§ 9
(Authorised Agents)

- (1) *Principal Paying Agent.* VOLKSBANK WIEN AG, Dietrichgasse 25, 1030 Vienna, Austria, acts as principal paying agent in respect of the Notes (the "**Principal Paying Agent**" and together with any additional paying agents appointed, each a "**Paying Agent**").

[In case further paying agents are appointed, insert:

The additional Paying Agent(s):

Paying Agent(s): **[insert company name and business address of the additional paying agent(s)]**

- (2) *Calculation Agent.* **[insert company name and business address of the Calculation Agent]** shall act as calculation agent for the Notes (the "**Calculation Agent**").
- (3) *Substitution.* The Issuer reserves the right at any time to vary or terminate the appointment of the Principal Paying Agent, any additional Paying Agents and the Calculation Agent and to appoint another Principal Paying Agent or additional or other Paying Agents or another Calculation Agent. It will ensure that at all times: (i) a Principal Paying Agent and a Calculation Agent; (ii) a paying agent in a Member State of the European Union; and (iii) for so long as the Notes are listed on a regulated market, a paying agent with a designated office in the place prescribed by the relevant stock exchange. The Paying Agents and the Calculation Agent reserve the right at any time to designate another office in the same country in place of their respective designated office, notices with respect to any changes in the Principal Paying Agent, the Paying Agents or the Calculation Agent shall be given promptly by the Issuer pursuant to § 11.
- (4) *No agency or trust relationship.* The Paying Agents and the Calculation Agent act solely as agents of the Issuer and do not have any obligations towards any Holder; no agency or trust relationship shall thereby be established between them and the Holders. The Issuer may use the Paying Agents and/or the Calculation Agent in exercising its rights under these Terms and Conditions.
- (5) *Determinations Binding.* All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of these Terms and Conditions by the Issuer, a Paying Agent and/or the Calculation Agent shall (in the absence of manifest error) be binding on the Issuer, the Paying Agent(s) and the Holders.
- (6) *Exclusion of liability.* Neither the Paying Agent(s) nor the Calculation Agent shall have any liability for any error or omission or any subsequent correction based thereon in the calculation or publication of any amount or determination in respect of the Notes except in the case of gross negligence and wilful misconduct.

§ 10
(Debtor substitution)

- (1) *Substitution.* The Issuer shall be entitled at any time **[In the case of eligible Notes and in the case of subordinated Notes, insert:**, subject to compliance with the applicable regulatory requirements for the Notes to be recognised as **[in the case of eligible Notes, insert:** Eligible Liability Instruments]**[in the case of subordinated Notes, insert:** Tier 2 Instruments] (including,

where relevant, the requirements for early redemption or repurchase pursuant to § 5 (4/5)], without the consent of the Holders, to substitute another company which is directly or indirectly controlled by the Issuer as the new issuer for all obligations arising from or in connection with the Notes with discharging effect for the Issuer (the "**New Issuer**"), provided that

- (a) the New Issuer assumes all obligations of the Issuer or in respect of the Notes;
- (b) the Issuer, if service would have to be effected on the New Issuer outside the Republic of Austria, appoints an agent for service in the Republic of Austria;
- (c) the New Issuer has obtained all approvals necessary for the substitution of the Notes and the performance of the obligations under or in connection with the Notes;
- (d) the Issuer unconditionally and irrevocably guarantees the obligations of the New Issuer under the Notes on terms which ensure that each Holder will be placed in an economic position at least equal to that which it would be in the absence of the substitution; and
- (e) the New Issuer is able to pay to the Clearing System in the Specified Currency all amounts required to satisfy the payment obligations under the Notes without deduction or withholding of any taxes or other duties of any kind imposed, levied or collected by the country (or countries) in which the New Issuer has its registered office or tax residence.

(2) *References.*

- (a) In the event of a substitution of the debtor pursuant to § 10 (1), any reference in these Terms and Conditions to the "Issuer" shall be deemed to be a reference to the "New Issuer" and any reference to the Republic of Austria shall be deemed to be a reference to the state in which the New Issuer is resident for tax purposes.
- (b) In § 7, if such reference would be missing due to the preceding paragraph, an alternative reference to the Republic of Austria shall be deemed to be included (in addition to the reference in accordance with the preceding sentence to the state in which the New Issuer is resident for tax purposes).

(3) *Notice and Effectiveness of the Substitution.* Notice of the substitution of the Issuer shall be given in accordance with § 11. Upon notice of the substitution, the substitution shall become effective and the Issuer and, in the case of a repeated application of this § 10, any former new issuer shall be released from all of its obligations under the Notes (without prejudice to the guarantee under § 10 (1) (d)). In the event of such substitution of a debtor, any regulated markets on which the Notes are listed shall be notified.

§ 11
(Notices)

- (1) *Notices.* All notices of the Issuer concerning the Notes shall be deemed to have been validly given if they are available on the website [*insert website*] or if they are forwarded to the Holders directly or via the custodians relevant to them and, to the extent required by law, have been published in the media specified by law. Any notice so given will be deemed to have been validly given on the fifth day following the date of such publication (or, if published more than once, on the fifth day following the date of the first such publication).

- (2) *Notification to the Clearing System.* The Issuer shall be entitled to replace a publication pursuant to § 11 (1) by a notice to the Clearing System (pursuant to § 1 (4)) for onward transmission to the Holders. Any such notice shall be deemed to be validly given on the fifth Business Day after the date of the notice to the depository.

§ 12

(Invalidity. Amendments)

- (1) *Severability.* If at any time one or several provisions of the Terms and Conditions are or will be invalid, illegal or unenforceable under the laws of any jurisdiction, then such provisions shall be ineffective only to the extent necessary with respect to such jurisdiction without affecting or preventing the validity, legality and enforceability of the remaining provisions of the Terms and Conditions.
- (2) *Amendments.* The Issuer shall be entitled to correct obvious typographical or arithmetical errors or other obvious mistakes, to amend or supplement contradictory or incomplete provisions in these Terms and Conditions without the consent of the Holders, whereby only such amendments or supplements shall be permissible which, taking into account the interests of the Issuer, are reasonable for the Holders, i.e. which do not materially worsen their financial situation. There is no obligation to publish amendments or supplements to these Terms and Conditions, provided that the financial situation of the Holders is not significantly worsened.

§ 13

(Further Issues of Notes and Repurchase)

- (1) *Further Issues of Notes.* The Issuer may from time to time, without the consent of the Holders, issue further Notes having the same terms as the Notes in all respects (or in all respects except for the issue date, the interest commencement date and/or the issue price) so as to form a single series with the Notes.
- (2) *Repurchase.* The Issuer may repurchase Notes in the open market or otherwise at any price to the extent permitted by law. Notes repurchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to the Paying Agent for cancellation. **[In the case of eligible Notes and subordinated Notes, insert:** Such repurchase is only possible in compliance with all applicable regulatory and other statutory restrictions and provided that the conditions pursuant to § 5 (4/5/6) are met.]

§ 14

(Applicable Law. Place of Performance. Place of Jurisdiction)

- (1) *Applicable Law. Place of Performance.* The form and content of the Notes as well as the contractual and non-contractual rights and obligations of the Holders and the Issuer in connection with the Notes shall be governed exclusively by the laws of the Republic of Austria, excluding its rules of private international law as far as such rules would lead to the application of foreign law. The place of performance is Vienna, Republic of Austria.

- (2) *Place of Jurisdiction.* The non-exclusive place of jurisdiction for all legal disputes with the Issuer arising from the legal relationships governed by these Terms and Conditions is, to the extent permitted by law, Vienna, Austria. The agreement on the place of jurisdiction does not limit the right of a Holder, if and to the extent ordered by applicable law, to bring proceedings before a consumer court.

TRANSLATION

5.2 FORM OF FINAL TERMS

[insert date]

Final Terms

of

[insert name of the issue]

issued under the

Debt Issuance Programme

(*Programm zur Begebung von Schuldverschreibungen*)

dated 17 May 2024

of

VOLKSBANK WIEN AG

Series [●]

ISIN [●]

[In the case of a tap issue, insert:

The Initial Offer Price shall be [●] % of the denomination [plus [●] % issue surcharge] at the beginning of the Offer Period and shall be adjusted thereafter by the Issuer on an ongoing basis in accordance with market conditions].

Issue Date: [●]

Maturity Date: [●]

INTRODUCTION

This document contains the final terms (the "**Final Terms**") of an issuance of notes (the "**Notes**") of VOLKSBANK WIEN AG (the "**Issuer**") issued under the debt issuance programme (*Programm zur Begebung von Schuldverschreibungen*) (the "**Programme**"). These Final Terms have been prepared for the purpose of Article 8 of Regulation (EU) 2017/1129, as amended (the "**Prospectus Regulation**") and must be read in conjunction with the debt issuance programme dated 17 May 2024 and any supplements thereto (the "**Prospectus**").

[In the case of a tap issue, insert:

WARNING: The Prospectus is expected to be valid until 21 May 2025. Thereafter, the Issuer is expected to publish a new updated Prospectus approved by the Financial Market Authority on its website (www.volksbankwien.at, currently under the path "*Investoren/Investor Relations/Basisprospekte*") and the Final Terms are to be read together with this new Prospectus for public offerings as of that date.]

In order to obtain all information relating to the Notes, these Final Terms, the Prospectus and any supplements shall be read together. The Prospectus and any supplements thereto as well as documents referred to in these Final Terms or in the Prospectus, if any, may be inspected at any Paying Agent and at the registered office of the Issuer during normal business hours and in electronic form on the website

of the Issuer at www.volksbankwien.at under the path: "Investoren/Investor Relations" and copies of these documents and the Final Terms may be obtained free of charge from these offices.

[If MiFID II Product Governance applies insert: MiFID II Product Governance solely for the purposes **[in the case of one conceptor insert: of the manufacturer's] [in the case of several manufacturers insert: of the manufacturers']** product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is **[if eligible counterparties are applicable, insert: eligible counterparties] [,] [if professional clients are applicable, insert: professional clients [and] [if retail investors are applicable insert: retail investors],** each as defined in Directive 2014/65/EU, as amended (Markets in Financial Instruments Directive II – "MiFID II"); **[and] [if all channels for distribution are applicable insert:(ii) all channels for distribution of the Notes to professional clients and eligible counterparties are appropriate.] [if individual channels for distribution are applicable to retail investors insert:; and (iii)]** the following channels for distribution are appropriate for retail investors in relation to the Notes: **[investment advice] [,][and] [portfolio management] [,][and] [non-advised purchases] [and execution-only services] [,** subject to the distributor's applicable suitability and adequacy obligations (as defined below) under MiFID II. **[Take into account any negative target markets].**

Any person subsequently offering, selling or recommending the Notes (a "Distributor") should take into consideration **[in the case of one manufacturer insert: the manufacturer's] [in the case of several manufacturer insert: the manufacturers']** target market assessment. However, a Distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or further specifying **[in the case of one manufacturer insert: the manufacturer's] [in the case of several manufacturer insert: the manufacturers']** target market assessment) and determining appropriate distribution channels **[,depending on the applicable suitability and adequacy obligations of the distributor pursuant to MiFID II].**

[UK MIFIR Product Governance / Eligible Counterparties, Professional Investors and Retail Investors – Solely for the purposes of [the][each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is retail clients, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"), eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (COBS) and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA (UK MiFIR) [specify further target criteria] [, and (ii) all channels for distribution of the Notes are appropriate, including investment advice, portfolio management, non-advised sales and pure execution services] [, (ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Notes to retail clients are appropriate: investment advice[,][and] portfolio management [,][and] [non-advised sales] [and pure execution services]. [specify negative target market, if applicable] Any person subsequently offering, selling or recommending the Notes (a "Distributor") should take into consideration the manufacturer['s][s'] target market assessment; however, a Distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (UK MiFIR Product Governance Rules) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s][s'] target market assessment) and determining appropriate distribution channels.]

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "Prospectus Regulation")]. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors

in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

[PROHIBITION OF SALES TO RETAIL INVESTORS IN THE UNITED KINGDOM - *The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (the "FSMA") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA]. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]*

[An issue specific summary (the "Issue Specific Summary") of the Notes is attached to these Final Terms as Appendix 1].

[The terms and conditions of the Notes are attached to these Final Terms as Annex [1][2].]

**PART I
TERMS AND CONDITIONS**

[A. If the options applicable to the Notes are determined by repeating the relevant information set out in the Prospectus as one of options 1 to 4 (including certain further options included in each case) and filling in the relevant blanks insert:

The terms and conditions applicable to the Notes (the "Terms and Conditions") are as set out below.

[Repeat here the relevant information of any of Options 1 to 4 including the relevant further options and complete any relevant blanks].

[B. If the options applicable to the Notes determined by reference to the relevant information set out in the Prospectus as one of options 1 to 4 (including the particular further options included in each case) insert:

This Part 1 of the Final Terms shall be read in conjunction with the form of the terms and conditions for Notes of VOLKSBANK WIEN AG in [Option 1 - Fixed Interest Rate] [Option 2 – Zero Coupon Notes] [Option 3 – Floating Interest Rate] [Option 4 - Fixed to Floating Interest Rate] (the "Form of the Terms and Conditions") printed in the Prospectus. Terms not otherwise defined in Part 1 of these Final Terms shall have the same meaning as set forth in the Form of the Terms and Conditions.

The blanks and/or placeholders in the provisions of the Form of the Terms and Conditions applicable to the Notes shall be deemed to be filled in by the information contained in the Final Terms as if the blanks in the relevant provisions of the Form of the Terms and Conditions were filled in by such information. All provisions of the Form of the Terms and Conditions relating to alternative or optional provisions of these Final Terms which are neither marked nor declared to be inapplicable shall be deemed to be deleted from the Form of the Terms and Conditions in respect of such Notes. The Form of the Terms and Conditions, as completed in accordance with the foregoing rules, constitute the terms and conditions of the Note (the "Conditions").

**§ 1 Currency. Form. Type of Issuance.
Denomination. Securitization.
Depository.**

(Initial) Issue Date

Type of Issuance

Tap issue

Single issue

Specified Currency

Aggregate Principal Amount

[with the option to increase and decrease the amount]

Denomination

Global Note

[non-digital][digital] Global Note

Clearing System

Central Securities Depository (OeKB
CSD GmbH)
1011 Vienna, Strauchgasse 3

- Securities Depository
(VOLKSBANK WIEN AG)
1030 Vienna, Dietrichgasse 25
- Clearstream Banking AG, 65760
Eschborn, Mergenthalerallee 61,
Germany
- Clearstream Banking S.A, société
anonyme, 1855 Luxembourg, 42
Avenue JF Kennedy, Grand Duchy
of Luxembourg
- Euroclear Bank SA/NV, 1210
Brüssel, 1 Boulevard du Roi Albert
II, Belgium
- [specify different Clearing
System]**

§ 2 Status

- Senior
- Preferred senior
- Non-preferred senior
- Subordinated
- Covered [, which provide for
conditions for a maturity extension]

**[In the case of Covered Notes,
insert:**

[Insert name of the cover pool]

**[if requested, specify the
primary assets]]**

§ 3 Interest

Fixed Interest (Option 1)

**[If not applicable, delete
subparagraphs.]**

Constant Rate of Interest

**[If not applicable, delete
subparagraphs.]**

Interest Commencement Date

[●]

Frequency

monthly

quarterly

semiannually

annually

Interest Rate

[●]

Increasing Interest Rate **[If not applicable, delete subparagraphs].**

Interest Commencement Date [●]

Interest Rate	from (including)	until (including)
---------------	------------------	-------------------

**[insert interest rate:
per cent. per annum]**

[insert dates]

[insert dates]

[insert further lines]

Interest Payment Date [●]

First Interest Payment Date [●]

Day Count Fraction Actual/Actual (ICMA)

30/360

ACT/360

Interest Periods Not adjusted

Adjusted

Zero Coupon (Option 2)

Floating Interest Rate (Option 3) **[If not applicable, delete subparagraphs.]**

Frequency monthly

quarterly

semi-annually

annually

Interest Commencement Date [●]

Interest Payment Date(s) [●]

First Interest Payment Date [●]

EURIBOR **[If not applicable, delete subparagraphs.]**

Reference Interest Rate [one/three/six/twelve]-month Euribor

Participation Factor [●]

Margin plus

minus

[●]

Screen Page [●]

CMS
(Constant-Maturity-Swap)

Annual swap rate

Participation factor

Margin

Screen page

[If not applicable, delete subparagraphs.]

[one/two/five/ten/twenty/thirty]- year[s]
swap rate

The mid-swap rate against the
[three/six]-month Euribor

[●]

plus

minus

[●]

[●]

[In the case of preferred senior Notes, non-preferred senior Notes and subordinated Notes, insert:

Fallback rate

[[Reoffer Yield at the time of pricing of the Notes less the Margin][insert other fallback rate]] per cent. *per annum*]

Minimum interest rate

[[●] per cent. *per annum*]] [Not applicable]

Maximum interest rate

[[●] per cent. *per annum*]] [Not applicable]

Interest Determination Date

[insert number of] [London] [Frankfurt] [New York] / [T2] business days prior to [commencement/end] of the relevant interest period

Interest periods

unadjusted
 adjusted

Day Count Fraction

Actual/Actual (ICMA)
 30/360
 ACT/360

Fixed to Floating Interest Rate (*Option 4*)

[If not applicable, delete subparagraphs.]

Interest Commencement Date

[●]

Interest Rate Change Date

[●]

Frequency

monthly
 quarterly

semi-annually
 annually
 Fixed Interest Rate [●]
 Fixed Interest Payment Date [●][of each year]
 [First] Fixed Interest Payment Date [●]

[In the case of Notes with a fixed-to-fixed interest rate, insert:

Reset Rate Reference Rate [[plus] [minus] the margin] [[and] multiplied by the factor]

Margin

plus

[Insert Margin (for eligible Notes and subordinated Notes, insert the initial credit spread as of the Pricing Date (which shall not include any increase of the rate of interest or other incentive to redeem the Notes))] per cent. per annum

minus

[Insert Margin (for eligible Notes and subordinated Notes, insert the initial credit spread as of the Pricing Date (which shall not include any increase of the rate of interest or other incentive to redeem the Notes))] per cent. per annum

Factor [●]

Minimum interest rate [[●] per cent. per annum] [Not applicable]

Maximum interest rate [[●] per cent. per annum] [Not applicable]

[In the case of preferred senior Notes, non-preferred senior Notes and subordinated Notes, insert:

Fallback Rate

[[Reoffer Yield at the time of pricing of the Notes less the Margin][insert other fallback rate]] per cent. per annum]

[Term of the Reference Rate³

[quarterly] [semi-annually] [annually]]

³ Do not insert if the term of the reference rate does not differ from the term of the regular interest payments.

Original Benchmark Rate	[insert relevant maturity]
Time of the Screen Page Determination	[insert relevant time]
Term	[insert relevant term] [equal to the term of the Second Period and commencing on the Reset Date]
Interest Rate Change Determination Date	[first] [second] [insert other relevant number of Business Days] Business Day [(as defined in § 6 (3))]
Business Day ⁴	
<input type="checkbox"/> [T2 [Financial Centres	[insert relevant financial centres]]]
Screen Page	[insert relevant Screen Page, heading, caption]]]

[In the case of Notes with a fixed-to-floating interest rate, insert:

Frequency	<input type="checkbox"/> monthly <input type="checkbox"/> quarterly <input type="checkbox"/> semi-annually <input type="checkbox"/> annually
Floating Interest Payment Date(s)	[●]
[First] Floating Interest Payment Date	[●]]]
Fixed Interest Periods	<input type="checkbox"/> unadjusted <input type="checkbox"/> adjusted

[In the case of Notes with a fixed-to-floating interest rate, insert:

Floating Interest Periods	<input type="checkbox"/> unadjusted <input type="checkbox"/> adjusted
Reference Rate for Floating Interest Rate:	[If not applicable, delete subparagraphs.]
<input type="checkbox"/> EURIBOR	
Reference Interest Rate	[one/three/six/twelve]-month Euribor
Participation Factor	[●]
Margin	<input type="checkbox"/> plus <input type="checkbox"/> minus

[Insert Margin (for eligible Notes and subordinated Notes, insert the

⁴ Only to be inserted if a definition of the term "Business Day" that differs from the definition in Section 6 (3) is required.

		<i>initial credit spread as of the pricing date (which shall not include any increase of the rate of interest or other incentive to redeem the Notes))]</i>
	Screen Page	[●]
<input type="checkbox"/>	CMS (Constant-Maturity-Swap)	[If not applicable, delete subparagraphs.]
	Annual Swap Rate	[one/two/five/ten/twenty/thirty]-year swap rate
		The mid-swap rate against the [three/six]-month Euribor
	Participation Factor	[●]
	Margin	<input type="checkbox"/> plus <input type="checkbox"/> minus
		[Insert Margin (for eligible Notes and subordinated Notes, insert the initial credit spread as of the pricing date (which shall not include any increase of the rate of interest or other incentive to redeem the Notes))]
	Screen Page	[●]
<input type="checkbox"/>	Reference rate or interest rate of the previous period	[If not applicable, delete subparagraphs.]
	Reference Rate	[three/six/nine/twelve]-month Euribor
	Margin	<input type="checkbox"/> plus <input type="checkbox"/> minus
		[Insert Margin (for eligible Notes and subordinated Notes, insert the initial credit spread as of the pricing date (which shall not include any increase of the rate of interest or other incentive to redeem the Notes))]
	Screen Page	[●]
<input type="checkbox"/>	Result of a calculation of two interest rates	[If not applicable, delete subparagraphs.]
	Participation Factor	[●]

Reference Rate 1	[one/two/five/ten/twenty/thirty]-year CMS
	The mid-swap rate against the [three/six]-month Euribor
Reference Rate 2	[one/two/five/ten/twenty/thirty]-year CMS
	The mid-swap rate against the [three/six]-month Euribor
Screen Page	[●]
<input type="checkbox"/> Target coupon ⁵	[If not applicable, delete subparagraphs.]
Amount of the target coupon	[●] %
<input type="checkbox"/> Minimum Interest Rate	[[●] % per annum] [Not applicable]
<input type="checkbox"/> Maximum Interest Rate	[[●] % per annum] [Not applicable]
[In the case of preferred senior Notes, non-preferred senior Notes and subordinated Notes, insert:	
Fallback Rate	[[Reoffer Yield at the time of pricing of the Notes less the Margin][insert other fallback rate]] per cent. <i>per annum</i>
<input type="checkbox"/> Interest Determination Day	[insert number of] [London] [Frankfurt] [New York] / [T2] business days prior to [commencement/end] of the relevant interest period
<input type="checkbox"/> Day Count Fraction for Fixed Interest Period	<input type="checkbox"/> Actual/Actual (ICMA) <input type="checkbox"/> 30/360 <input type="checkbox"/> ACT/360
[In the case of Notes with a fixed-to-floating interest rate, insert:	
<input type="checkbox"/> Day Count Fraction for Floating Interest Period	<input type="checkbox"/> Actual/Actual (ICMA) <input type="checkbox"/> 30/360 <input type="checkbox"/> ACT/360
<input type="checkbox"/> Provisions on accrued interest	[Delete inapplicable options]
<input type="checkbox"/> Accrued Interest Provisions	<input type="checkbox"/> in case of purchases / sales during the year, accrued interest is payable [in the Fixed Interest Period] [and] [in

⁵ In the case of subordinated notes, a target coupon is not applicable.

the Floating Interest Period] [not] payable

in the case of purchases / sales during the year, accrued interest [in the Floating Interest Period] [at least at the minimum interest rate] [and] [at most at the maximum interest rate].

in the case of purchases/sales during the year, accrued interest is payable at the relevant interest rate

§ 4 Redemption

Maturity Date

[●]

Redemption Amount

[insert Redemption Amount]

[In the case of Covered Bonds which provide for conditions for a maturity extension, insert:

Latest Possible Extended Maturity Date

[insert date of latest possible Extended Maturity Date]

§ 5 Early Redemption

Early Redemption at the Option of the Issuer

[If not applicable, delete subparagraphs.]

Optional Redemption Date(s) (Call)	Optional Redemption Amount(s) (Call)
------------------------------------	--------------------------------------

[each business day during the period from [●] (including) until [●] excluding][●]

[100 per cent.][Denomination][●]

Notice period (Call)

[●]

No Early Redemption at the Option of the Issuer

Early Redemption at the Option of the Holders

[If not applicable, delete subparagraphs.]

Minimum notice period (Put)

[●]

Maximum notice period (Put)

[●]

Optional Redemption Date(s) (Put)	Optional Redemption Amount(s) (Put)
-----------------------------------	-------------------------------------

[]

[]

[]

[]

- No right of termination or acceleration by the Holders
- Early Redemption in the Event of a Change in Law, a Hedging Disruption and/or Increased Hedging Costs **[If not applicable, delete subparagraphs.]**
 Early Redemption Amount **[insert early redemption price]** [not applicable] **[if applicable, insert only in the case of Zero Coupon Notes: Amortisation Amount of the Notes]**
- Early Redemption for Reasons of Taxation (in case of eligible Notes) **[If not applicable, delete subparagraphs.]**
 Early Redemption Amount **[insert early redemption price]** [not applicable] **[if applicable, insert only in the case of Zero Coupon Notes: Amortisation Amount of the Notes]**
- Early Redemption for Regulatory Reasons (in case of eligible notes) **[If not applicable, delete subparagraphs.]**
 Early Redemption Amount **[insert early redemption price]** [not applicable] **[if applicable, insert only in the case of Zero Coupon Notes: Amortisation Amount of the Notes]**
- Early Redemption for Regulatory Reasons (in case of subordinated notes) **[Not applicable] [If not applicable, delete subparagraphs.]**
 Early Redemption Amount **[insert early redemption price]** [not applicable] **[if applicable, insert only in the case of Zero Coupon Notes: Amortisation Amount of the Notes]**
- Early Redemption at the option of the Issuer due to a minimum outstanding aggregate principal amount of the Notes (in case of eligible Notes) **[If not applicable, delete subparagraphs.]**
 Early Redemption Amount **[insert Early Redemption Amount]** [not applicable] **[if applicable, insert only in the case of Zero Coupon Notes: Amortisation Amount of the Notes]**
- Early Redemption for Taxation Reasons (in case of subordinated Notes) **[Not applicable] [If not applicable, delete subparagraphs.]**
 Early Redemption Amount **[insert Early Redemption Amount]** [not applicable] **[if applicable, insert**

	only in the case of Zero Coupon Notes: Amortisation Amount of the Notes]
Early Redemption for Regulatory Reasons (in case of subordinated Notes)	[Not applicable] [if not applicable, delete subparagraphs.]
Early Redemption Amount	[insert Early Redemption Amount] [not applicable] [if applicable, insert only in the case of Zero Coupon Notes: Amortisation Amount of the Notes]
Early Redemption following an MREL disqualification event (§ 5 (4) (b)) (in case of subordinated Notes)	[applicable] [not applicable]
<input type="checkbox"/> Early Redemption at the option of the Issuer due to a minimum outstanding aggregate principal amount of the Notes (in case of subordinated Notes)	[If not applicable, delete subparagraphs.]
Early Redemption Amount	[insert Early Redemption Amount] [not applicable] [if applicable, insert only in the case of Zero Coupon Notes: Amortisation Amount of the Notes]
[In the case of Zero Coupon Notes and if Early Redemption is applicable in the event of a Change of Law, Hedging Disruption and/or Increased Hedging Costs, Early Redemption for Regulatory Reasons, Taxation Reasons or due to a minimal outstanding aggregate principal amount of the Notes (in the case of Eligible Notes) or Early Redemption for Regulatory and Taxation Reasons or due to a minimal outstanding aggregate principal amount of the Notes (in the case of Subordinated Notes), insert or, if not applicable, delete the following lines:	
Day Count Fraction	[Insert applicable, delete remainder] [Actual/Actual (ICMA).] [30/360] [30E/360 or Eurobond basis]

[Actual/365 or Actual/Actual (ISDA)]

[Actual/365 (Fixed)]

[Actual/360]]

§ 6 Payments

- Payments Not adjusted interest periods
 Adjusted interest periods
 Not applicable, see Option 4
- Payments in case of fixed interest periods (*Option 4*) **[If not applicable, delete subparagraphs.]**
 Not adjusted interest periods
 Adjusted interest periods
- Payments in case of variable interest periods (*Option 4*) **[If not applicable, delete subparagraphs.]**
 Not adjusted interest periods
 Adjusted interest periods
- Business Day **[If not applicable, delete subparagraphs.]**
- Relevant Financial Centres [●]
- Business Day Convention Following Business Day Convention
 Modified-Following-Business-Day-Convention
 Not applicable
- Business Day Convention in case of fixed interest periods (*Option 4*) **[If not applicable, delete subparagraphs.]**
 Following Business Day Convention
 Modified Following Business Day Convention
- Business Day Convention in case of variable interest periods (*Option 4*) **[If not applicable, delete subparagraphs.]**
 Following Business Day Convention
 Modified Following Business Day Convention

§ 9 Agents

Further Paying Agents [●]

Calculation Agent [●]

§ 11 Notices

Website

[●]

TRANSLATION

PART II
ADDITIONAL INFORMATION ON THE NOTES AND THE OFFER

[In the case of a public offer of Notes with a principal amount of less than EUR 100,000, the following sections must be indicated and completed; in the case of a public offer of Notes with a denomination per unit of at least EUR 100,000, the information in these sections must generally be deleted, but may be partially indicated if necessary:]

Conditions to which the offer is subject

Conditions to which the offer is subject	[None] [●] [<i>specify details</i>][Public Offer in [●]. The invitation to tender to initial purchasers shall be made by the Issuer. The invitation to subscribe for the Notes shall be made by the investors. Interested investors intending to subscribe for the Notes in [●] may, as of the beginning of the Offer Period, make an offer to subscribe for the Notes at the relevant Custodian Bank in [●], i.e. at [the Issuer or another credit institution within the Association of Volksbank] [that bank in [●] where the interested investors have their securities account]. The Issuer reserves the right to accept (in whole or in part) the Subscription Offers].
Manner and date on which the results of the offer are to be disclosed.	[●] [Not applicable] [Since this issue is a tap issue, there will be no announcement of the results of any offering of Notes].
Time period, including any amendments, during which the offer will be open	[●] [From [●] until no later than the day before the Maturity Date, provided that the Issuer reserves the right to close the Offer early without giving any reason].
A description of the application process	[●] [Subscription applications are available at the Issuer [and] [all Austrian Volksbank (members of the Association of Volksbank)] [and, if applicable, other [●] credit institutions] and will be accepted by [this] [these]].
Offer period during which the subsequent resale or final placement of the Notes through financial intermediaries may take place	[●]
A description of the possibility to reduce subscriptions and the manner for	[Specify details] [A reduction of subscriptions is basically not foreseen. However, the Issuer has the right to reduce subscriptions in its

refunding amounts paid in excess by applicants	absolute discretion; if the Issuer exercises this right, any overpayment by investors will be refunded through their custodian].
Method and time limits for paying up the securities and for delivery of the Notes	[delivery against payment within usual market terms] [<i>specify details</i>].
Modalities and date of publication of the results of the offer	[<i>insert details</i>] [The results of the Offer will be published on the Issuer's website on the Maturity Date].
Minimum subscription amount	[●] [Not Applicable] [The Offer does not provide for a minimum subscription amount, but because of the principal amount of the Notes of [●] there is a minimum investment in that amount].
Maximum subscription amount	[●]

Plan of distribution and allotment

Process for notifying applicants of the amount allotted and an indication whether dealing may begin before the process for notifying is made	[●] [Subscribers will be informed via their custodian bank of the number of units allotted to them].
--	--

Pricing

Costs specifically charged to the subscriber or purchaser beyond standard bank charges.	[●] [Not applicable]
Taxes specifically charged to the subscriber or purchaser.	[●] [Not applicable]

Placing and Underwriting

Coordinators of the offer (and, if known to the issuer or offeror, the name and address of those placing the offer in the various states)	[●]
---	-----

Distribution method

- Non-Syndicated
- Syndicated

Name, address and legal entity identifier code of the institutions that have made a firm commitment to underwrite an issue, and name, address and legal entity	[●]
--	-----

identifier code of the institutions placing the issue without a firm commitment or on the best possible terms.

Main features of the Subscription Agreement [In the Subscription Agreement, the Issuer undertakes to issue the Notes and the [Joint Lead] [Managers] undertake to subscribe for the Notes and the Issuer and the [Joint Lead] [Managers] agree on the [Commissions][Fees]. [Specify other fees/commissions, including quotas; if the issue is not subscribed in its entirety, insert a statement as to the remaining portion] [Not applicable]

Date of the Subscription Agreement [●]

Provisions

Management - and underwriting commission [●]

Selling commission [●]

Listing commission [●]

Other [●]

Admission or Inclusion to Trading and Dealing Arrangements

Stock Exchange Listing

- None [If the specified currency is EUR, delete this and the following line].
- Vienna Stock Exchange Official Market (*Amtlicher Handel*)
 Vienna MTF

Expected date of admission or inclusion [●]

Estimated total costs regarding admission to trading on the regulated market or inclusion to trading in the Vienna MTF [●]

[To be completed only in the case of a public offer of Notes with a denomination of less than EUR 100,000:

Name and address of institutions acting as intermediaries in secondary trading on the basis of a commitment and providing liquidity by means of bid and offer prices, [●]

and description of the main content of their commitment.

Stabilisation [not applicable]

[These Final Terms contain the information required for the admission or inclusion of this issuance of Notes to trading on the Vienna Stock Exchange pursuant to the debt issuance programme of VOLKSBANK WIEN AG.]

Regulated or equivalent markets as well as MTFs on which securities of the same class are already admitted to trading [Not applicable]

[If EURIBOR does not apply, delete entire section:

Additional Information on the reference rate EURIBOR

[insert name]

[insert description of the reference interest rate EURIBOR].

[Insert reference to where information on past and future movements in the reference rate EURIBOR and its volatility can be obtained electronically and whether there is a cost involved.]]

[If CMS does not apply, delete entire section:

Additional Information on the reference rate CMS

[insert name]

[insert description of the reference rate CMS].

Weitere Angaben

[Insert reference to where information on the past and future performance of the reference rate CMS and its volatility can be obtained electronically and whether there is a cost involved.]]

Additional Information

[Only in the case of a public offer of Notes with a principal amount of less than EUR 100,000 insert: Reasons for the offer and] Use of the proceeds of the issue

[insert details (esp. in the case of an issue of Green Bonds, Sustainable Bonds and Social Bonds, the following information shall be included: material information of the ESG framework and the relevant criteria (including, but not limited to, the objective and characteristics of the ESG project, selection criteria (or equivalent definitions), how the sustainable objective is to be achieved and any permitted conditions for deviations from the

minimum use of proceeds and ESG project, the use and management of proceeds and whether an (external) opinion or certification has been obtained) [The net proceeds from the issue of the Notes will be used by the Issuer to generate profits and for its general refinancing needs.]

[In the case of a public offering of Notes with a principal amount exceeding EUR 100,000 insert and, if applicable, in the case of a public offering of Notes with a principal amount of less than EUR 100,000 insert: Estimated Net Amount of Proceeds

[●][As the Notes are being issued by way of a tap issue, the net amount of proceeds is uncertain and cannot be stated].

[To the extent that revenues are designated for various major uses, they shall be itemized and presented in order of priority of use.]]

[Insert, if applicable, in the case of a public offer of Notes with a nominal amount of less than EUR 100,000: Estimated total cost of the issue

[●]

[Where costs are for various major uses, they shall be itemized and presented by priority of use]].

Yield

[●][, the issue yield was calculated on the issue date based on the initial issue price and is not an indication of a yield in the future]. [], yield cannot be provided due to variable interest rate]].

Interests and conflicts of interest

[●][Not applicable] [No persons other than the Issuer are materially interested in the Offer].

[in the case of preferred senior Notes and non-preferred senior Notes, insert: [●][Not applicable] [The eligible Notes shall be counted as Eligible Liabilities pursuant to Article 72k of the Regulation (EU) No 575/2013 by the Issuer. The Issuer therefore has a proprietary interest in the distribution of such Notes.]]]

[in the case of Subordinated Notes, insert: The Subordinated Notes are intended to be counted as equity by the Issuer and the Issuer therefore has a proprietary interest in the distribution of such Notes.]

Resolutions, authorisations and approvals under which the Notes are issued

[●]

The selling restrictions set out in the Prospectus apply.

Not applicable

Additional sales restrictions

Rating of the Notes

[Data according to Benchmarks Regulation:

(i) Reference interest [rate] [rates]:

(ii) Name[s] [of administrator] [of administrators]:

(iii) registration in the public register of the European Securities and Markets Authority (ESMA) in accordance with the Benchmarks Regulation:

Applicable

[●]

No rating is provided for the Notes

[●] [Indication of the credit rating (including a brief explanation of the significance of the credit rating) and full name of the entity that issued the credit rating].

[●]

[●]

As at the date of these Final Terms [is][are] **[insert name(s) of the Administrator(s)]** on the public register [not] named [and **[insert name(s) of the Administrator(s)]** on the public register].

[If one or more Administrators are not registered in the public register, insert:

So far as the Issuer is aware, the obtaining of authorisation or registration (or, in the case of a registered office outside the European Union, recognition, assumption or equivalence) by **[insert name(s) of administrator(s)]** is not currently required because **[insert name(s) of administrator(s)]** [is][are] covered by the transitional provisions in Article 51 of the Benchmarks Regulation.]

Responsibility

The Issuer accepts responsibility for the information contained in these Final Terms as determined in the Prospectus. With respect to the third party information contained herein and identified as such, the following applies: (i) the Issuer confirms that such information has been accurately reproduced and, so far as the Issuer is aware and is able to ascertain from information supplied by such third parties, no facts have been omitted, the omission of which would render the reproduced information inaccurate or misleading; (ii) the Issuer has not independently verified such information and does not accept responsibility for its accuracy.

VOLKSBANK WIEN AG

By:

**[ANNEX 1
Issue-specific summary
[insert issue specific summary]]**

TRANSLATION

[ANNEX[1][2]

Terms and Conditions of the Notes
[insert Terms and Conditions]

TRANSLATION

6. SUBSCRIPTION AND SALE

6.1 SUMMARY OF THE PROGRAMME AGREEMENT

In a Programme Agreement dated 17 May 2024 (the "**Programme Agreement**"), the Dealers and the Issuer agreed on a basis for the subscription of the Notes by one or more Dealers. Pursuant to the terms of the Programme Agreement, the Issuer has agreed to pay certain costs of a Dealer in connection with the Programme and individual issues of Notes under the Programme and to indemnify and hold the Dealers harmless against certain claims.

6.2 SELLING RESTRICTIONS

With exception of Austria, this Prospectus may not be published in any country in which there are or may be regulations concerning registration, admission or other regulations with regard to a public offer which could conflict with a publication or an offer of the Notes. In particular, this Prospectus may not be brought into the United States of America.

The Notes of the Issuer issued under this Prospectus have not been and will not be registered under the U.S. Securities Act of 1933 (the "**Securities Act**") and, as bearer securities, are subject to certain requirements under U.S. tax law. Except for certain exceptions set forth in U.S. tax law, the Notes may not be offered, sold or delivered within the United States or to U.S. persons (as defined in the Securities Act). The Notes have not been and will not be registered under the applicable securities laws of Australia, Canada, Japan or the United Kingdom and may not be offered or sold to persons resident in Australia, Canada, Japan or the United Kingdom.

EEA

Selling restriction for public offers under the Prospectus Regulation

A public offer of the Notes may be made in an EEA Member State subject to the following conditions:

- (a) from the date of publication of the Prospectus which has been approved by the FMA or the competent authority in another EEA Member State has been notified by the FMA of such approval, provided that the Prospectus has been supplemented in accordance with the Prospectus Regulation and provided that the offer subject to the Prospectus Regulation is made only during the period the beginning and end of which have been specified in the Prospectus and only if the Issuer has consented in writing to their use for the purpose of the offer subject to the Prospectus Regulation;
- (b) at any time to persons who are qualified investors within the meaning of the Prospectus Regulation;
- (c) at any time to fewer than 150 persons or entities (who are not Qualified Investors within the meaning of the Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealer or Dealers appointed by the Issuer in respect of such

offer; or; or

- (d) at any time in the other circumstances provided for in Article 1(4) of the Prospectus Regulation,

provided that none of these offers falling within (b) to (d) above shall require the Issuer or the Offeror to publish a prospectus pursuant to Article 6 of the Prospectus Regulation or a supplement to a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of these Selling Restrictions, the term "public offer of Notes" means, in relation to Notes in an EEA Member State, a communication to the public in any form and by any means which contains sufficient information about the terms of the offer and the Notes to be offered to enable an investor to decide to purchase or subscribe for those Notes. "Prospectus Regulation" means European Regulation (EU) 2017/1129, as amended from time to time.

Prohibition of Sales to Retail Investors in the EEA

The Arranger as Dealer represents and warrants, and each further Dealer appointed under the Programme will be required to represent and warrant, that it has not offered, sold or otherwise made available, and will not offer, sell or otherwise make available, any Notes which are the subject of the offering contemplated by this Prospectus as supplemented by the relevant Final Terms to any retail investor in the EEA. For the purposes of this provision:

- (a) the term "Retail Investor" means a person who is one (or more) of the following:

(i) a retail client within the meaning of Article 4(1)(11) of MiFID II; or

(ii) a client within the meaning of the Insurance Distribution Directive where that client would not be classified as a professional client within the meaning of Article 4(1)(10) of MiFID II; or

(iii) not a qualified investor within the meaning of the Prospectus Regulation; and

(b) the term "offer" includes the communication of sufficient information about the terms of the offer and the Notes to be offered, in any form and by any means, to enable an investor to decide to purchase or subscribe for the Notes.

United Kingdom

Restriction on sale to the public under the UK Prospectus Regulation

A public offer of the Notes may be made into the United Kingdom subject to the following conditions:

- (a) from the date of publication of the Prospectus in respect of such Notes which has either (i) been approved by the Financial Conduct Authority or (ii) been approved in accordance with the transitional provision of Rule 74 of the Prospectus (Amendment etc.) (EU Exit Regulations 2019). (EU Exit) Regulations 2019 as if it had been approved

by the Financial Conduct Authority, provided that the Prospectus has been supplemented and provided that the offer subject to the Prospectus is made only during the period the commencement and termination of which is specified in the Prospectus and only if the issuer has consented in writing to their use for the purposes of the offer subject to the Prospectus;

- (b) at any time to persons who are qualified investors within the meaning of Article 2 of the UK Prospectus Regulation;
- (c) at any time to fewer than 150 natural or legal persons in the United Kingdom (who are not Qualified Investors within the meaning of Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealer(s) appointed by the Issuer in respect of such offer; or;
- (d) at any time in any other circumstances provided for in section 86 of the Financial Services and Markets Act 2000, as amended ("FSMA"),

provided that none of these offers falling within (b) to (d) above shall require the Issuer or the Offeror to publish a prospectus under section 85 of FSMA or a supplement to a prospectus under Article 23 of the UK Prospectus Regulation.

For the purposes of these Selling Restrictions, the term "public offer of Notes" means, in relation to Notes, a communication to the public in any form and by any means containing sufficient information about the terms of the offer and the Notes to be offered to enable an investor to decide to purchase or subscribe for those Notes. "UK Prospectus Regulation" means European Regulation (EU) 2017/1129, as amended from time to time, which forms part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 and the regulations made thereunder.

Prohibition on sale to retail investors in the United Kingdom

The Arranger, as Dealer, represents and warrants, and each further Dealer appointed under the Programme will be required to represent and warrant, that it has not offered, sold or otherwise made available, and will not offer, sell or otherwise make available, any debt securities which are the subject of the offering contemplated by this Prospectus as supplemented by the relevant Final Terms to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the term "Retail Investor" means a person who is one (or more) of the following:
 - (i) a retail client within the meaning of Article 4(1)(11) of MiFID II as made part of national law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); or
 - (ii) a client within the meaning of the provisions of FSMA and any rules or regulations made under FSMA implementing Directive (EU) 2016/97, if that client would not be classified as a professional client within the meaning of Article 2(1)(8) of Regulation (EU) No 600/2014 as made part of national law by virtue of the EUWA; or

- (iii) is not a qualified investor within the meaning of Article 2 of Regulation (EU) 2017/1129 as it has become part of national law by virtue of the EUWA; and

(b) the expression "offer" includes the communication of sufficient information about the terms of the offer and the Notes to be offered, in any form and by any means, to enable an investor to decide to purchase or subscribe for the Notes.

Other Regulatory Restrictions

Each Dealer undertakes and represents to the Issuer that:

- (a) it has not passed on or will not pass on or cause to be passed on any solicitation or inducement to engage in any investment activity (within the meaning of Section 21 (Financial Promotion) of the FSMA) if received in connection with the issue or sale of the Notes, provided that Section 21(1) of the FSMA shall not apply to the Issuer if it has not been an Authorised Person; and
- (b) it has complied and will comply with all applicable provisions of FSMA and the Financial Conduct Authority Handbook made by it in relation to the Notes to the extent made in the United Kingdom.

RESPONSIBILITY STATEMENT

VOLKSBANK WIEN AG (the Issuer), with its registered office in Vienna and its business address at 1030 Vienna, Dietrichgasse 25, is responsible for the information given in this Prospectus and declares that it has taken all reasonable care to ensure that the information contained in this Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

VOLKSBANK WIEN AG

as issuer

TRANSLATION

GLOSSARY AND LIST OF ABBREVIATIONS

For ease of reading, certain abbreviations and definitions used in this Prospectus are set out below. Readers of this Prospectus should always use the full description of any expression contained in this Prospectus.

"30/360"	means, with respect to the calculation of the interest amount on a Note, the number of days of the Calculation Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months (unless (A) the last day of the Calculation Period is the 31st day of a month while the first day of the Calculation Period is neither on the 30th day nor the 31st day of a month, in which case the month containing such day shall not be treated as a month reduced to 30 days). nor the 31st day of a month, in which case the month containing that day shall not be treated as a month extended to 30 days, or (B) the last day of the Calculation Period falls is the last day of February, in which case the month of February shall not be treated as a month extended to 30 days).
"Hedging Disruption"	means Hedging Disruption as defined in § 5 of the Model of the Terms and Conditions.
"ACT/360"	means, with respect to the calculation of the interest amount on a Note, the actual number of days of the Calculation Period divided by 360.
"Actual/Actual (ICMA)"	means, with respect to the calculation of the interest amount on a Note, if the Calculation Period is equal to or shorter than the Interest Period during which it falls, the actual number of days in the Calculation Period divided by the product of: (A) the actual number of days in the respective Interest Period and (B) the number of Interest Periods normally ending in one year.
"Old Issues"	means the issues issued under the "Prospectus 2020", the "Prospectus 2021", the "Prospectus 2022" and the "Prospectus 2023".
"Amortisation Amount"	means the intended redemption amount of the Notes on the Maturity Date, discounted at an annual rate (expressed as a percentage) calculated by the Issuer as follows: redemption amount of the Notes discounted to the Issue Price on the Issue Date on the basis of an annual rate of interest taking into account interest already accrued, the result being rounded commercially to two decimal places.
"Terms and Conditions"	means the Form Terms and Conditions together with the Final Terms within the meaning of Article 26(5) of Delegated Regulation (EU) 2019/980.
"Holders"	means the holders of Notes.

"AT 1"	means Additional Tier 1 capital in accordance with Article 52 CRR.
"Issue Premium"	means a premium on the issue price, which is intended to cover commissions or other ancillary costs incurred by the Issuer in connection with the issue and hedging of the Notes.
"BaSAG"	means the Austrian Recovery and Resolution Act (<i>Sanierungs- und Abwicklungsgesetz</i>).
"Basel III"	refers to the BCBS's package of measures to amend the capital and liquidity requirements applicable to credit institutions.
"Base Prospectus"	see "Prospectus".
"BCBS"	means the Basel Committee on Banking Supervision.
"Issue Date"	means the date on which the Issuer issues Notes in accordance with the provisions of the Form Terms and Conditions (as defined in § 1 (1) of the Form Terms and Conditions).
"Benchmarks Regulation"	means the Regulation (EU) 2016/1011 as amended
"Screen Page"	means the respective screen page on which a relevant interest rate is published.
"Calculation Agent"	means the Calculation Agent for the Notes (as defined in § 9 (2) of the Terms and Conditions).
"BRRD"	means the Directive of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU and Regulations (EU) No 1093/2010 and (EU) No 648/2012 of the European Parliament and of the Council (<i>Bank Recovery and Resolution Directive</i>).
"BWG"	means the Austrian Banking Act (<i>Bankwesengesetz</i>).
"CET 1"	means Common Equity Tier 1 capital in accordance with Article 26 CRR.
"Clearing System"	means the Clearing System as defined in § 1 (4) of the Terms and Conditions.
"Clearstream Frankfurt"	means the clearing system Clearstream Banking AG, Eschborn, Germany.
"COVID-19"	means the corona virus.
"CRR"	means Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (<i>Capital Requirements Regulation</i>).

"CSD"	means the securities depository of OeKB CSD GmbH.
"cover assets"	means assets by which the covered Notes are covered which meet the requirements set out in the PfandBG.
"own funds"	means the capital of the Issuer required by regulatory law.
"Issuer"	means VOLKSBANK WIEN AG.
"Maturity Date"	means the date on which the Notes are redeemed at their Redemption Amount.
"Final Terms"	means the Final Terms of a Series of Notes within the meaning of Article 26(5) of Delegated Regulation (EU) 2019/980.
"ESA"	means Einlagensicherung AUSTRIA Ges.m.b.H., the uniform protection scheme pursuant to the Deposit Guarantee and Investor Compensation Act (<i>Einlagensicherungs- und Anlegerentschädigungsgesetz</i>).
"ESG"	means Environmental Social Governance (German: Umwelt, Soziales und Unternehmensführung)
"ESG Rahmenwerk"	means the Sustainability Bond Framework.
"EU"	means the European Union.
"EUR", "€" or "Euro".	means the currency of the third stage of the European Economic and Monetary Union as defined in the Treaty establishing the European Community, as amended by the Treaty on European Union, or the official currency in Austria.
"Euroclear"	means the clearing system Euroclear Bank SA/NV, Brussels, Belgium.
"EURIBOR"	is the abbreviation for "Euro Interbank Offered Rate", a system of reference interest rates in the Euro market which came into force in the course of the European Economic and Monetary Union.
"Euro Zone"	means the territory of those member states of the European Union which have adopted or will adopt a single currency in accordance with the treaty establishing the European Community (signed in Rome on 25 March 1957), as amended by the treaty on European Union (signed in Maastricht on 7 February 1992), the treaty of Amsterdam of 2 October 1997 and the treaty of Lisbon of 13 December 2007, as amended from time to time.
"Specified Currency"	means the currency in which the Notes are issued by the Issuer on the Issue Date (as defined in § 1 (1) of the Form Terms and Conditions).
"Specified Time"	means the time at which the interest rate is published on the respective Screen Page.

"Financial Intermediaries"	means all credit institutions authorised in an EEA Member State within the meaning of Directive 2013/36/EU, which have their registered office in the relevant Member State and which are authorised to issue or distribute the Notes.
"Fitch"	means Fitch Ratings.
"Fixed Interest Period"	means the period from and including the Interest Commencement Date to the calendar day preceding the first Fixed Interest Payment Date and each subsequent period from and including the Fixed Interest Payment Date to and including the calendar day preceding the immediately following last Fixed Interest Payment Date.
"Fixed Interest Rate"	means the fixed interest rate as defined in the Terms and Conditions of the Note, if applicable.
"Fixed Interest Payment Date"	means the day of each month, quarter, half-year or year on which the fixed interest is payable.
"FMA"	means the Austrian Financial Market Authority.
"Business Day"	means a Business Day as defined in § 6 of the Terms and Conditions of the Notes.
"Increased hedging costs"	means that the Issuer is required to pay a materially higher amount of taxes, duties, expenses and fees (other than brokerage fees) in order to: (i) enter into, continue or settle any transaction or to acquire, exchange, hold or dispose of any asset, which the Issuer deems necessary to hedge price risks in respect of its obligations under the Notes; or (ii) to realise, recover or pass on proceeds from such transactions or assets, provided that amounts which have increased only because of the creditworthiness of the Issuer has declined shall not be deemed to be Increased Hedging Costs.
"P&L"	means profit and loss statement.
"Liability Scheme"	means that the central organisation can provide services on the basis of the Association Agreement and the Trust Agreement Trust Fund, e.g. in the form of short and medium-term liquidity support, guarantees and other liabilities, subordinated loans, payment of third-party claims and equity injections.
"write-down and conversion powers"	means the write-down and conversion powers under the BRRD and the BaSAG.
"Maximum Interest Rate"	means the highest applicable interest rate fixed for a given interest period.
"Principal Paying Agent"	means the Principal Paying Agent as defined in § 9 (1) of the Terms and Conditions of the Notes.
"ICE Swap Rate"	means the published swap rates. ICE Swap Rate is a screen service that publishes the average swap rates for the three major currencies

	(Euro, British Pound and US Dollar) for selected maturities on a daily basis.
"IFRS"	Means the International Financial Reporting Standards.
"Investment Grade Area"	means Ratings of Notes with best to medium creditworthiness.
"ISIN"	means the International Securities Identification Number.
"Trustee Act"	means the Law of 24 April 1874 concerning the joint representation of the rights of the owners of partial debentures made out to bearer or transferable by endorsement and the treatment of the mortgage rights granted for such partial debentures in the books, RGBl. no. 49/1874 (<i>Gesetz vom 24. April 1874, betreffend die gemeinsame Vertretung der Rechte der Besitzer von auf Inhaber lautenden oder durch Indossament übertragbaren Theilschuldverschreibungen und die bürgerliche Behandlung der für solche Theilschuldverschreibungen eingeräumten Hypothekarrechte, RGBl. Nr 49/1874</i>).
"Trustee Amendment Act"	means the Law of 5 December 1877, with which supplementary provisions to the Laws of 24 April 1874 regarding the representation of the holders of Pfandbriefe or of partial bonds made out to bearer or transferable by endorsement were enacted, RGBl. no. 111/1877 (<i>Gesetz vom 5. Dezember 1877, womit ergänzende Bestimmungen zu den Gesetzen vom 24. April 1874 betreffend die Vertretung der Besitzer von Pfandbriefen oder von auf Inhaber lautenden oder durch Indossament übertragbaren Theilschuldverschreibungen erlassen werden, RGBl. Nr 111/1877</i>).
"Liquidity Scheme"	means that the member credit institutions of the Association of Volksbanks are obliged to invest their liquidity with VOLKSBANK WIEN in accordance with the general instructions of VOLKSBANK WIEN in its function as central organisation, as well as the possibility for VOLKSBANK WIEN to access all assets of the member credit institutions in the event of a Liquidity Scheme emergency in order to resolve the emergency.
"Margin"	means a premium or discount per annum within a certain interest period.
"Market Interest Rate Level"	means interest rates on the money and capital markets for comparable Notes.
"Minimum Interest Rate"	means the lowest applicable interest rate fixed for a given interest period.
"Members of the Association of Volksbanks"	means VOLKSBANK WIEN as the central organisation and the credit institutions assigned to it as well as Volksbank Vertriebs- und Marketing eG.

"MTF"	means the Vienna MTF as a multilateral trading facility (MTF) operated by the Vienna Stock Exchange
"Form Terms and Conditions"	means the terms and conditions applicable to the different categories of Notes issued in four different forms under this Programme.
"Nominal Amount"	means the nominal amount as defined in § 1 (1) of the Terms and Conditions of the Notes and consists of the Specified Currency and the specified denomination.
"New Issuer"	means another company which is directly or indirectly controlled by the Issuer and which takes the place of the Issuer as the new Issuer for all obligations arising from or in connection with the Notes with discharging effect for the Issuer.
"Option"	means each of the four option in which the Form Terms and Terms and Conditions of the Notes are set out, namely Option 1 comprising the Form Terms and Conditions for fixed rate Notes, Option 2 comprising the Form Terms and Conditions for Zero Coupon Notes, Option 3 comprising the Form Terms and Conditions for floating rate Notes and Option 4 comprising the Form Terms and Conditions for fixed rate Notes followed by floating rate Notes or fix to fix interest rate, which are set out from page 83 this Prospectus.
"ÖGV"	means the Austrian Association of Cooperatives (Schulze-Delitzsch).
"ÖVAG"	means Österreichische Volksbanken-Aktiengesellschaft.
"Panel Banks"	means the group of banks from whose prevailing interest rates EURIBOR is calculated.
"PfandBG"	means the austrian covered bonds law (PfandBG) BGBl. I Nr. 199/2021.
"Programme"	means the debt issuance programme of Notes (<i>Programm zur Begebung von Schuldverschreibungen</i>) bearer form as preferred senior, non-preferred senior, subordinated and covered Notes in percentage quotation.
"Programme Agreement"	means the agreement in which the Dealers and the Issuer have agreed on a basis for the subscription of the Notes by one or more Dealers.
"Prospectus"	means the Programme for issuing Notes.
"Prospectus 2020"	means the programme for the issuance of Notes from 15 July 2020.
"Prospectus 2021"	means the programme for the issuance of Notes from 14 July 2021.
"Prospectus 2022"	means the programme for the issuance of Notes from 25 May 2022.
"Prospectus 2023"	means the programme for the issuance of Notes from 19 May 2023.

"Prospectus Regulation"	means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/EC.
"Change of Law"	means that (i) due to the enactment of changes in laws or regulations (including but not limited to tax laws) or (ii) changes in the interpretation of judicial or regulatory decisions relevant to the relevant laws or regulations (including statements by tax authorities), the Issuer determines that there has been a material increase in the costs associated with its obligations under the Notes (including, without limitation, increases in tax liabilities, reductions in tax benefits or other adverse effects on tax treatment) if such changes become effective on or after the Issue Date.
"Reference Banks"	means the principal Euro Zones offices of four major Reference Banks (measured by their total assets) whose offered rates in the Euro Zone interbank market have been used to determine the last Reference [Interest] Rate appearing on the Screen Page, each of which is selected by the calculation agent.
"Reference (Interest) Rate"	means the reference (interest) rate relevant for an interest period, which is published on the respective Screen Page depending on the Option for a variant.
"Risk Factors"	means risks inherent in an investment in the Notes (see the section on Risk Factors).
"Redemption Amount"	means the amount at which the Notes will be redeemed on the Maturity Date.
"Global Note"	means a non-digital or digital global note pursuant to § 24 lit b or pursuant to § 24 lit e Custody Act by which Notes are securitised.
"Threshold"	VOLKSBANK WIEN set early warning indicators for the Association of Volksbanks in accordance with the group recovery plan. The thresholds are referred to as "red" and "yellow" thresholds, with the red threshold representing the statutory regulatory minimum ratios and the yellow threshold corresponding to internally determined ratios that are set higher than the red threshold and act as a buffer.
"Notes"	means the notes issued under this Programme.
"Securities Act"	means the United States Securities Act of 1933.
"Series"	means a series of Notes.
"SPO"	means Second Party Opinion.
"SRB"	means the central European resolution authority, the Single Resolution Board, based in Brussels
"SRM"	means the Single Resolution Mechanism.

"SRMR"	means Regulation (EU) No 806/2014, as amended (Single Resolution Mechanism Regulation).
"T2"	means the Real-Time Gross Settlement System operated by Eurosystem.
"T2 business day"	means a day on which the Real-Time Gross Settlement System operated by Eurosystem is operational.
"Tier 1"	means Coming Equity in accordance with Article 25 CRR.
"Tier 2"	means Tier 2 capital in accordance with Article 63 CRR.
"TLTRO"	refers to the ECB's Targeted Longer-Term Refinancing Operations III programme; with this set of instruments, the ECB provides banks with refinancing with the provision of eligible collateral with a 3-year term, which can be repaid early if required, starting in September 2021.
"Floating Interest Rate"	means the floating interest rate as defined in the Terms and Conditions of the Notes, if applicable.
"Option"	means one of the four different ways of structuring the Notes with regard to their interest rate.
"Association Agreement"	means the agreement between VOLKSBANK WIEN (as the central organisation), the member credit institutions for the formation of a credit institution association pursuant to § 30a BWG, which was concluded in 2016 and became effective on 1 July 2016.
"Interest Commencement Date"	means the moment from which interest is paid on the Notes in relation to their nominal amount until the end of the interest period.
"Interest End Date"	means the date on which the interest accrual period of the Notes ends.
"Volksbanks sector"	means all credit institutions allocated to the Volksbanken sector of the ÖGV, whereby the members of the Volksbanken sector do not have to be the same as the members of the Association of Volksbanks.
"Association of Volksbanks"	means the association of credit institutions pursuant to section 30a BWG formed on the basis of the Association Agreement concluded between VOLKSBANK WIEN as the central organisation and the member credit institutions. Volksbank Vertriebs- und Marketing eG is also part of the Association of Volksbanks but does not have a licence as a credit institution pursuant to the BWG and is therefore not part of the Association of Credit Institutions pursuant to § 30a BWG.
"VOLKSBANK WIEN"	means VOLKSBANK WIEN AG.
"VOLKSBANK WIEN Group"	means the Issuer and its consolidated subsidiaries.

"Early Redemption Amount"	means the Early Redemption Amount as defined in § 5 (3) of the Terms and Conditions of the Notes.
"Optional Redemption Amount (Call)"	means the Optional Redemption Amount (Call) as defined in § 5 (1) of the Terms and Conditions of the Notes, if applicable.
"Optional Redemption Amount (Put)"	means the Optional Redemption Amount (Put) as defined in § 5 (2) of the Terms and Conditions of the Notes, if applicable.
"Optional Redemption Date (Call)"	means the Optional Redemption Date as defined in § 5 (1) of the Terms and Conditions of the Notes, if applicable.
"Optional Redemption Date (Put)"	means the Optional Redemption Date as defined in § 5 (2) of the Terms and Conditions of the Notes, if applicable.
"Material Contracts"	means the Agreements entered into by the Issuer in chapter 4.13 Material contracts
"Paying Agent"	means the Paying Agent as defined in § 9 (1) of the Terms and Conditions of the Notes.
"Target Coupon"	means the sum of all maximum annual interest payments.
"Calculation Period"	means any period of time with respect to the calculation of the amount of interest on a Note.
"Interest Determination Day"	means a specified Business Day prior to the beginning or end of the relevant Interest Period.
"Interest Period"	means the period from, and including, the Interest Commencement Date to, and including, the calendar day preceding the first Interest Payment Date and each subsequent period from, and including, an Interest Payment Date to, and including, the calendar day preceding the immediately following Interest Payment Date.
"Day Count Fraction"	means, with respect to the calculation of the interest amount on any Note for the Calculation Period, the ratio of a certain number of days in the Calculation Period to the number of days in the Interest Period.
"Interest Rate"	means the respective interest rate in per cent. per annum at which the respective series of Notes bears interest.
"Interest Payment Date"	means the date on which the interest is payable in arrears.
"Member Credit Institutions"	means those credit institutions of an association of credit institutions pursuant to § 30a BWG which have their registered office in Austria and are permanently assigned to the central organisation; in the case of the Association of Volksbanks, these are the following credit institutions at the time of the approval of the Prospectus, i.e. the seven regional Volksbanks and one special credit institution: <ol style="list-style-type: none"> 1. Volksbank Kärnten eG 2. Volksbank Niederösterreich AG 3. Volksbank Upper Austria AG

4. Volksbank Steiermark AG
5. Volksbank Salzburg eG
6. Volksbank Tirol AG
7. VOLKSBANK VORARLBERG e. Gen.
8. Österreichische Ärzte- und Apothekerbank AG (special credit institution)

"Competent Authority"

means the competent authority as defined in Article 4 (1)(40) CRR responsible for the supervision of the Issuer on an individual and/or consolidated basis.

"Forward-Looking Statements"

means the forward-looking statements contained in this Prospectus that are not historical facts.