

# VBW and AoV – Investor presentation

December 2025



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# Overview Association and Volksbank Wien

# Overview Association and VBW



<b>Association of Volksbanks</b>	<p>The Association of Volksbanks (AoV) consists of nine institutions, eight regional Volksbanks and one specialised bank (Österreichische Ärzte- und Apothekerbank AG). Central organisation (CO) of the Association is Volksbank Wien (VBW)</p>
<b>Association</b> Assets and capital	<p>Total assets: <b>EUR 32.6 bn</b> Risk-weighted assets: <b>EUR 16.0 bn</b> CET1 ratio: <b>15.2%</b> The regulatory minimum requirement (CET1 capital requirement of 11.4% as of 12/2025) is exceeded by 3.8%-pts</p>
<b>Volksbank Wien</b> Assets and capital	<p>Total assets: <b>EUR 16.0 bn</b> Risk-weighted assets: <b>EUR 4.9 bn</b> CET1 ratio: <b>17.4%</b></p>

# AoV and VBW: ratings



<b>Moody's<sup>1)</sup></b> (Volksbank Wien)	Long term deposit rating: Baseline credit assessment (BCA): Covered bond rating: Outlook:	<b>A2</b> <b>baa1</b> <b>Aaa</b> <b>Negative</b>
<b>Fitch Ratings<sup>2)</sup></b> (Association, Volksbanks)	Long term issuer default rating (IDR): Viability rating: Outlook:	<b>BBB+</b> <b>bbb+</b> <b>Negative</b>
<b>Sustainalytics<sup>3)</sup></b> (Volksbank Wien)	ESG risk rating score: ESG risk rating category:	<b>13.9</b> <b>Low ESG risk</b>

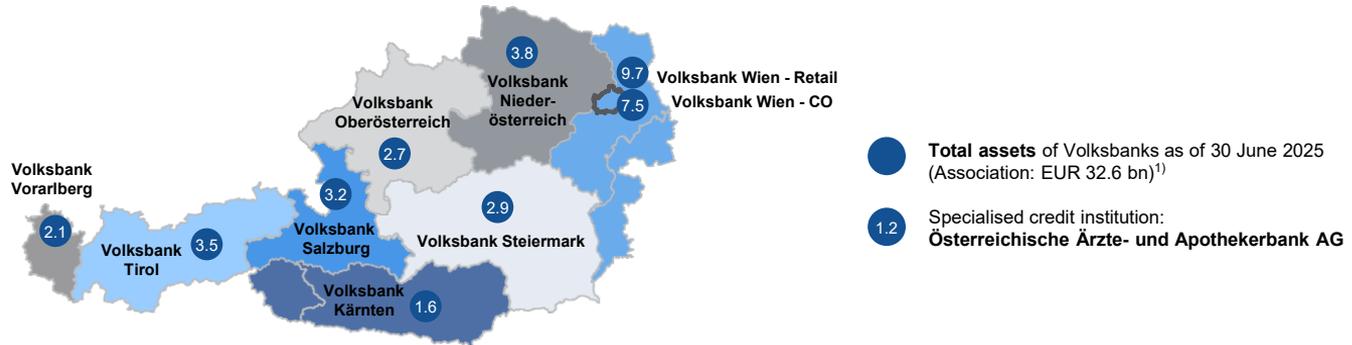
1) 20 March 2025: Moody's affirmed VBW's long-term deposit rating and senior unsecured debt rating at A2, and at the same time changed the outlook from stable to negative

2) 21 May 2025: IDR rating affirmed at BBB+, outlook changed from stable to negative | 3) ESG score updated as of 30 July 2025

# Regionally diversified business in Austria



- The Association of Volksbanks places its strategic focus on regional business in Austria and on organic growth, the business model is centred on the **Austrian market** and on the business areas of **private customers, SMEs and real estate**
- The Association benefits from its strong regional roots, the personal contact with customers of its ca. 1,800 sales employees, and from an Austria-wide branch network. Approximately **958 thousand customers are served via 231 branches**. Volksbank Wien currently has **54 branches and ca. 297 thousand customers**
- In response to changing customer expectations and customer needs, the **Association's focus is on systematically and continuously expanding the digital channel**. Supplementing the branch structure, the digital channel serves as communication platform, but also as sales channel for simple, low-threshold banking products. Pillars of our digital channel are the Volksbanks' websites and our banking app, both of which will play a key role in attracting new customers in future
- The Volksbanks operate almost exclusively in Austria; the share of financing abroad is limited to a maximum of 5%. At the end of H1 2025, **ca. 96% of the AoV's total loans and receivables from customers were in Austria**. The ca. 4% of financing abroad is in neighbouring countries, mainly Germany. The Association has no participations abroad
- **VBW is the largest of the regional Volksbanks** by balance sheet size and at the same time acts as **central organisation** of the Association of Volksbanks. Owners of Volksbank Wien are member banks of the Association and holding cooperatives
- The **high degree of economic and prudential integration** allows the central organisation and the regional banks to be treated as one bank for regulatory purposes



1) Consolidation effects are excluded in the graph above leading to an overstatement of total assets shown, Association's and VBW's consolidated total assets as of 06/2025: EUR 32.6 bn and EUR 16.0 bn respectively

# AoV: key aspects of governance



- The Association of Volksbanks and the individual members of the Association are subject to **direct supervision by the ECB**
- The Association is organised according to **Article 10 CRR** and **Section 30a BWG** (Austrian Banking Act). The **Association Agreement, Cooperation Agreement, Trust Agreement and Agreement on the Division of Association Costs** define the member banks' rights and obligations
- Originally a network of cooperative banks, the Volksbanks chose a legal structure with the **highest degree of integration possible** as described in Article 10, CRR. Therefore the Association is characterised by a **high level of cohesion**. The management and steering of the Association of Volksbanks is highly integrated
- A number of **regulatory requirements** (i.e. capital and liquidity requirements) have to be met on the Association level and by the central organisation only, the other members of the Association are exempt

## Centralised processes, streamlined governance

- **Governance strengthened through a clear distribution of tasks within the Association:** the central organisation is responsible for all steering and control tasks, regulatory matters and back-office functions, while the regional Volksbanks focus on sales and customer service
- **Centralisation of steering and control functions:** accounting and financial reporting, regulatory reporting, controlling and planning, internal audit, legal, compliance (including tax compliance), treasury, risk controlling, organisation & IT, etc. have been centralised and are carried out by VBW for all Association member banks
- **Bundling of back office and service functions** in VBW's subsidiaries *VB Services für Banken* (customer service centre and market service centre, loan processing, payment transactions, etc.) and *VB Infrastruktur und Immobilien* (facility management, banking logistics)
- **Standardisation of organisational structure:** a standardised organisational chart has been successfully implemented in all Volksbanks, the organisational structures of all Association member banks are now identical
- **A uniform data architecture** has been implemented in all Volksbanks
- **Business is focused on all regions of Austria** (no participations abroad)

## Joint liability & liquidity scheme

Volksbank Wien and the regional Volksbanks have established a **joint liability & liquidity scheme**. They are mutually obliged to jointly support a member institution should difficulties arise. Liabilities and contributions are unlimited. The Volksbanks have to hold their liquidity at the central organisation which is responsible for the Association's compliance with regulatory liquidity requirements

## Right to issue directives

The central organisation is authorised to issue **general or individual directives** to the Volksbanks. General directives are aimed at all Volksbanks while individual directives are issued to specific banks



# Results H1 2025

# Results H1 2025 at a glance (1/3)



<b>Strategic continuity</b>	<ul style="list-style-type: none"><li>• Full commitment to organic growth and focus on regional business in Austria</li><li>• Full commitment to and focus on our business model based on providing retail-, SME-, and real estate loans</li><li>• Focus on fee and commission income through providing banking products from strategic business partners (Union Investment, TeamBank, ERGO), therefore no consumer lending risks, foreign risks, or investment risks for the Association</li><li>• Full commitment to and focus on strengthening the CET1 capital base through retained earnings for future growth</li><li>• Further digitalisation of front-office and back-office processes and continued focus on operational efficiency</li></ul>
<b>Economic downturn reflected in loan portfolio</b>	<ul style="list-style-type: none"><li>• Following the recession in 2023 and 2024, economic growth in Austria remained weak in the first half of 2025. Real GDP grew by only 0.1% compared to the previous year. While private consumption was supported by falling inflation rates and stable demand for goods, investment activity and exports were subdued, and net exports repeatedly dampened growth. Industrial production continued to decline, and corporate insolvencies rose. However, business expectations improved in July, indicating the first signs of a potential stabilisation</li><li>• On the Austrian residential real estate market, the downward trend in prices that began at the end of 2022 has slowed noticeably, but there is still a sustained reluctance to invest, and the commercial real estate market remains under pressure. High financing costs, stricter lending standards and limited affordability weighed heavily on the real estate market, although recently, a slight easing of construction costs and an increase in lending and in the demand for private real estate financing was visible</li><li>• The prolonged recession in Austria, and in particular the disruption on the real estate market, affected the Association's loan portfolio and led to an increase in the NPL ratio in 2024. In the first half of 2025 the NPL ratio stabilised at 5.2% (12/2024: 5.1%). An Association-wide NPL reduction strategy has been developed and is being implemented</li><li>• Accordingly, risk provisions were raised considerably in 2024 (12/2024 EUR 221 mn), as of 30 June 2025 risk provisions stood at EUR 67 mn, representing a decrease of EUR 17 mn on last year's comparable period (06/2024: EUR 84 mn). In the first half of 2025, net allocations for individual loan loss provisions of EUR 32 mn and portfolio loan loss provisions in an amount of EUR 34 mn were made</li></ul>
<b>Capital ratios above requirements</b>	<ul style="list-style-type: none"><li>• As result of the challenging economic environment and higher capital requirements due to CRR3 (Basel IV), capital ratios declined slightly in the first half year, but remain at a comfortable level, well above regulatory requirements. As of 30 June 2025 the Association showed a CET1 ratio of 15.2% (12/2024: 15.5%) and an equity ratio of 22.3% (12/2024: 22.9%)</li></ul>

# Results H1 2025 at a glance (2/3)



## Growth of customer base

- A strong retail customer base presents a strategic advantage and forms the basis for further growth, which is one of the main targets of the Association
- In H1 2025, amounts owed to customers plus retail bonds issued to the Association's customers increased by ca.1% to EUR 24.3 bn (12/2024: EUR 24.0 bn), yoy growth was ca. 4% (06/2024: EUR 23.3 bn)
- The Association's net loans and receivables from customers grew by EUR 191 mn or ca. 1% in in the first half of 2025 to EUR 23.4 bn (12/2024: 23.2 bn), yoy growth of customer loans was ca. 2% (06/2024: EUR 22.9 bn); the growth of loans in H1 2025 is mainly attributable to the private customer segment

## Development of savings deposits and other deposits & retail bonds issued<sup>1)</sup>

### Volksbank Wien (EUR bn)



### Association of Volksbanks (EUR bn)



- The distinct shift from non-term giro and savings deposits to products carrying higher interest rates (primarily term deposits and online savings) has continued in H1 2025
- Primary funds increased further at the primary banks<sup>2)</sup> in the first half year (+EUR 85 mn), primary bank's net sale of own retail bonds was EUR 234 mn in H1 2025
- The average interest rate on primary funds stood at 1.28% at the end of H1 2025, and the deposit beta<sup>3)</sup> was 48%

1) Amounts owed to customers plus total amount of retail bonds outstanding as of the respective reporting date | 2) Primary banks: regional Volksbanks (incl. VBW Retail, excl. VBW CO) and Ärzte- und Apothekerbank  
 3) Average interest rate in relation to 3-months Euribor

# Results H1 2025 at a glance (3/3)

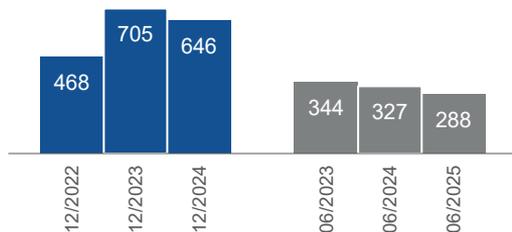


<b>Solid operating result in H1 2025</b>	<ul style="list-style-type: none"><li>• As result of further key interest rate cuts by the ECB, net interest income remained below last year's result and stood at EUR 288 mn at the end of H1 2025 (06/2024: EUR 327 mn). Adjustments to interest rates for variable-rate customer loans and lower income from deposits with the central bank were only partially offset by lower interest expenses for customer deposits. The joy decline of net interest income also reflects the issuance of T2 bonds to replace AT1 capital in 2024 (AT1 coupon was paid as dividend, while T2 coupons are included in interest expenses)</li><li>• After continuous growth in previous years, net fee and commission income further increased by 4.6% in the period under review. As of 30 June 2025 the Association's net fee and commission income reached EUR 147 mn (06/2024: EUR 140 mn), in particular income from the securities business developed positively</li><li>• In total, the Association reached a good operating result of EUR 143 mn in the first half of 2025. Mainly due to lower interest income and higher general administrative expenses, however, it remained below last year's operating result (06/2024: EUR 164 mn)</li></ul>
<b>Costs driven by inflation and IT expenses</b>	<ul style="list-style-type: none"><li>• General administrative expenses went up to EUR 297 mn in the first half year (06/2024: EUR 284 mn), driven by – in addition to inflation-related increases – rising investments in digitalisation and process optimisation (operating expenses +EUR 7 mn), and by increased collective labour agreements and a slightly higher number of employees as basis for the intensification of sales efforts (personnel expenses +EUR 7 mn)</li><li>• These effects are reflected in the Association's CIR, which increased to 68.6% in the period under review, after 63.7% in the first half year 2024</li></ul>
<b>Yoy growth of result after taxes</b>	<ul style="list-style-type: none"><li>• While at EUR 78 mn the Association's profit before taxes remained slightly below last year's result (06/2024: EUR 81 mn), profit after taxes for H1 2025 increased yoy due to tax effects. The Association's profit after tax was EUR 84 mn as of 30 June 2025 (06/2024: EUR 72 mn)</li></ul>
<b>Outlook</b>	<ul style="list-style-type: none"><li>• While falling short-term interest rates and higher capital requirements due to Basel IV continue to require ongoing streamlining of the cost structure and increased productivity, the risk situation is expected to ease. Forecasts predict that the economy will at least return to moderate growth, one indicator being the renewed interest in the real estate market</li></ul>

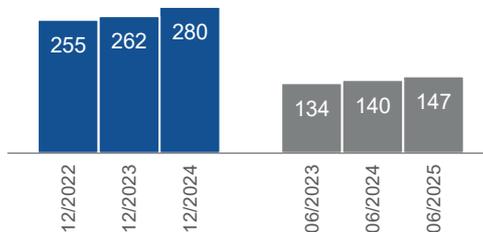
# AoV: KPIs 12/2022 – 06/2025 (1/2)



Net interest income  
(EUR mn)



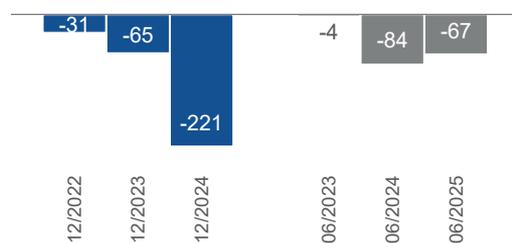
Net fee and commission income  
(EUR mn)



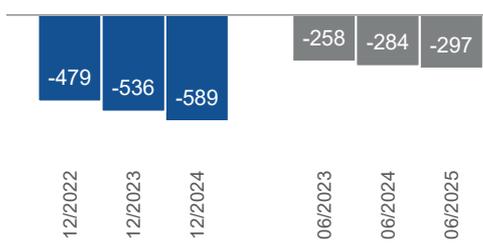
Fee & commission income: distribution<sup>1)</sup>  
(EUR mn)



Risk provisions  
(EUR mn)



General administrative expenses  
(EUR mn)



General admin. expenses: distribution  
(EUR mn)



1) "Other" mainly includes commissions from the sale of TeamBank loans, not shown in graph above: fee and commission expenses

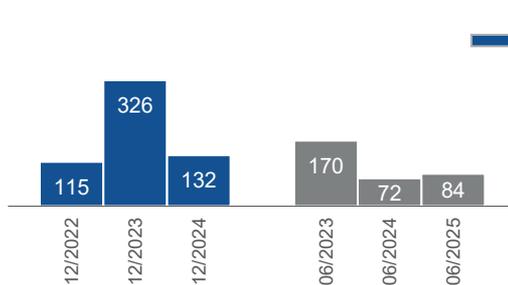
# AoV: KPIs 12/2022 – 06/2025 (2/2)



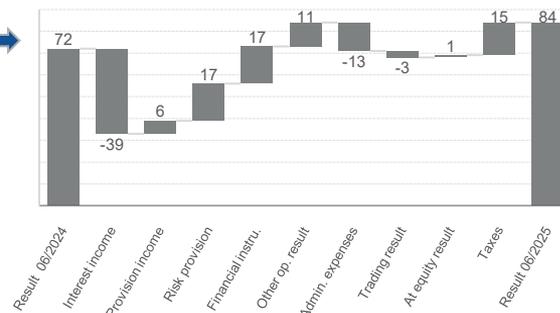
**Operating result<sup>1)</sup>**  
(EUR mn)



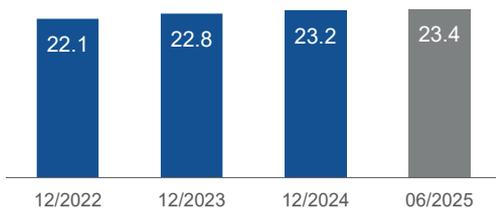
**Result after taxes**  
(EUR mn)



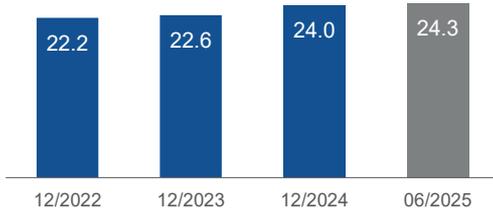
**Yoy change result after taxes**  
(EUR mn)



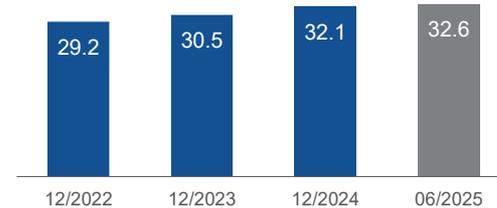
**Loans & receivables from customers<sup>2)</sup>**  
(EUR bn)



**Amounts owed to customers & retail bonds issued<sup>3)</sup>**  
(EUR bn)



**Total assets**  
(EUR bn)

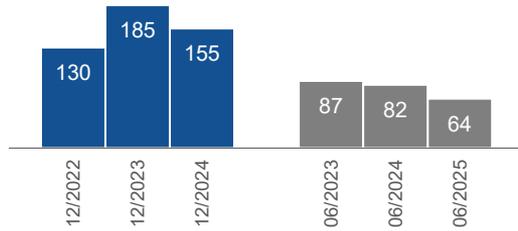


1) Operating result as of 12/2022 adjusted for payment on government participation right in H2 2022 in an amount of EUR 83 mn | 2) Breakdown fixed/floating rate loans (including swaps): as of 06/2025: 49% fixed rate loans, 51% floating rate loans (12/2024: 47% fixed rate loans, 53% floating rate loans) | 3) Amounts owed to customers plus total amount of retail bonds outstanding as of the respective reporting date

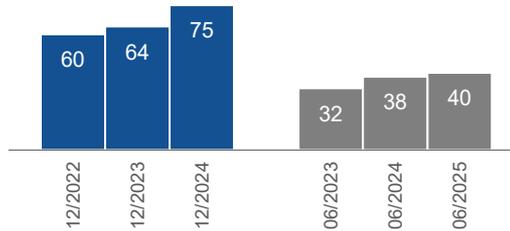
# VBW: KPIs 12/2022 – 06/2025 (1/2)



Net interest income  
(EUR mn)



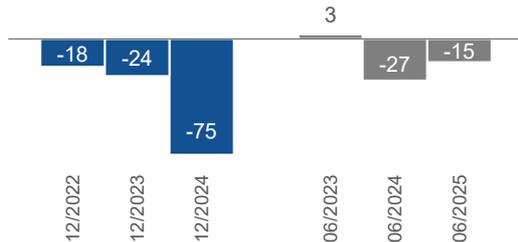
Net fee and commission income  
(EUR mn)



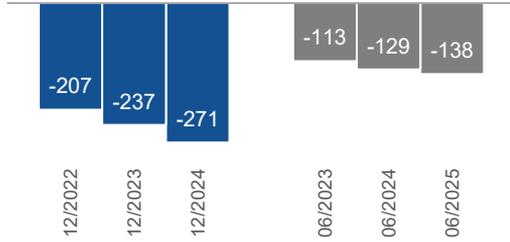
Fee & commission income: distribution<sup>1)</sup>  
(EUR mn)



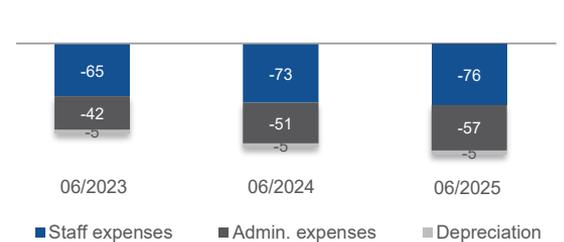
Risk provisions  
(EUR mn)



General administrative expenses  
(EUR mn)



General admin. expenses: distribution  
(EUR mn)

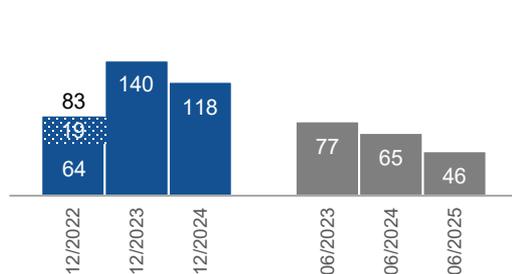


1) "Other" mainly includes commissions from the sale of TeamBank loans, not shown in graph above: fee and commission expenses

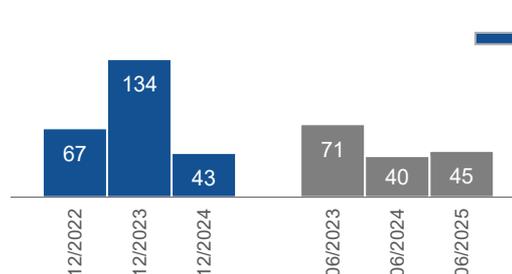
# VBW: KPIs 12/2022 – 06/2025 (2/2)



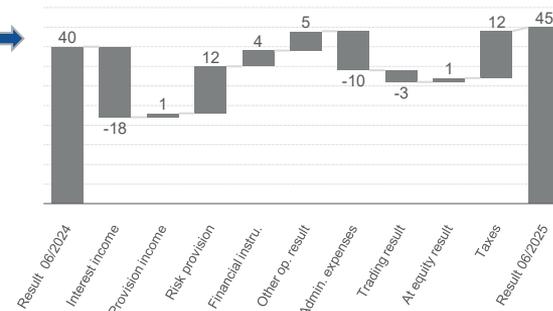
**Operating result<sup>1)</sup>**  
(EUR mn)



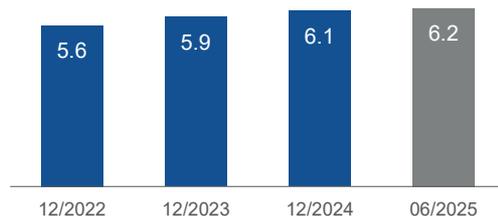
**Result after taxes**  
(EUR mn)



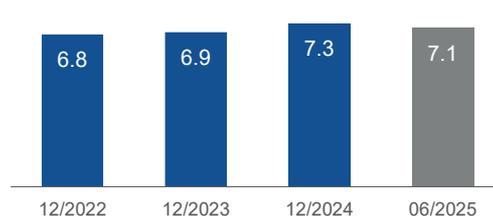
**Yoy change result after taxes**  
(EUR mn)



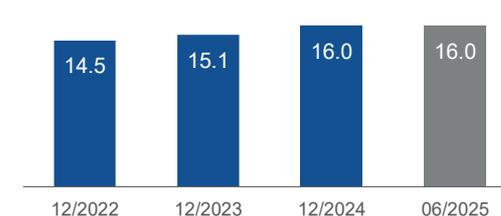
**Loans & receivables from customers<sup>2)</sup>**  
(EUR bn)



**Amounts owed to customers & retail bonds issued<sup>3)</sup>**  
(EUR bn)



**Total assets**  
(EUR bn)



1) Operating result as of 12/2022 adjusted for payment on government participation right in H2 2022 in an amount of EUR 19 mn | 2) Breakdown fixed/floating rate loans (including swaps): as of 06/2025: 52% fixed rate loans, 48% floating rate loans (12/2024: 43% fixed rate loans, 57% floating rate loans) | 3) Amounts owed to customers plus total amount of retail bonds outstanding as of the respective reporting date

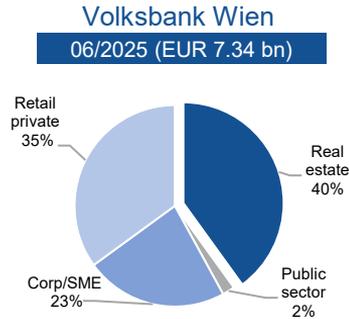


# Asset quality and risk provisions

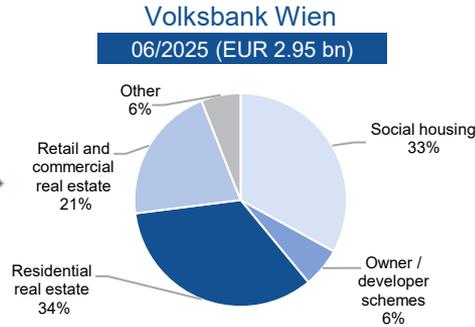
# Stable customer business in Austria



## Loans & receivables: distribution by risk segments<sup>1)</sup>

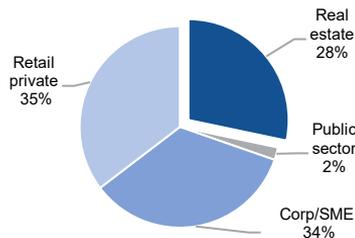


## Distribution of RE exposure<sup>1)</sup>



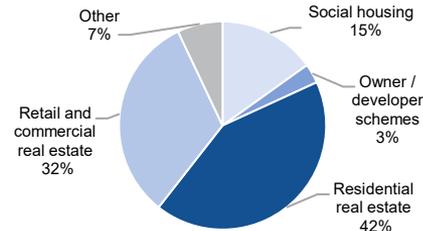
## Association of Volksbanks

06/2025 (EUR 27.75 bn)



## Association of Volksbanks

06/2025 (EUR 7.80 bn)



## Regional focus on Austria

The vast majority of loans and receivables is located in Austria, as of 06/2025:

- **Association:** 96.1% of total loans and receivables
- **Volkbank Wien:** 98.4% of total loans and receivables

## High level of collateralisation

### Segment Real Estate

Collateralisation ratios as of 06/2025:

- **Association:** 86.9%
- **Volkbank Wien:** 87.6%

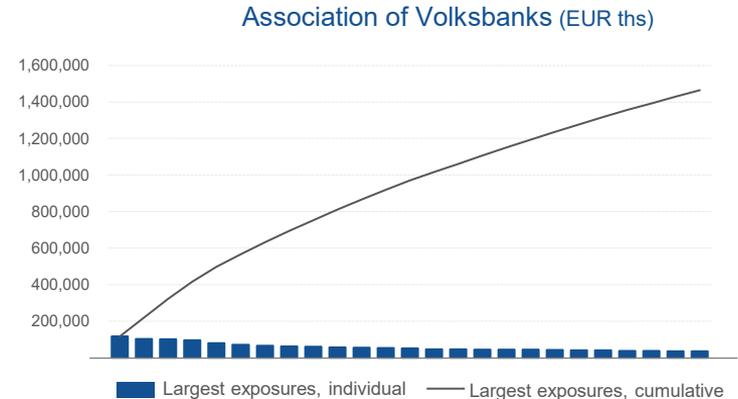
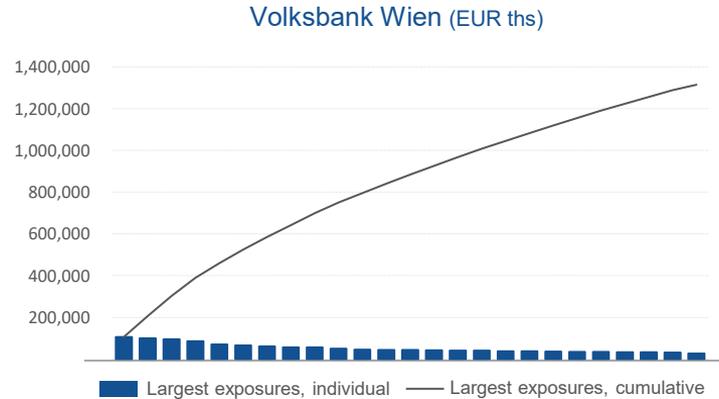
### Subsegment Residential RE

Collateralisation ratios as of 06/2025:

- **Association:** 93.5%
- **Volkbank Wien:** 95.8%

<sup>1)</sup> Loans and receivables based on risk view (total loans extended)

## 25 largest customer exposures<sup>1)</sup>



Both Volksbank Wien and the Association have granular credit portfolios with no significant large single credit positions, reflecting the focus on small-volume retail and SME business, as of 06/2025:

- The **top 25 exposures** represent 5.3% of the Association's and 17.9% of Volksbank Wien's total loans and receivables from customers
- At Volksbank Wien, the share of non-profit social housing cooperatives in the top 25 exposures amounts to 53%
- The **largest single customer exposure** accounts for 0.4% of the Association's and for 1.5% of Volksbank Wien's customer loans
- The **top exposure nr. 25** amounts to only EUR 36 mn at the Association and to EUR 27 mn at Volksbank Wien

1) Loans and receivables based on risk view (total loans extended)



The following general market developments can be observed in the three main customer risk segments of the Association of Volksbanks:

## Retail Private:

- The private customers loan portfolio remains stable, default rates are low
- Significant increase in lending in the first half of 2025 – the Association's production of new private residential mortgage loans has more than doubled compared with H1 2024, reaching roughly the same level as before the introduction of KIM-VO<sup>1)</sup>

## Corporate/SME:

- The weak economic development continues, and forecasts for 2025 have been revised downward. The subdued economic environment has a clear impact on companies – currently in particular on the export-oriented industry – which are further burdened by uncertainties (e.g. tariff discussions)
- In the first half year 2025, the number of insolvencies in Austria rose further from an already high level (+6%), the construction, retail and accommodation/gastronomy sectors were particularly affected

## Real Estate:

- Increased demand for private residential mortgage loans has not resulted in a noticeable recovery in the commercial real estate market, but, with a certain delay, is expected to lead to an improvement, presumably from 2026 onwards
- High construction costs are still weighing on the market (completion forecasts for new buildings have been revised downward), and realisation periods (completion and sale of projects) have lengthened, mainly in the Eastern parts of Austria, i.e. in the region of Vienna
- Continued strong rental demand and rise in rental prices

1) KIM-VO: Kreditinstitute-Immobilienfinanzierungsmaßnahmen-Verordnung, KIM regulation sets tighter standards for private mortgage loans in terms of minimum equity and minimum DSTI required

# Effects of economic environment on loan portfolio (2/2)<sup>1)</sup>



- Specific loan portfolios of the Association of Volksbanks are affected to different degrees by the current economic environment
- KRIs in the **Retail Private** risk segment remain at good levels, they are low and stable.
- The **Corporate/SME** segment was stable compared to the previous year, with higher NPL ratios in particular in the accommodation/gastronomy, retail and manufacturing sectors
- **Real Estate** (i.e. commercial real estate financing) is the risk segment showing the most significant impact on asset quality, in particular in the area of real estate developers
- The distortions on the domestic real estate market - triggered by high inflation, rising construction costs, high interest rates and a generally weak economic environment - led to above-average total risk costs and an increase in non-performing loans
- As of 30 June 2025, the Association's total risk costs including PMAs were EUR 67 mn (Volksbank Wien: EUR 15 mn), and the Association's NPL volume increased slightly from EUR 1,362 mn to an amount of EUR 1,443 mn (Volksbank Wien: from EUR 455 mn to EUR 485 mn) in the first half of 2025
- Within the RE risk segment, the sub-portfolios of category B (residential real estate; total exposure of EUR 3.3 bn), category C (retail and commercial real estate; EUR 2.5 bn) and category "other" (holding companies and loans not directly attributable to other categories; EUR 0.5 bn) are affected
- Within these categories, real estate developers (purchase of land or properties, their development or renovation and subsequent profitable sale) are most affected by the above-mentioned distortions (regulatory so-called projects for sale; exposure of EUR 1.3 bn; largest share of category B - residential real estate)
- There are no NPLs in the social housing portfolio (exposure ca. EUR 1.2 bn)

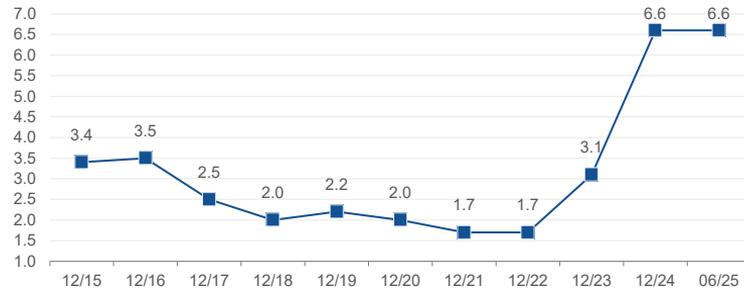
1) Further information on the Association's and Volksbank Wien's loan portfolios and sub-portfolios is provided in a separate presentation, available on Volksbank Wien's website

# NPL: peak reached after sharp increase in 2024, sideways trend in H1 2025

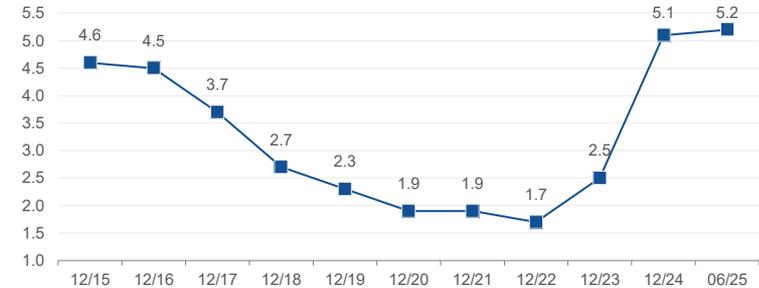


## Development of NPL ratios<sup>1)</sup>

### Volksbank Wien (%)



### Association of Volksbanks (%)



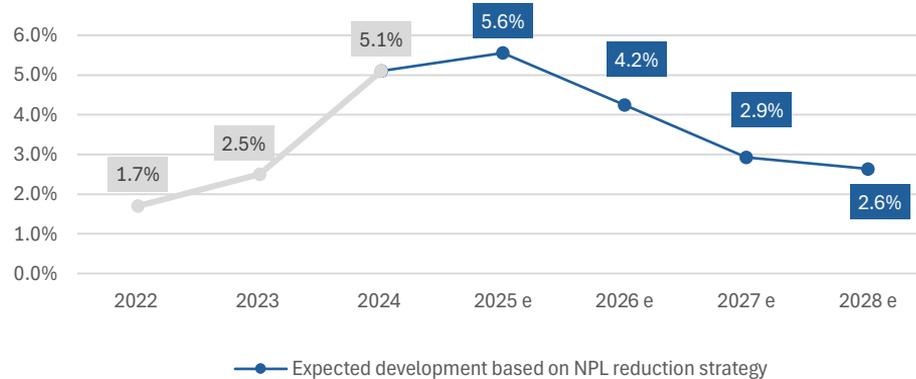
- After a rapid increase in NPLs in the previous year - mainly driven by the crisis of real estate developers - NPL ratios of Volksbank Wien and of the AoV stabilised in H1 2025. In order to bring the NPL ratio down to the target level of a max. 3%, an Association-wide NPL reduction strategy has been adopted. The measures implemented are expected to positively influence the ratio in 2026, further details follow on the next slides
- In the first half year 2025 the Association's and Volksbank Wien's NPL ratios increased only slightly, with NPL volumes going up by EUR 81 mn (Association) and EUR 30 mn (Volksbank Wien)
- At the Association level, EUR 47 mn or 59% (Volksbank Wien: EUR 23 mn or 77%) of this additional NPL volume is attributable to the Real Estate segment, and EUR 21 mn or 26% (Volksbank Wien: EUR 3 mn or 11%) to the Corporate/SME segment, NPLs from the Retail Private segment make up the remaining amount
- At the Association of Volksbanks ca. 90% of the EUR 47 mn NPL increase in the Real Estate segment is attributable to category B - residential real estate, these loans are collateralised to a very high degree
- As of 30 June 2025, the collateralisation ratio in the real estate segment was 86.9% at the Association level (Volksbank Wien: 87.6%), in the subsegment residential real estate (category B) the Association's collateralisation ratio was 93.5% (Volksbank Wien: 95.8%)
- Within the Corporate/SME segment, additional NPLs result from the "Scientific and technical services" segment
- There is no US CRE exposure

<sup>1)</sup> Loans and receivables based on risk view (total loans extended); figures in the text exclude subsequent events

# NPL reduction strategy (1/2)



Development of the AoV NPL ratio



## NPL reduction strategy – key points

- The NPL reduction strategy is based on the NPL volume as of 12/2024, for which a reduction plan - focusing on the top 15 customer groups in each Volksbank - was drawn up using a bottom-up analysis
- Starting at the beginning of 2025, NPL inflows have to be reduced by at least 1/3 in the respective following year
- Target of the NPL strategy: reduction of the NPL ratio to a maximum level of 3.0% until end-2027



## Overview NPL reduction measures

- **Active loan restructuring** aiming at restoring the **performing status**: (i) analysis of status quo, (ii) loan restructuring measures, (iii) setting of milestones, (iv) contributions of owners, if possible, (v) alignment of repayment profile and expected cash flows, (vi) close monitoring
- The **restructuring of a real estate project finance loan is dependent on the status of completion of the project**. Properties under construction are completed within the scope of economic viability, land is sold - if possible - including building permits, and completed properties are sold, out-of-court, with a view to maximum recovery
- **Debt restructuring** with/without reduction of the claim. Debt restructuring not necessarily to another bank (other financial investors)
- **Sale of distressed assets**, if possible, to existing customers (e.g. non-profit housing developers or other commercial partners)
- **Out-of-court** (if possible, in cooperation with the customer) or **judicial realisation** of the collateral underlying the loan
- **Write-off of receivables**: internal bank procedure in accordance with IFRS and/or UGB
- **Sale of receivables** (individual receivables) – applicable in exceptional cases for larger syndicated loans or **repossession**

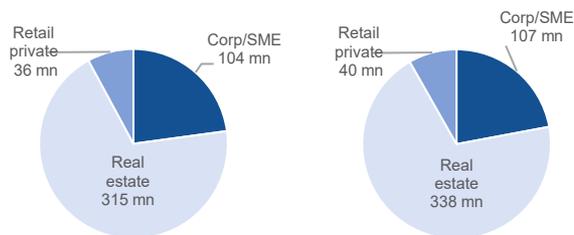
# Distribution of non-performing loans



## Total non-performing loans<sup>1)</sup>

Volksbank Wien

12/2024 (EUR 455 mn) / 06/2025 (EUR 485 mn)



## Association

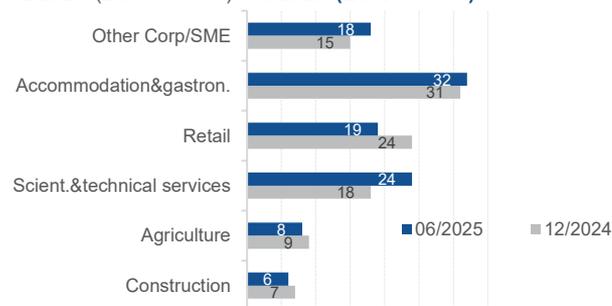
12/2024 (EUR 1,362 mn) / 06/2025 (EUR 1,443 mn)



## NPLs Corp/SME<sup>1)</sup>

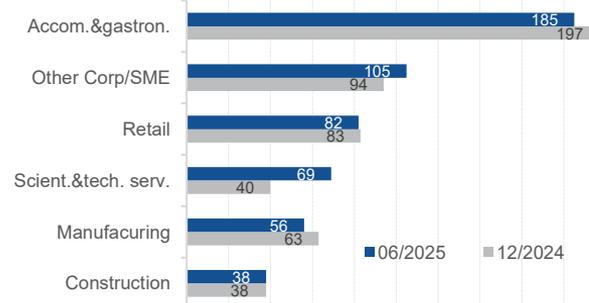
Volksbank Wien

12/2024 (EUR 104 mn) / 06/2025 (EUR 107 mn)



## Association

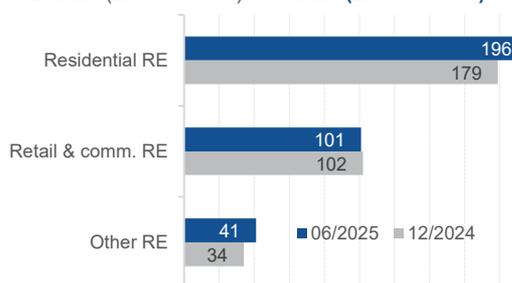
12/2024 (EUR 515 mn) / 06/2026 (EUR 536 mn)



## NPLs real estate<sup>1)</sup>

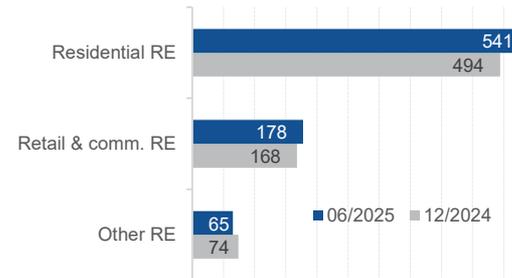
Volksbank Wien

12/2024 (EUR 315 mn) / 06/2025 (EUR 338 mn)



## Association

12/2024 (EUR 736 mn) / 06/2025 (EUR 784 mn)

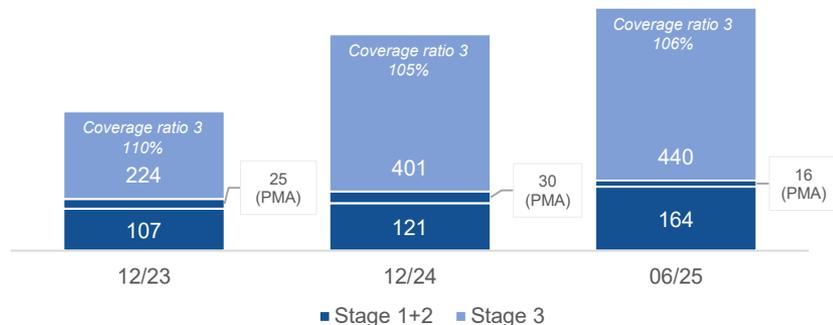


<sup>1)</sup> Loans and receivables based on risk view (total loans extended) and on preliminary results

# AoV: development of risk provisions



## Stock of risk provisions (EUR mn)



## Risk provisions p&l (EUR mn)

Association	12/2023	12/2024	06/2025
Stage 1+2	6	-54	-37
Stage 3	-70	-154	-31
Other <sup>1)</sup>	-1	-12	1
<b>Total</b>	<b>-65</b>	<b>-221</b>	<b>-67</b>
<b>Total (bp)</b>	<b>-24</b>	<b>-81</b>	<b>-24</b>

## Stock of risk provisions

- Adequate stage 3 risk provisions in an amount of EUR 440 mn result in a NPL coverage in form of the coverage ratio 3 (risk provisions plus loan collateral, after haircuts) of 106%, which is clearly above the internal strategic minimum level of >101%
- As of 06/2025, the total amount of post-model adjustments (PMA, risk provisions outside of models or systems) stood at EUR 16 mn, accounting for expected rating downgrades resulting from future model adjustments, for risks of energy-intensive industries, and for macroeconomic risks of customers in the construction and real estate sectors. Stage transfer effects for these risks in an amount of EUR 14 mn were incorporated in the models in the first half year, and are therefore part of the stage1+2 stock of risk provisions of EUR 164 mn

## Risk provisions p&l

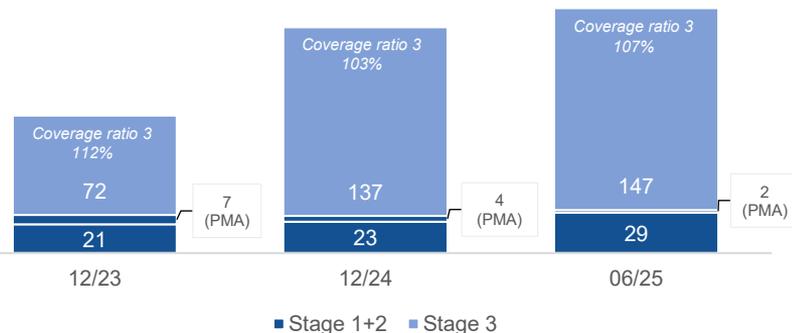
- The Association's total risk costs were EUR 67 mn as of 06/2025
- The stage 3 result is mainly attributable to defaults in the Real Estate and Corporate/SME portfolios
- Within the performing portfolio (stages 1+2), risk provisions of EUR 37 mn were recognised. This includes effects from a recalibration of IFRS 9 default probabilities in an amount of EUR 15 mn, which was carried out in H1 2025 following updated macroeconomic forecasts

<sup>1)</sup> Direct write-offs, income from loans and receivables previously written off, valuation results modification/de-recognition, risk provisions for the securities business

# VBW: development of risk provisions



## Stock of risk provisions (EUR mn)



## Risk provisions p&l (EUR mn)

Volksbank Wien	12/2023	12/2024	06/2025
Stage 1+2	0	-9	-6
Stage 3	-28	-58	-8
Other <sup>1)</sup>	0	-9	1
<b>Total</b>	<b>-29</b>	<b>-77</b>	<b>-15</b>
<b>Total (bp)</b>	<b>-42</b>	<b>-108</b>	<b>-19</b>

## Stock of risk provisions

- At 107% as of 30 June 2025, Volksbank Wien's coverage ratio 3 clearly exceeds the internal strategic minimum level of >101%
- As at the Association level, post model adjustments for various risks not yet shown in models or in the data were formed, at Volksbank Wien in an amount of EUR 2 mn in the first half year 2025

## Risk provisions p&l

- At the end of the first half year, Volksbank Wien's total risk costs stood at EUR 15 mn
- As at the Association, the result is mainly attributable to defaults in the Real Estate and Corporate/SME portfolios

<sup>1)</sup> Direct write-offs, income from loans and receivables previously written off, valuation results modification/de-recognition, risk provisions for the securities business

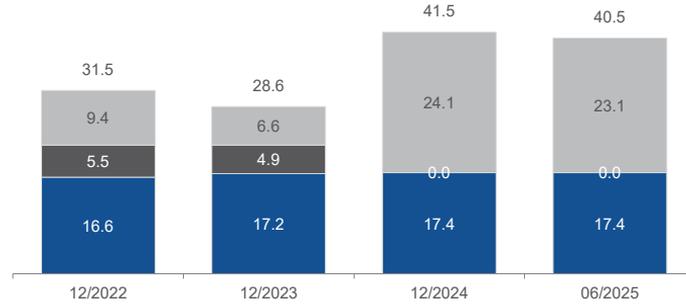
A large, stylized graphic on the left side of the slide. It features a large 'V' shape on the left and a large 'F' shape on the right, both rendered in various shades of blue and white. The 'V' and 'F' are composed of multiple overlapping layers, creating a sense of depth and movement. The 'V' is formed by a white outline and a dark blue fill, while the 'F' is formed by a white outline and a medium blue fill. The background is a solid dark blue.

# Capital, funding and liquidity, MDA

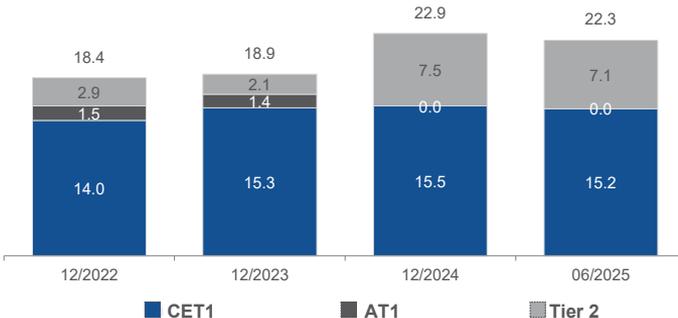
# Capital ratios clearly above requirements



## Capital ratios Volksbank Wien<sup>1)</sup> (in %)



## Capital ratios Association<sup>1)</sup> (in %)



- Volksbank Wien as central organisation of the Association has to fulfil the SREP capital requirements on a consolidated basis together with the associated institutes (Association of Volksbanks)
- **SREP ratios as of 12/2025:** pillar 1 requirement 8.0% (CET1: 4.5%, T1: 6.0%) pillar 2 requirement (P2R) 2.25% (CET1: 1.27%, T1: 1.69%), capital conservation buffer 2.5%, systemic risk buffer 0.5%, systemically important institutions buffer 0.45%, countercyclical capital buffer 0.05%, pillar 2 guidance (P2G) 1.25%. As of 01 July 2025 an additional sectoral systemic risk buffer for commercial real estate of 0.23% is applicable
- **Stress test:** the current P2G of 1.25% is based on the 2023 SSM stress test. The results of the most recent stress test conducted in 2025 have confirmed this ratio for 2026
- The Association's effective CET1 requirement (excl. P2G) as of 12/2025 is 11.42% and corresponds to the T1 capital requirement since all T1 requirements are covered with CET1 capital. As of 12/2025 there is no T2 shortfall. The overall capital requirement is 13.98% (excl. P2G)
- At 15.2%, the CET1 ratio as of 06/2025 clearly exceeds the current CET1 capital requirement of 11.42% (including P2G: 12.67%)
- The **MREL requirement**, which is applicable at the Association level, was 23.6% as of 06/2025 (including a 3.5% combined buffer requirement, the CBR will increase by ca. 0.25% due to the new sectoral systemic risk buffer; the subordination requirement is 0). The MREL ratio stood at 29.6% at the end of H1 2025
- **Risk-weighted assets** as of 06/2025
  - Association RWAs: EUR 16.0 bn (ca. 91% credit risk)
  - Volksbank Wien RWAs: EUR 4.9 bn (ca.87% credit risk)

1) Volksbank Wien exercised the call right in its EUR 220 mn AT1 issue on 09 April 2024

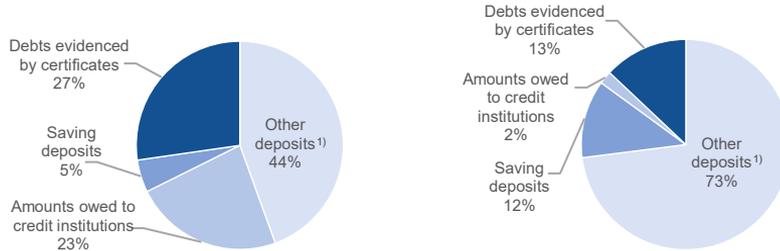
# Funding structure and maturity profile



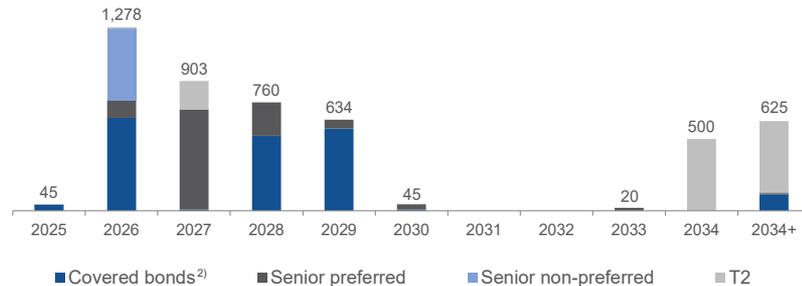
## Breakdown of VBW and AoV funding as of 06/2025

Volkbank Wien: EUR 13.0 bn

Association: EUR 27.5 bn



## Maturity profile of AoV issues as of 06/2025 (EUR mn)



- The funding mix of the Association is dominated by an approx. **85% share of customer deposits**; wholesale funding needs are limited
- **Volume of customer deposits** as of 06/2025
  - **Association:** savings deposits EUR 3.2 bn, other deposits (incl. term deposits) EUR 20.1 bn, retail bonds issued to private customers ca. EUR 1 bn
  - **VBW:** savings deposits EUR 0.7 bn, other deposits (incl. term deposits) EUR 5.8 bn, retail bonds EUR 0.7 bn
- **Volume of deposits insured by deposit scheme** as of 06/2025
  - **Association:** EUR 15.0 bn (average balance per customer EUR 14.9 thsd)
  - **VBW:** EUR 4.2 bn (average balance per customer EUR 13.7 thsd)
- Member institutions are obliged to **place excess funding at the CO**
- **Leverage ratios** as of 06/2025: **7.1%** (Association) and **5.6%** (VBW)
- From a MREL perspective, issuance of a senior unsecured benchmark bond is to be expected for 2025
- The Association of Volksbanks has a **covered bond program** backed by mortgages of the regional Volksbanks at its disposal
- Long-term liquidity can therefore be generated through the **issuance of covered bonds rated Aaa by Moody's**

1) Other deposits: term deposits, giro deposits

2) Apart from the CBs placed externally shown above, covered bonds in an amount of approx. EUR 1.25 bn were placed as collateral at the ECB

# AoV and VBW: maximum distributable amount



## Maximum distributable amount



- Pillar 2 requirement, systemic risk buffer, other systemically important institution buffer and sectoral systemic risk buffer are only applicable on the consolidated Association level. Volksbank Wien's effective CET1 requirement as of 12/2025 is 8.6%
- The Association's effective CET1 requirement (excl. P2G) as of 12/2025 is 11.4% and corresponds to the T1 capital requirement, since all T1 requirements are covered with CET1 capital
- As of 12/2025 there is no T2 shortfall, neither at Volksbank Wien nor at the Association level

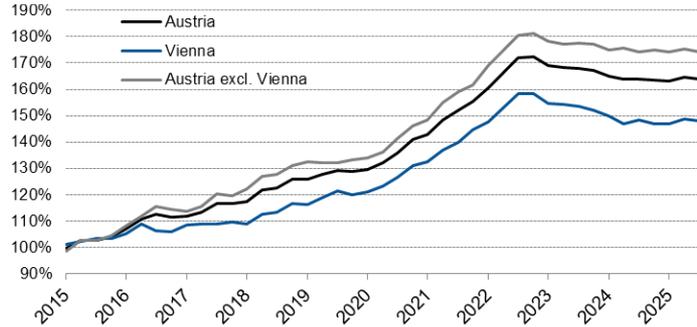


# Covered Bonds

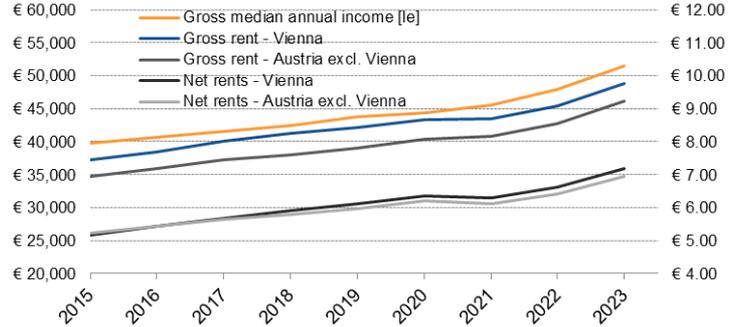
# Development of real estate prices



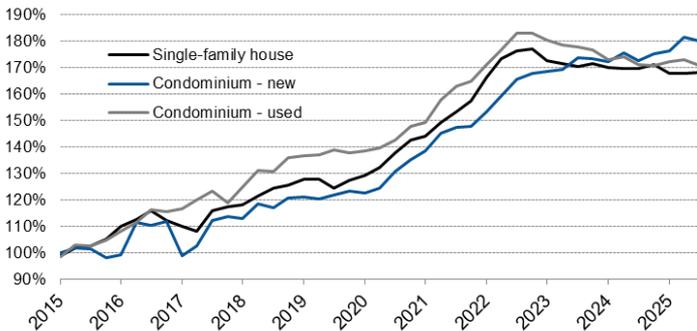
## Austria: real estate prices<sup>1)</sup>



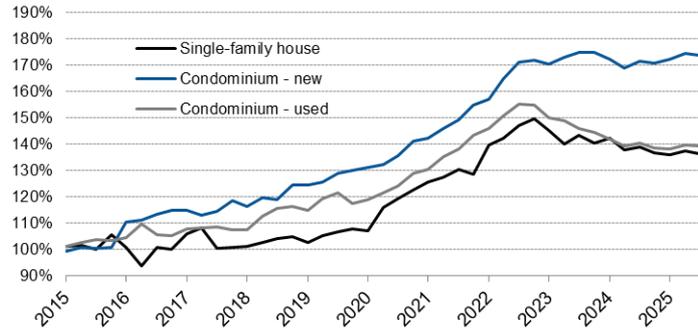
## Gross median income & rents<sup>2)</sup>



## Austria excl. Vienna: real estate prices<sup>1)</sup>



## Vienna: real estate prices<sup>1)</sup>



1) OeNB „Immobilienpreisindex“ | 2) Statistik Austria

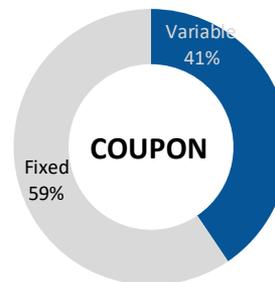
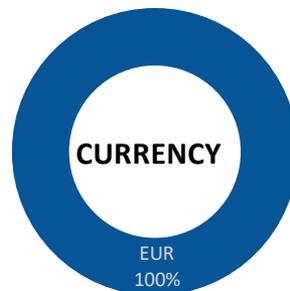
# Covered bond liabilities



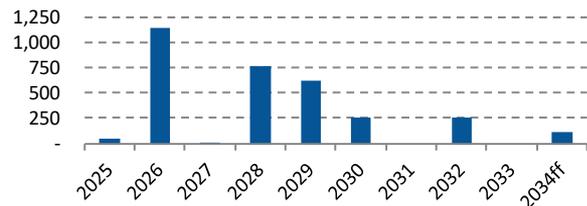
## Covered Bonds

Total outstanding liabilities (EUR mn)	3,220
<i>thereof used as collateral</i>	1,302
Number of outstanding Covered Bonds	24
<i>thereof callable</i>	1
Average bond size (EUR mn)	134
WA remaining term (years)	3.15

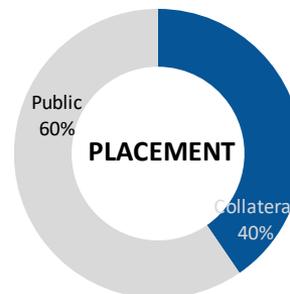
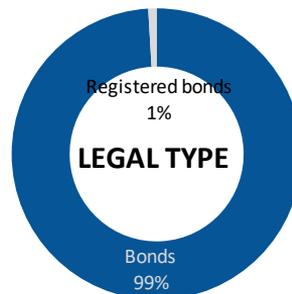
as of 30 Jun 2025



## Maturity profile



as of 30 Jun 2025



# Covered pool



## Overview

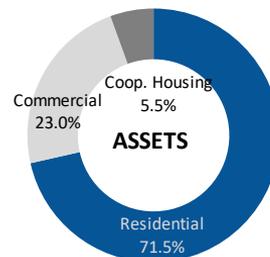
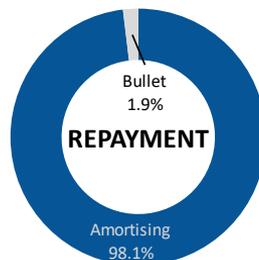
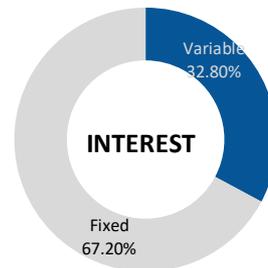
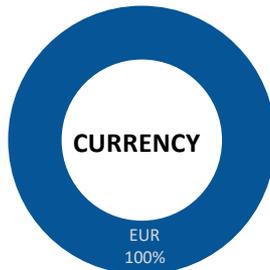
Total assets in the cover pool (EUR mn)	4,949
Total outstanding liabilities (EUR mn)	3,220
Current OC (nominal basis)	53.70%
Number of loans	35,987
Number of borrowers	30,652
Average loan balance (EUR)	137,523
Properties located in Austria	100%
Share of 10 biggest loans	1.12%

as of 30 Jun 2025

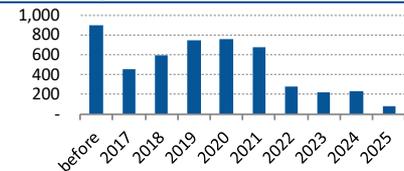
## Moody's rating figures

Pool rating	Aaa
CR assessment	A1(cr)
Deposit rating	baa1
TPI payment indicator	Probable-High
TPI leeway	3 notches
OC consistent with current rating	11.5%
Collateral score	5.4% / 4.2%
WA LTV (indexed / unindexed)	52.3% / 60.8%
WA seasoning (in months)	73
WA remaining term (in months)	222

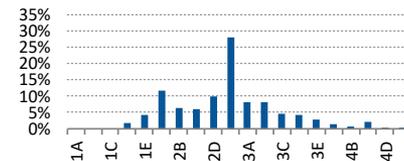
as of 31 Mar 2025



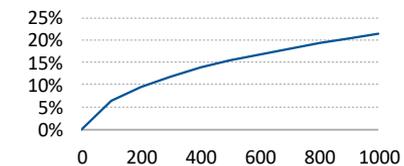
## Seasoning



## Rating distribution



## Granularity of the pool



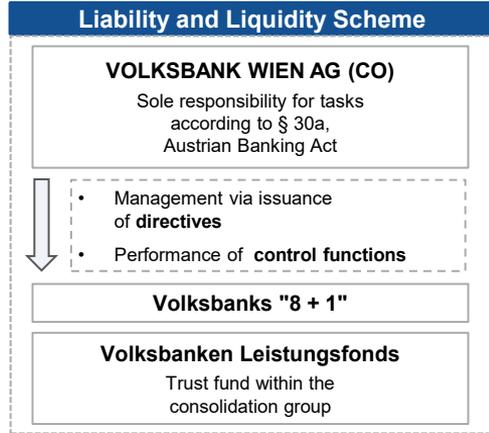


*Annex*

# Association of Volksbanks: structure



# Association of Volksbanks: governance



- The **CO Volksbank Wien and the regional Volksbanks** have established a **joint liability scheme**:
  - They are mutually obliged to jointly support a member institution should difficulties arise
  - Liabilities and contributions are unlimited
- The Association contract forms the basis of the liability scheme:
  - The CO performs significant control functions, is responsible for compliance with regulatory requirements and has the right to issue directives
  - The CO's management can impose remedial actions on troubled primary banks if early-warning indicators (macroeconomic, market-based or breaches of capital, liquidity, profitability or asset-quality ratios) deteriorate (without consent of the bank concerned or preliminary consultation with the Association's members)
- These remedial actions 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, lost grants and management support
- For covering CET1 shortfalls the central organisation has access to the trust fund (Leistungsfonds)

- The Association's members together form a **liquidity scheme**. The **CO is obligated to control liquidity in the Association** to ensure compliance with all material supervisory regulations at all times. The Association's member institutions are obligated to invest their liquidity at the CO

- **Volksbanken Leistungsfonds (VL)** is a trust fund established to enable the CO to take immediate remedial action to support the CET1 basis of any AoV member to prevent a threatening deterioration of its financial position
- With EUR 100 mn the fund has reached its target size in 2021
- If the CO estimates that VL is insufficient to cover support needs as these arise, it can call unilaterally for additional unlimited contributions from the other VBs
- Assets of VL are included in the Association's core capital

The AoV serves to ensure both the **regulated transfer of liquidity between its members and mutual liability**, thereby providing an indirect guarantee for the creditors of all members of the Association

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