

CREDIT OPINION

22 August 2024

Update

Send Your Feedback

RATINGS

Volksbank Wien AG

Domicile	Austria
Long Term CRR	A1
Type	LT Counterparty Risk Rating - Dom Curr
Outlook	Not Assigned
Long Term Debt	A2
Type	Senior Unsecured - Dom Curr
Outlook	Stable
Long Term Deposit	A2
Type	LT Bank Deposits - Fgn Curr
Outlook	Stable

Please see the [ratings section](#) at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

Contacts

Katja Reise +49.69.70730.765
VP-Senior Analyst
katja.reise@moodys.com

Christopher McCoy, +49.69.70730.785
CFA
Sr Ratings Associate
christopher.mccoy@moodys.com

Alexander Hendricks, +49.69.70730.779
CFA
Associate Managing Director
alexander.hendricks@moodys.com

CLIENT SERVICES

Americas 1-212-553-1653
Asia Pacific 852-3551-3077

Volksbank Wien AG

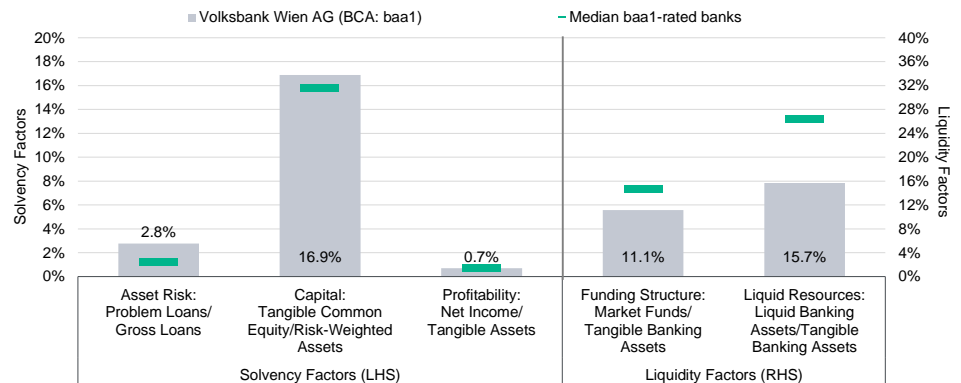
Update to credit analysis

Summary

Volksbank Wien AG's (VBW) A2 deposits and senior unsecured debt ratings reflect the bank's baa1 Baseline Credit Assessment (BCA) and Adjusted BCA, and two notches of uplift from our Advanced Loss Given Failure (LGF) analysis. VBW's ratings do not benefit from government support uplift because of its small size in the context of the Austrian banking system.

VBW's BCA baa1 reflects the bank's strong capitalization including prudent dividend policy, balancing concentration risks in the bank's loan book, in particular to the local commercial real estate (CRE) industry. The BCA is further supported by the bank's strong and stable deposit franchise in Austria, reducing its reliance on more costly and more confidence-sensitive market funding and ensuring a robust balance-sheet liquidity.

Exhibit 1
Rating Scorecard - Key financial ratios



VBW's key financial ratios are calculated based on the consolidated financial statements of the cooperative group.
Source: Moody's Ratings

VBW's ratings are based on the consolidated financial statements of [Austria's](#) (Aa1 stable) cooperative banking sector, the Oesterreichischer Volksbanken-Verbund (Verbund), which operates a statutory mutualist support framework that ensures the cohesion of its member banks. VBW serves as the central organisation for this framework.

Credit strengths

- » Strong capitalisation benefitting from a very prudent dividend policy
- » Sound funding and liquidity, which benefit from a large deposit base and moderate dependence on market funds

Credit challenges

- » Rising problem loans resulting from concentrations to Austria's commercial real estate sector; moderate concentration risks to tourism
- » Efficiency lags that of domestic peers, despite recent improvements

Outlook

The outlook on the bank's long-term deposit and senior unsecured debt ratings is stable, reflecting that any potential deterioration in asset risk would be offset by well-diversified and solid earnings. The stable outlook also reflects our expectation that the bank will maintain its liability structure, resulting in an unchanged notching uplift from our Advanced LGF analysis.

Factors that could lead to an upgrade

- » VBW's deposit ratings could be upgraded if the bank's BCA is upgraded or following a significant increase in the volume of bail-inable liabilities beyond our current expectations.
- » The BCA could be upgraded if the bank manages to sustainably safeguard its improved profitability, thereby establishing a robust track record following a decade of restructuring and optimization, leading to a further improvement of its capitalisation. Any upgrade will be contingent upon VBW maintaining a prudent and well-controlled risk appetite, resulting in a sound and largely stable asset quality through the cycle, as well as keeping intact its defensive funding and liquidity profile.

Factors that could lead to a downgrade

- » VBW's ratings could be downgraded as a result of a downgrade of its BCA, or fewer notches of rating uplift from our Ratings' Advanced LGF analysis. The BCA could be downgraded should VBW experience a meaningful deterioration in asset quality, eroding its profitability or capital or if the bank witnessed an increased reliance on market funding coupled with a significant decline in liquidity beyond our current expectations.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on <https://ratings.moody's.com> for the most updated credit rating action information and rating history.

Key indicators

Exhibit 2

Volksbank Wien AG (Consolidated Financials) [1]

	12-23 ²	12-22 ²	12-21 ²	12-20 ²	12-19 ²	CAGR/Avg. ³
Total Assets (EUR Billion)	15.1	14.5	16.9	14.3	12.7	4.4 ⁴
Total Assets (USD Billion)	16.7	15.4	19.2	17.5	14.3	4.0 ⁴
Tangible Common Equity (EUR Billion)	0.8	0.7	0.7	0.6	0.8	0.6 ⁴
Tangible Common Equity (USD Billion)	0.9	0.8	0.8	0.8	0.9	0.2 ⁴
Problem Loans / Gross Loans (%)	3.9	2.0	2.0	2.3	2.8	2.6 ⁵
Tangible Common Equity / Risk Weighted Assets (%)	18.1	17.9	17.5	16.6	19.2	17.9 ⁶
Problem Loans / (Tangible Common Equity + Loan Loss Reserve) (%)	25.1	14.2	14.7	17.6	18.1	17.9 ⁵
Net Interest Margin (%)	1.2	0.7	0.7	0.9	1.0	0.9 ⁵
PPI / Average RWA (%)	2.9	1.5	2.0	1.4	1.5	1.9 ⁶
Net Income / Tangible Assets (%)	0.8	0.4	0.5	0.1	0.3	0.4 ⁵
Cost / Income Ratio (%)	67.9	79.5	75.1	80.7	78.2	76.3 ⁵
Market Funds / Tangible Banking Assets (%)	37.5	38.3	46.0	38.0	31.5	38.3 ⁵
Liquid Banking Assets / Tangible Banking Assets (%)	39.2	43.1	53.0	42.8	35.5	42.7 ⁵
Gross Loans / Due to Customers (%)	91.1	83.1	78.9	82.1	85.8	84.2 ⁵

[1] All figures and ratios are adjusted using Moody's standard adjustments. [2] Basel III - fully loaded or transitional phase-in; IFRS. [3] May include rounding differences because of the scale of reported amounts. [4] Compound annual growth rate (%) based on the periods for the latest accounting regime. [5] Simple average of periods for the latest accounting regime. [6] Simple average of Basel III periods.

Sources: Moody's Ratings and company filings

Exhibit 3

Oesterreichischer Volksbanken-Verbund (Consolidated Financials) [1]

	12-23 ²	12-22 ²	12-21 ²	12-20 ²	12-19 ²	CAGR/Avg. ³
Total Assets (EUR Billion)	30.4	29.2	32.1	29.3	27.4	2.6 ⁴
Total Assets (USD Billion)	33.6	31.1	36.3	35.9	30.8	2.2 ⁴
Tangible Common Equity (EUR Billion)	2.6	2.3	2.1	2.1	2.1	5.6 ⁴
Tangible Common Equity (USD Billion)	2.8	2.4	2.4	2.5	2.3	5.2 ⁴
Problem Loans / Gross Loans (%)	2.8	1.9	2.2	2.1	2.6	2.3 ⁵
Tangible Common Equity / Risk Weighted Assets (%)	16.9	15.9	15.7	14.7	13.9	15.4 ⁶
Problem Loans / (Tangible Common Equity + Loan Loss Reserve) (%)	21.7	16.6	19.1	18.6	22.9	19.8 ⁵
Net Interest Margin (%)	2.4	1.5	1.3	1.4	1.6	1.6 ⁵
PPI / Average RWA (%)	2.7	1.4	1.1	1.0	1.0	1.4 ⁶
Net Income / Tangible Assets (%)	1.0	0.5	0.6	0.0	0.3	0.5 ⁵
Cost / Income Ratio (%)	59.0	72.9	78.2	78.2	78.4	73.4 ⁵
Market Funds / Tangible Banking Assets (%)	11.1	11.1	16.7	13.1	8.6	12.1 ⁵
Liquid Banking Assets / Tangible Banking Assets (%)	15.7	15.8	26.1	19.9	14.1	18.3 ⁵
Gross Loans / Due to Customers (%)	102.5	100.1	94.5	95.9	96.9	98.0 ⁵

[1] All figures and ratios are adjusted using Moody's standard adjustments. [2] Basel III - fully loaded or transitional phase-in; IFRS. [3] May include rounding differences because of the scale of reported amounts. [4] Compound annual growth rate (%) based on the periods for the latest accounting regime. [5] Simple average of periods for the latest accounting regime. [6] Simple average of Basel III periods.

Sources: Moody's Ratings and company filings

Profile

Volksbank Wien AG (VBW) is the central organisation of Austria's cooperative banking sector, the Verbund. The Verbund consists of nine primary banks, among which VBW is the central organisation. As of December 2023, VBW had 54 branches, while the Verbund had 232 branches along with 3,108 full-time employees. VBW mainly provides financial services to retail and small and medium-sized enterprises (SMEs).

VBW took over the role as the central organisation of the Verbund after the former Oesterreichische Volksbanken AG (VBAG) announced its reorganisation and break-up as the central institution of Austria's Volksbanken sector following its failure in the ECB's Comprehensive Assessment in October 2014.

For more information, please see VBW's [Issuer Profile](#).

VBW's domestic exposures determine its Strong+ macro profile

VBW and the Verbund are predominantly active in Austria, and the assigned Strong+ weighted macro profile is set on par with the Strong+ [macro profile of Austria](#).

Detailed credit considerations

We assess VBW on the basis of the consolidated financial statements of the Verbund. This approach takes into consideration the statutory mutualist support framework, codified in the Austrian Banking Act; and the cohesion and solidarity within the Verbund, reflected in a mutual obligation to support each member institution in case of need.

The Verbund's asset risks are driven by concentrations in the real estate and tourism sectors

We assign a baa3 Asset Risk score to VBW, four notches below the initial a2 score, reflecting the Verbund's meaningful concentration to Austria's CRE sector and our expectation of rising problem loans over the next 12 months and potentially beyond.

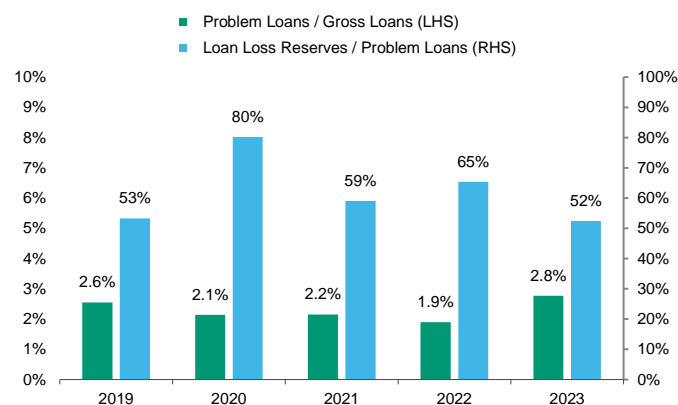
Lending to the Austrian CRE sector reached €6.8 billion, equivalent to about 2.6x the Verbund's TCE by the end of 2023, with tourism making up €1.6 billion or 0.6x TCE, posing large concentration risks.

Asset quality continued to worsen, with the NPL ratio rising to 3.4% as of end-June 2024 from 2.8% as of the end of 2023 (2022: 1.9%). This was mainly due to rising repayment issues and defaults of real estate developers, notably effecting properties under construction and/or unsold, facing the currently very difficult market environment. In particular, CRE NPLs rose to 6% as of end-June 2024 from 3.4% as of the end of 2023, with over a third of total CRE exposures now being in Stage 2¹, driving the Verbund's overall Stage 2 loans to an elevated 18% as of 30 June 2024, up from 9% just six months earlier.

Owing to the increased defaults, overall loan loss reserve coverage dropped to 47% as of end-June 2024, from 52% as of the end of 2023. Because of higher cost for credit, general cost inflation and weak property demand, we expect loans for unfinished or unsold CRE properties to remain under particular pressure over the next 12 to 18 months, driving problem loans and related charges higher. However, the portfolio also displays a fairly high share of lower-risk social residential housing and continues to be supported by diversification across subsegments and prudent underwriting standards.

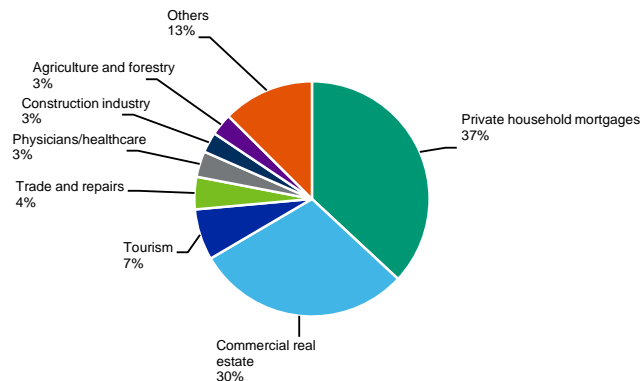
Apart from CRE lending making up 30% of the Verbund's total loan book of €23.1 billion as of 31 December 2023, it also comprises low-risk residential mortgages (37%), and loans to other corporates and SMEs (35%). This part of the loan book is generally highly collateralised in line with the cooperative's principles; and the Verbund does not grant unsecured consumer lending.

Exhibit 4
The Verbund's problem loans increase causing depletion of loan loss reserves



Sources: Company and Moody's Ratings

Exhibit 5
Breakdown of the Verbund's loan book
 As of year-end 2023, total €23.1 billion



Source: Company data

Large deposit franchise with moderate dependence on market funding

The Verbund's funding profile strongly supports VBW's BCA, which is reflected in our a2 Funding Structure score, in line with the initial score, taking into consideration the bank's large deposit franchise and our expectation that market funding will only slightly increase over the next 12 to 18 months.

The Verbund's funding profile benefits from a wide base of granular retail deposits, making up three-quarters of total deposits. Around two-thirds of total customer deposits are covered by the national deposit guarantee scheme.

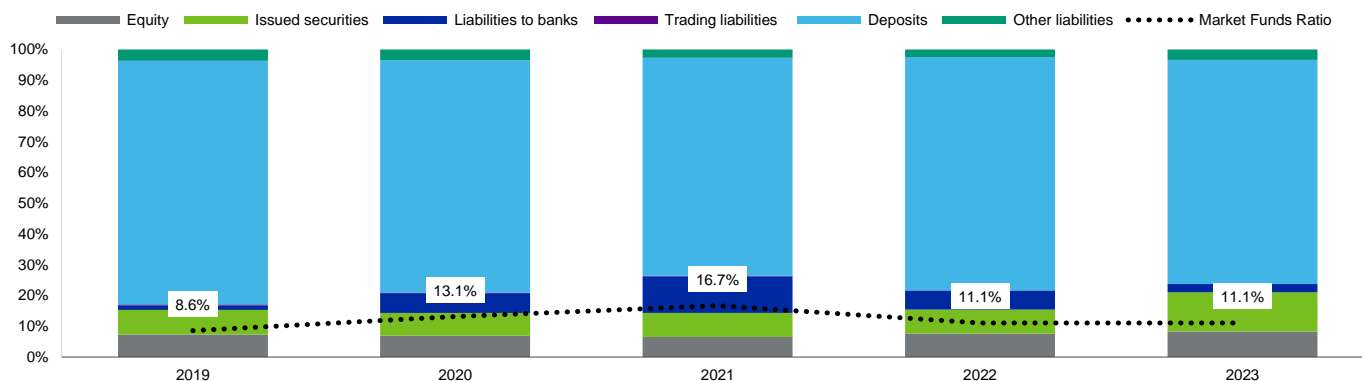
The group's loan-to-deposit ratio has become more stretched recently, standing at 105% as of year-end 2023, up from 100% a year ago. Significant long-term debt issuances during 2023, foremost linked to the group's minimum requirement for own funds and bail-in-eligible liabilities, however, support the Verbund's asset-liability maturity profile. Other market funding are mainly covered bonds. Our market funding ratio only takes into consideration 50% of covered bonds, and the remaining €600 million of ECB funding under the Targeted Long Term Refinancing Operations (TLTRO), fully re-deposited with the central bank, which will be repaid this year.

In March 2024, the bank effectively issued a benchmark bond of €500 million to a global investor base. This issuance served as a replacement for the €220 million Additional Tier 1 bond that was prematurely redeemed, a step taken post the approval from the European Central Bank. The Verbund's market funding ratio stood at 12.9% as of year-end 2023, up from 10.2% a year earlier. We expect an almost unchanged level of market funding reliance looking ahead.

Exhibit 6

Liability structure of the Verbund

In percentage of total assets (market funds as a percentage of tangible banking assets)



Sources: Company and Moody's Ratings

Strong liquidity supports VBW's funding profile

We assign a baa2 Liquid Resources score to VBW, in line with the initial score, reflecting the high share of cash and low dependency of the Verbund on market-risk-sensitive securities, while anticipating a moderate decline in cash once the TLTRO funds have been fully redeemed.

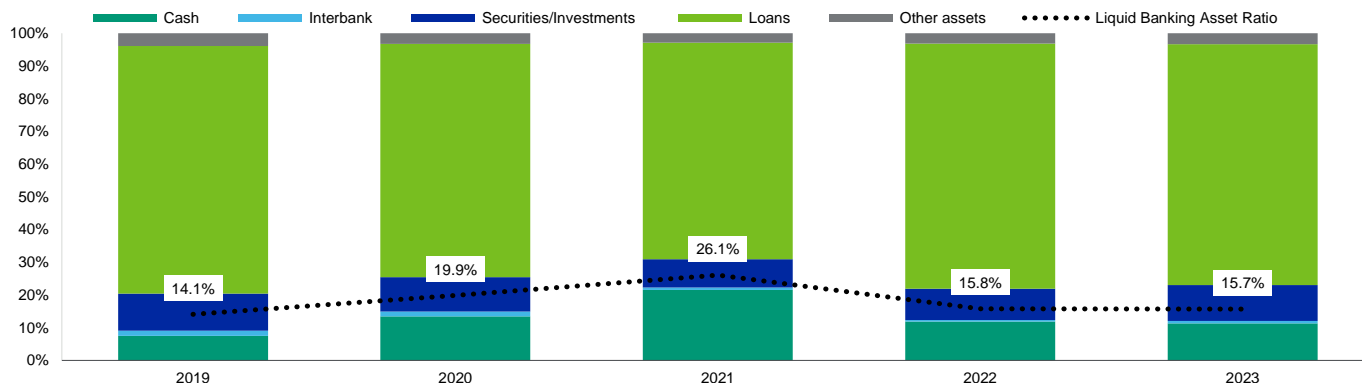
The Verbund's liquidity is adequate to cover short-term liquidity needs, as reflected by liquid resources of around €4.8 billion, or around 16% of Tangible Banking Assets (TBAs), the bulk of which is cash while government bond holdings are rather minor (3% of TBAs). As of the same date, the Verbund's liquidity coverage ratio was 193%, up from 165% in 2022, driven by the large debt issuances during 2023, more than compensating any effect from the partial repayment of TLTRO funding initially placed at the ECB.

In addition to the bank's liquid balance sheet assets, the group possesses ample buffer of mortgage claims that qualify as collateral for [Volksbank Wien AG - Mortgage Covered Bonds](#) (Aaa). Those claims could, in case of need, be used to increase the volume of covered bonds, which could then be posted at the central bank to generate additional cash, given the current level of over-collateralisation in the programme of more than 60%.

Exhibit 7

Asset structure of the Verbund

In percentage of total assets (liquid banking assets as a percentage of tangible banking assets)



Sources: Company and Moody's Ratings

Strong capitalisation provides substantial buffer against adverse market developments

We assign a Capital score of a1, two notches below the initial score. While acknowledging the Verbund's strong capitalisation as a result of strong earnings retention and a very prudent dividend policy, our assessment also takes into consideration certain regulatory deductions related to the Verbund's participations (legacy cross-shareholdings) and back-stop provisions.

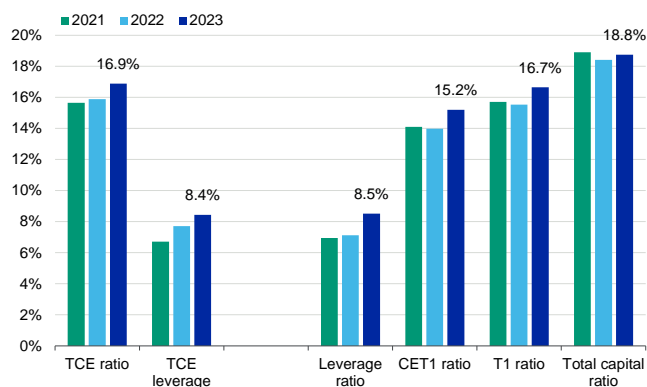
These regulatory deductions from the Verbund's regulatory core capital explain its lower Common Equity Tier 1 (CET1) capital ratio of 15.3% as of year-end 2023, compared to our adjusted TCE ratio of 16.9%.

In absolute terms, the bank's CET1 capital increased to €2.3 billion as of 2023 from €2.0 billion in 2022. The Verbund calculates its RWA conservatively across all lending portfolios under the standardised approach. Looking ahead, we expect some mild decline in the group's CET1 ratio in 2024 due to rating migrations and prospectively also because of its growth aspirations, but a further strengthening thereafter following its strong earnings retention.

The Verbund's total capital ratio of 18.9% as of December 2023, complemented by Tier 2 instruments, is comfortably above the regulatory requirement of 14.29% including the Pillar 2 requirement.

Exhibit 8

The Verbund's regulatory capitalisation is strong Fully loaded capital ratios



TCE = Tangible common equity (our calculation); CET1 = Common Equity Tier 1 capital; T1 = Tier 1 capital; all transitional.

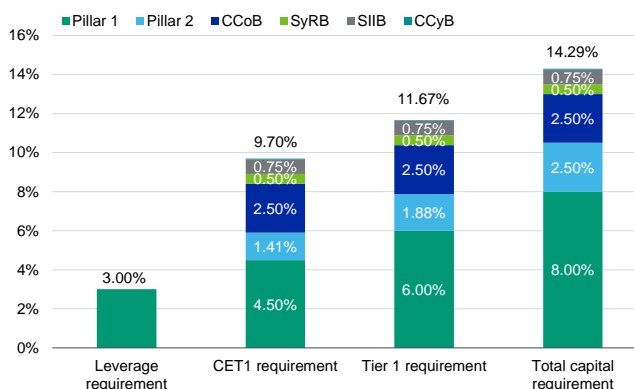
Our TCE is a balance-sheet equity measure without regulatory deductions.

Sources: Company and Moody's Ratings

Exhibit 9

VBW has adequate capital buffers over regulatory capital requirements

The Verbund's regulatory capital requirements as of December 2023



CCoB = capital conservation buffer; SyRB = systemic risk buffer; SIB = systemically important institutions buffer; CCyB = Countercyclical Buffer

Source: Company and Moody's Ratings

Profitability will be strained by higher cost of risk and sluggish growth

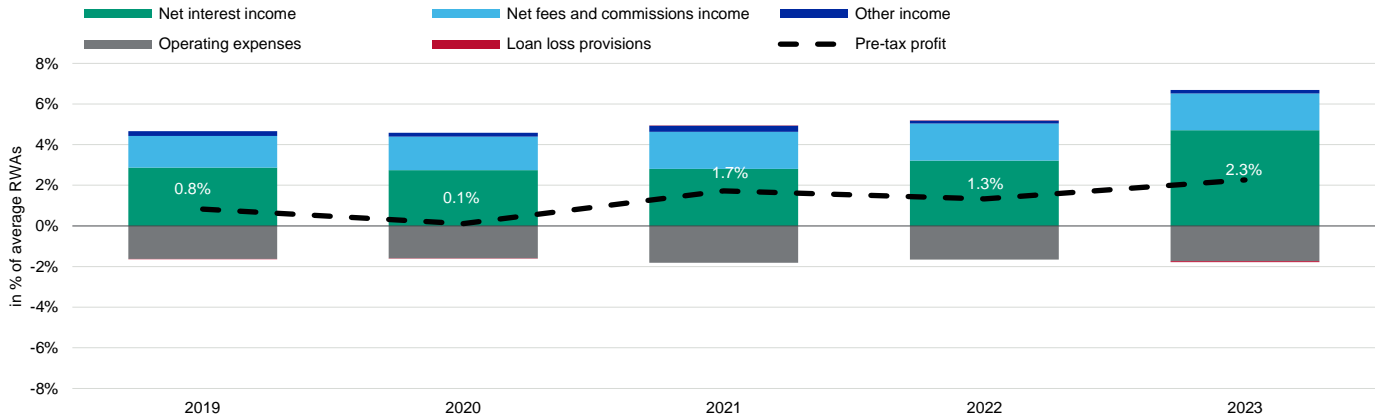
The assigned Profitability score for VBW is baa3, one notch below the initial score, reflecting our expectation of rising loan loss provisions and a drop in net interest income over the next 12 to 18 months.

The Verbund's interim net profit for H1 2024 was €72.4 million, less than half of last year's exceptional result. This was largely owing to significantly higher cost of risk of €84 million, up from only €4 million during the same period last year, and representing around 31 basis points of gross loans. We expect this more normalized level of loan loss provisions to persist into the second half of the year and potentially beyond. Overall revenues remained virtually stable during the first half of 2024, with the Verbund's earnings benefitting from generally good diversification, with about 30% of revenues generated from fee and commission income.

VBW's profitability improved following its 2018 efficiency program, which helped cut its cost-to-income ratio from over 85% to 58% in 2023, enhancing its economic resilience.

Exhibit 10

VBW's profitability will soften, albeit from a higher base achieved after years of extensive restructuring
Data in % of average RWAs



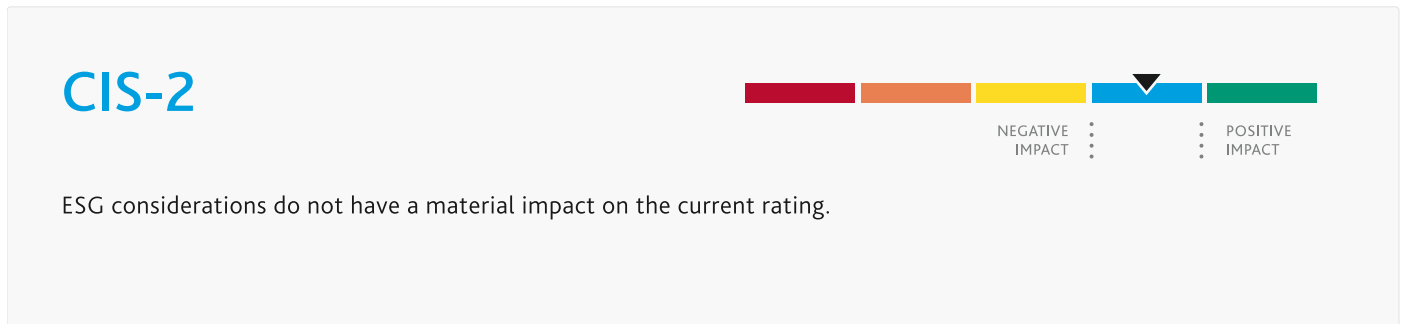
Sources: Company and Moody's Ratings

ESG considerations

Volksbank Wien AG's ESG credit impact score is CIS-2

Exhibit 11

ESG credit impact score

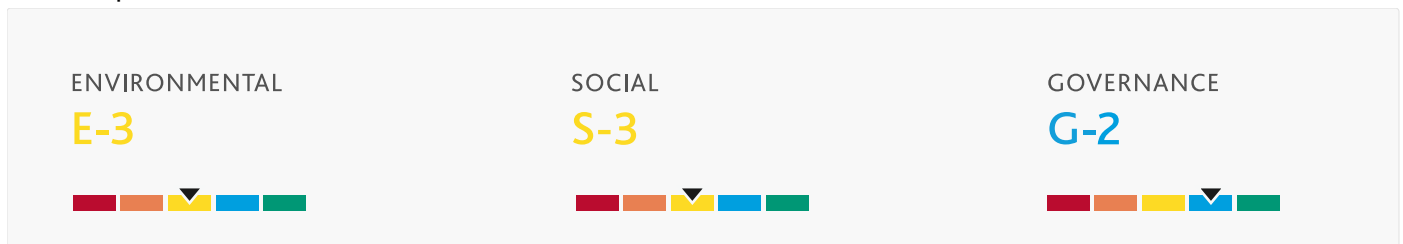


Source: Moody's Ratings

Volksbank Wien AG's (VBW) **CIS-2** reflects that ESG considerations do not have a material impact on the ratings to date.

Exhibit 12

ESG issuer profile scores



Source: Moody's Ratings

Environmental

VBW faces moderate environmental risks primarily because of its portfolio exposure to carbon transition risk as a wholesale bank in Austria. In line with its peers, VBW is facing mounting business risks and stakeholder pressure to meet broader carbon transition goals.

In response, VBW is actively engaging in further developing its comprehensive risk management and climate risk reporting frameworks and tries to align its business with the transition to a low-carbon economy.

Social

VBW faces moderate social risks mainly related to customer relation risks, to demographic and societal trends. The bank's developed policies and procedures mitigate conduct risk associated with the distribution of financial products such as regulatory and reputational risks, as well as exposure to litigation. The bank is required to meet high compliance standards. High cyber and personal data risks are mitigated by technology solutions and organizational measures to prevent data breaches.

Governance

VBW's governance risks are low, reflecting the continuous improvement in its asset quality, which has been accompanied by strengthening capitalisation. VBW's ownership structure as a mutualist (cooperative banking sector) result in a very specific governance set-up, but this does not result in incremental governance risks because of Austria's developed institutional framework.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click [here](#) to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

Support and structural considerations

Loss Given Failure (LGF) analysis

The Verbund is a conglomerate of eight regional Volksbanken and one specialised financial institution in Austria. The Verbund is a banking group in the context of the European Capital Requirements Regulation and, therefore, is regulated as a group. All of its affiliated institutions, apart from the central institution, VBW, are exempt from certain regulations. Consequently, the EU's Bank Recovery and Resolution Directive, which is an operational resolution regime (ORR), applies to the Verbund, but not to its member entities individually.

We apply our LGF analysis on the basis of the Verbund's consolidated liabilities, taking into account the risks faced by the different debt and deposit classes across the liability structure at failure. We assume a residual TCE of 3% and post-failure losses of 8% of tangible banking assets, a 25% runoff in junior wholesale deposits and a 5% runoff in preferred deposits. These are in line with our standard assumptions. Because of the Verbund's clear focus on retail banking, we expect only a small percentage (10%) of VBW's deposits to be considered junior (or institutional) deposits.

- » For VBW's deposits, our LGF analysis indicates a very low loss given failure, leading to a two-notch uplift above the bank's baa1 Adjusted BCA.
- » For VBW's senior unsecured debt, our LGF analysis indicates a very low loss given failure, leading to a two-notch uplift above the bank's baa1 Adjusted BCA.
- » For VBW's junior senior unsecured debt, our LGF analysis indicates a moderate loss given failure. Therefore, the rating is on par with the bank's baa1 Adjusted BCA.
- » For VBW's subordinated debt, our LGF analysis indicates a high loss given failure. Therefore, the rating is one notch below the bank's baa1 Adjusted BCA.

Government support considerations

The introduction of the BRRD has demonstrated a reduction in the willingness of EU governments to bail out banks, because it severely restricts the conditions under which authorities can use public money to fund a bank recapitalisation. We expect most failing banks to be resolved without governments providing financial support. This approach to support will be broadly consistent throughout the EU, as the BRRD provides little room for national discretion.

As a result, VBW's ratings do not benefit from government support uplift because of its small size in the context of the Austrian banking system.

Methodology and scorecard

Methodology

The principal methodology used in rating VBW is our [Banks Methodology](#), published in March 2024.

About Moody's Bank Scorecard

Our scorecard is designed to capture, express and explain in summary form our Rating Committee's judgement. When read in conjunction with our research, a fulsome presentation of our judgement is expressed. As a result, the output of our scorecard may materially differ from that suggested by raw data alone (though it has been calibrated to avoid the frequent need for strong divergence). The scorecard output and the individual scores are discussed in rating committees and may be adjusted up or down to reflect conditions specific to each rated entity.

Rating methodology and scorecard factors

Exhibit 13

Rating Factors

MACRO FACTORS										
WEIGHTED MACRO PROFILE		STRONG +		100%						
FACTOR	HISTORIC RATIO	INITIAL SCORE	EXPECTED TREND	ASSIGNED SCORE	KEY DRIVER #1	KEY DRIVER #2				
Solvency										
Asset Risk										
Problem Loans / Gross Loans	2.8%	a2	↓↓	baa3	Sector concentration	Expected trend				
Capital										
Tangible Common Equity / Risk Weighted Assets (Basel III - fully loaded)	16.9%	aa2	↔	a1	Stress capital resilience	Capital retention				
Profitability										
Net Income / Tangible Assets	0.7%	baa2	↓	baa3	Return on assets	Expected trend				
Combined Solvency Score		a2		baa1						
Liquidity										
Funding Structure										
Market Funds / Tangible Banking Assets	11.1%	a2	↔	a2	Deposit quality	Expected trend				
Liquid Resources										
Liquid Banking Assets / Tangible Banking Assets	15.7%	baa2	↔	baa2	Quality of liquid assets	Additional liquidity resources				
Combined Liquidity Score		a3		a3						
Financial Profile										
Qualitative Adjustments				Adjustment						
Business Diversification				0						
Opacity and Complexity				0						
Corporate Behavior				0						
Total Qualitative Adjustments				0						
Sovereign or Affiliate constraint				Aa1						
BCA Scorecard-indicated Outcome - Range				a3 - baa2						
Assigned BCA				baa1						
Affiliate Support notching				0						
Adjusted BCA				baa1						
BALANCE SHEET		IN-SCOPE (EUR MILLION)		% IN-SCOPE		AT-FAILURE (EUR MILLION)		% AT-FAILURE		
Other liabilities		4,830		16.2%		6,383		21.4%		
Deposits		22,180		74.2%		20,627		69.0%		
Preferred deposits		19,962		66.8%		18,964		63.5%		
Junior deposits		2,218		7.4%		1,663		5.6%		
Senior unsecured bank debt		807		2.7%		807		2.7%		
Junior senior unsecured bank debt		500		1.7%		500		1.7%		
Dated subordinated bank debt		445		1.5%		445		1.5%		
Junior subordinated bank debt		2		0.0%		2		0.0%		
Preference shares (bank)		220		0.7%		220		0.7%		
Equity		896		3.0%		896		3.0%		
Total Tangible Banking Assets		29,881		100.0%		29,881		100.0%		
DEBT CLASS	DE JURE WATERFALL INSTRUMENT VOLUME	DE FACTO WATERFALL INSTRUMENT VOLUME	DE JURE WATERFALL INSTRUMENT SUBORDINATION	DE FACTO WATERFALL INSTRUMENT SUBORDINATION	NOTCHING DE JURE	NOTCHING DE FACTO	LGF NOTCHING VS. ADJUSTED BCA	ASSIGNED LGF NOTCHING	ADDITIONAL LGF NOTCHING	PRELIMINARY RATING ASSESSMENT
Counterparty Risk Rating	15.2%	15.2%	15.2%	15.2%	3	3	3	3	0	a1
Counterparty Risk Assessment	15.2%	15.2%	15.2%	15.2%	3	3	3	3	0	a1 (cr)
Deposits	15.2%	6.9%	15.2%	9.6%	2	2	2	2	0	a2
Senior unsecured bank debt	15.2%	6.9%	15.2%	9.6%	2	0	1	2	0	a2
Junior senior unsecured bank debt	6.9%	5.2%	6.9%	5.2%	0	0	0	0	0	baa1

Dated subordinated bank debt	5.2%	3.7%	5.2%	3.7%	-1	-1	-1	-1	0	baa2
INSTRUMENT CLASS	LOSS GIVEN FAILURE NOTCHING	ADDITIONAL NOTCHING	PRELIMINARY RATING ASSESSMENT	GOVERNMENT SUPPORT NOTCHING	LOCAL CURRENCY RATING	FOREIGN CURRENCY RATING				
Counterparty Risk Rating	3	0	a1	0	A1					
Counterparty Risk Assessment	3	0	a1 (cr)	0	A1(cr)					
Deposits	2	0	a2	0	A2	A2				
Senior unsecured bank debt	2	0	a2	0	A2					
Junior senior unsecured bank debt	0	0	baa1	0	Baa1					
Dated subordinated bank debt	-1	0	baa2	0	Baa2					

[1] Where dashes are shown for a particular factor (or sub-factor), the score is based on non-public information.

Source: Moody's Ratings

Ratings

Exhibit 14

Category	Moody's Rating
VOLKSBANK WIEN AG	
Outlook	Stable
Counterparty Risk Rating -Dom Curr	A1/P-1
Bank Deposits	A2/P-1
Baseline Credit Assessment	baa1
Adjusted Baseline Credit Assessment	baa1
Counterparty Risk Assessment	A1(cr)/P-1(cr)
Senior Unsecured -Dom Curr	A2
Junior Senior Unsecured -Dom Curr	Baa1
Subordinate -Dom Curr	Baa2

Source: Moody's Ratings

Endnotes

[1](#) According to the IFRS9 definitions

© 2024 Moody's Corporation, Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their licensors and affiliates (collectively, "MOODY'S"). All rights reserved. CREDIT RATINGS ISSUED BY MOODY'S CREDIT RATINGS AFFILIATES ARE THEIR CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MATERIALS, PRODUCTS, SERVICES AND INFORMATION PUBLISHED OR OTHERWISE MADE AVAILABLE BY MOODY'S (COLLECTIVELY, "MATERIALS") MAY INCLUDE SUCH CURRENT OPINIONS. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE APPLICABLE MOODY'S RATING SYMBOLS AND DEFINITIONS PUBLICATION FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY MOODY'S CREDIT RATINGS. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS ("ASSESSMENTS"), AND OTHER OPINIONS INCLUDED IN MOODY'S MATERIALS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S MATERIALS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. AND/OR ITS AFFILIATES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES OR OTHERWISE MAKES AVAILABLE ITS MATERIALS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND MATERIALS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS OR MATERIALS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT. FOR CLARITY, NO INFORMATION CONTAINED HEREIN MAY BE USED TO DEVELOP, IMPROVE, TRAIN OR RETRAIN ANY SOFTWARE PROGRAM OR DATABASE, INCLUDING, BUT NOT LIMITED TO, FOR ANY ARTIFICIAL INTELLIGENCE, MACHINE LEARNING OR NATURAL LANGUAGE PROCESSING SOFTWARE, ALGORITHM, METHODOLOGY AND/OR MODEL.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.

All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the credit rating process or in preparing its Materials.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by MOODY'S.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.

NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.

Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any credit rating, agreed to pay to Moody's Investors Service, Inc. for credit ratings opinions and services rendered by it. MCO and Moody's Investors Service also maintain policies and procedures to address the independence of Moody's Investors Service credit ratings and credit rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold credit ratings from Moody's Investors Service, Inc. and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at www.moody's.com under the heading "Investor Relations — Corporate Governance — Charter Documents - Director and Shareholder Affiliation Policy."

Moody's SF Japan K.K., Moody's Local AR Agente de Calificación de Riesgo S.A., Moody's Local BR Agência de Classificação de Risco LTDA, Moody's Local MX S.A. de C.V., I.C.V., Moody's Local PE Clasificadora de Riesgo S.A., and Moody's Local PA Clasificadora de Riesgo S.A. (collectively, the "Moody's Non-NRSRO CRAs") are all indirectly wholly-owned credit rating agency subsidiaries of MCO. None of the Moody's Non-NRSRO CRAs is a Nationally Recognized Statistical Rating Organization.

Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.

Additional terms for India only: Moody's credit ratings, Assessments, other opinions and Materials are not intended to be and shall not be relied upon or used by any users located in India in relation to securities listed or proposed to be listed on Indian stock exchanges.

Additional terms with respect to Second Party Opinions (as defined in Moody's Investors Service Rating Symbols and Definitions): Please note that a Second Party Opinion ("SPO") is not a "credit rating". The issuance of SPOs is not a regulated activity in many jurisdictions, including Singapore. JAPAN: In Japan, development and provision of SPOs fall under the category of "Ancillary Businesses", not "Credit Rating Business", and are not subject to the regulations applicable to "Credit Rating Business" under the Financial Instruments and Exchange Act of Japan and its relevant regulation. PRC: Any SPO: (1) does not constitute a PRC Green Bond Assessment as defined under any relevant PRC laws or regulations; (2) cannot be included in any registration statement, offering circular, prospectus or any other documents submitted to the PRC regulatory authorities or otherwise used to satisfy any PRC regulatory disclosure requirement; and (3) cannot be used within the PRC for any regulatory purpose or for any other purpose which is not permitted under relevant PRC laws or regulations. For the purposes of this disclaimer, "PRC" refers to the mainland of the People's Republic of China, excluding Hong Kong, Macau and Taiwan.

CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454