 Ski Austria VOLKSBANK  
WIEN

# Allocation and Impact Report

March 2024

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**Sustainability and regionality have been part of the business model of the Volksbanken Association (“Association”) for over 170 years. The cooperative identity and sustainability values are its distinguishing features. The main purpose of the cooperatives is to promote the economic activities of their members and to support the small-scale, diverse regional economies.**

The core values are “trust, regionality and customer proximity” and form the basis of the Association’s sustainable actions.

As a result, the Association pursues the mission to:

- operate sustainably within the region based on cooperative values,
- take responsibility for the long-term well-being of customers and employees, and
- act in an eco-minded and climate-conscious manner.

As part of its broader sustainability strategy, Volksbank Wien AG (“VBW”) has established a [Sustainability Bond Framework](#) (“Framework”) with the aim of focusing on assets with a positive environmental and social impact in order to support the necessary transition to a sustainable future. The Framework allows VBW to issue Green, Social, or Sustainability Bonds aligned with the Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines, administered by the International Capital Market Association (“ICMA”). The Framework may evolve over time as reflected in the most recent update in 2024. Any new Green, Social or Sustainability Bonds shall be aligned with the most recent version of the Framework.

## 2 Issued Bonds & Allocation Process

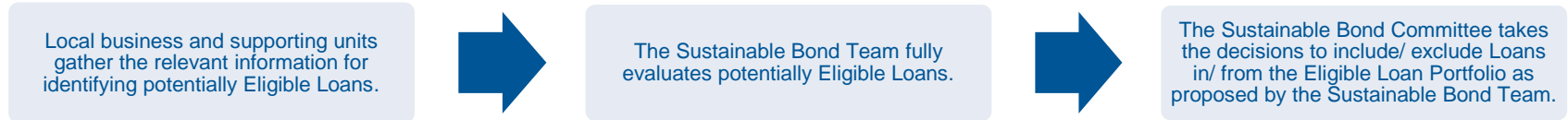
### Issued Bonds

VBW issued its first Green Bond under the Framework, Version January 2022 in March 2023.

Issuing Bank	Eligible Categories	ISIN	Currency	Amount in EUR Mio.	Issuance Date	Maturity
VOLKSBANK WIEN AG	Green	AT000B122155	EUR	500.0	03/15/2023	03/15/2027

### Allocation Process

The allocation of Eligible Loans to the Eligible Loan Portfolio is based on the evaluation and selection process as described in the Framework. Eligible loans can be loans originated by VBW or members of the Association.



### Reporting

This Allocation and Impact Report (“Report”) highlights the progress on the allocation of the use of proceeds and provides information on the positive environmental impacts of the Eligible Loans. The tables in the Report may contain rounding differences.

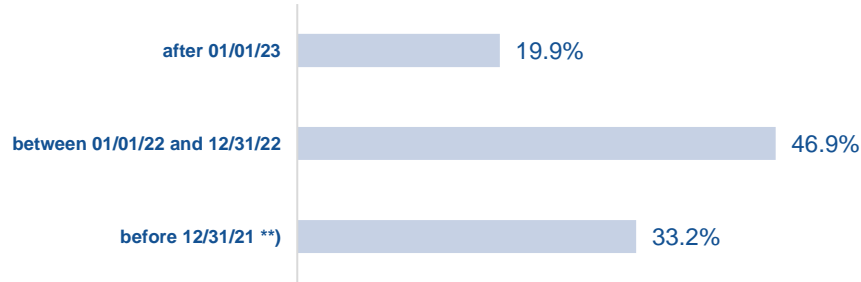
The verification of the Report has been performed by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft ([Link to Independent Assurance Report](#)).

# 3 Allocated Portfolio - Overview

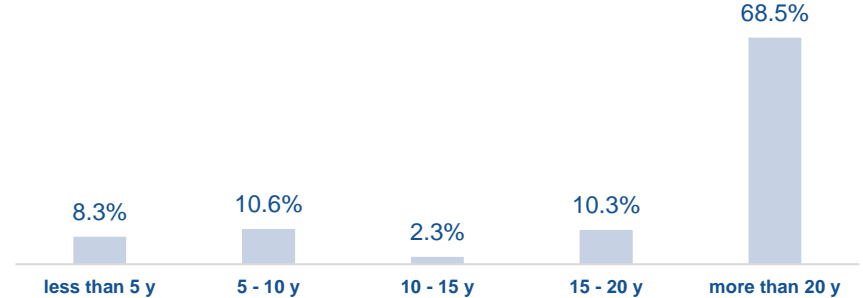
- As of the current Reporting Period, the **proceeds** have been **fully allocated** towards **Eligible Loans** as defined in the **Framework**.
- The identified Eligible Loans are financings in the Framework Categories **Green Buildings** and **Renewable Energy** and contain the customer segments Private Customers, SME and Corporates incl. special financing.
- The key impact measurements for the Green Bond is the **avoidance of carbon emissions**.
- The financed projects are **100%** based in **Austria**.

SDGs	Category	Volume in EUR Mio.*)	Number of Loans	CO2e Emissions avoided in Tonnes p.a.
 11 SUSTAINABLE CITIES AND COMMUNITIES 13 CLIMATE ACTION	Green Buildings	506	1,087	5,603
 7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION	Renewable Energy	58	59	15,052
<b>Total</b>		<b>563</b>	<b>1,146</b>	<b>20,655</b>

Loan Origination Timeframe



Loan Maturity Profile

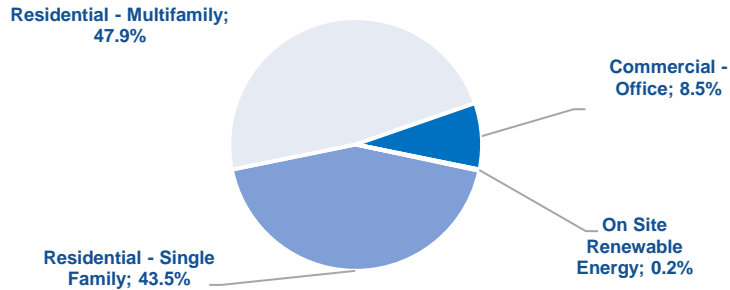


\*) Outstanding loan amount as of 12/31/2023

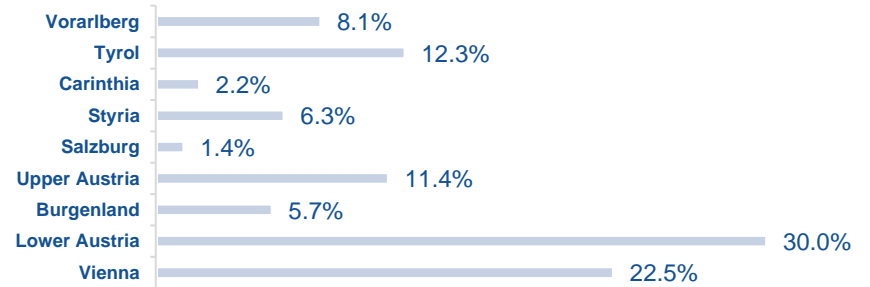
\*\*) Min. Origination Date of Allocated Loans is March 2021

# 4 Allocation & Impact Detail – Green Buildings

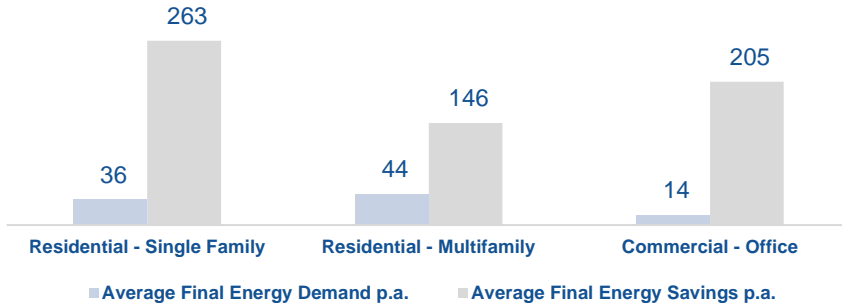
Subcategory in % of Volume



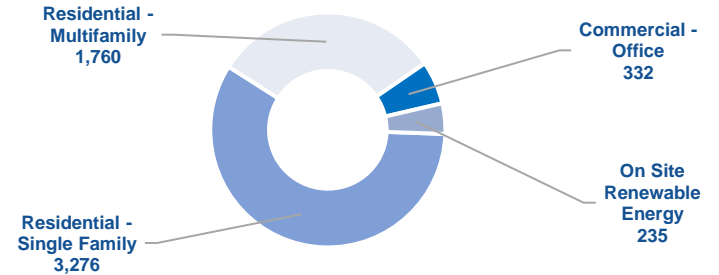
Property Region\*)



Final Energy Demand & Savings\*\*)



CO2e Avoided Emissions in Tonnes p.a.



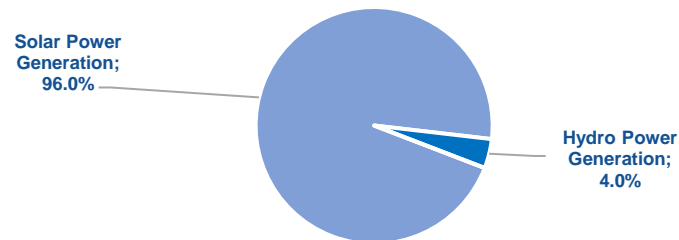
\*) Excluding On Site Renewable Energy

\*\*\*) in kWh/m2 for Heating, Hot Water, Cooling; Excluding On Site Renewable Energy

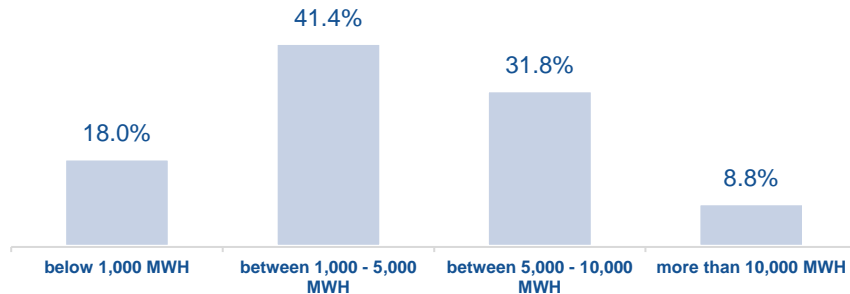
# 5 Allocation & Impact Detail – Renewable Energy

- The focus on the allocation was put towards **photovoltaik facilities**.
- The financed hydropower facilities are small run-of-river plants.
- **Estimated power generation** in GWh p.a.: **120**

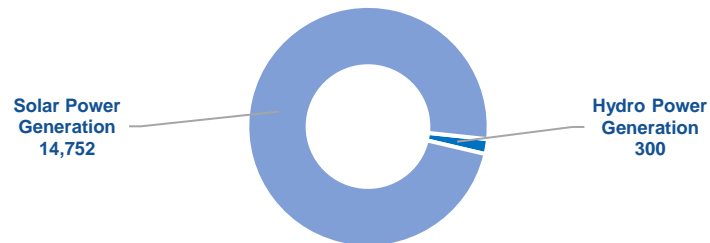
## Renewable Energy Technology



## Estimated MWH Generation p.a.



## CO2e Avoided Emissions in Tonnes p.a.



# 6 Methodological Note - Green Buildings

The methodology used for calculating the avoided CO2 emissions for Green Buildings was developed by the external consultant Drees & Sommer.

$$\text{Financing Share} \times \left( \text{Reference Benchmark} - \text{Building Emissions} \right)$$

Avoided Emissions

## Financing Share

In most cases, VBW or the association member banks do not finance the entire project, therefore the avoided emissions are adjusted by a Financing Share. The Financing Share is calculated by dividing the current outstanding loan amount by the total investment costs\*) of the property.

## Building Emissions

The Building Emissions are derived by multiplying the Final Energy Demand\*\*) with the mean carbon emission intensity for residential and commercial buildings in Austria.

## Reference Benchmark

The National Reference Benchmarks for residential and commercial buildings in Austria are based on: Poehn 2012, ÖNORM, OIB 2021, Statistik Austria 2023

\*) Where the total investment costs\*) are not available, the market value is applied.

\*\*) If not available, the Final Energy demand is estimated based on the Heating Demand or on the year of construction.



# 7 Methodological Note – Renewable Energy

The method used to calculate the avoided CO2 emissions for Renewable Energy is based on PCAF's Global GHG Accounting and Reporting Standard for the Financial Industry using input data from the publicly available sources from the International Financial Institution ("IFI") and the International Renewable Energy Agency ("IRENA").

$$\text{Financing Share} \times \text{Generation Capacity*}) \times \left( \text{Reference Benchmark} - \text{Project Emission Factor} \right)$$

Emission Removal Factor

## Financing Share

In most cases, VBW or the association member banks do not finance the entire project, therefore the avoided emissions are adjusted by a Financing Share. The Financing Share is calculated by dividing the current outstanding loan amount by the total investment costs of the property.

## Project Emission Factor

The Project Emission Factor is derived from the [IRENA Avoided Emissions Calculator](#).

## Reference Benchmark

The country specific emission factor is the operating margin (OM) published by [IFI](#). The OM represents the marginal generating capacity in the existing dispatch hierarchy that will most likely be displaced.

<sup>\*)</sup> Where the information on the Annual Generation Capacity of the project is not available, the figure is estimated based on the output of the facility.

## 8 Remark on Eligibility Criteria and EU-Taxonomy

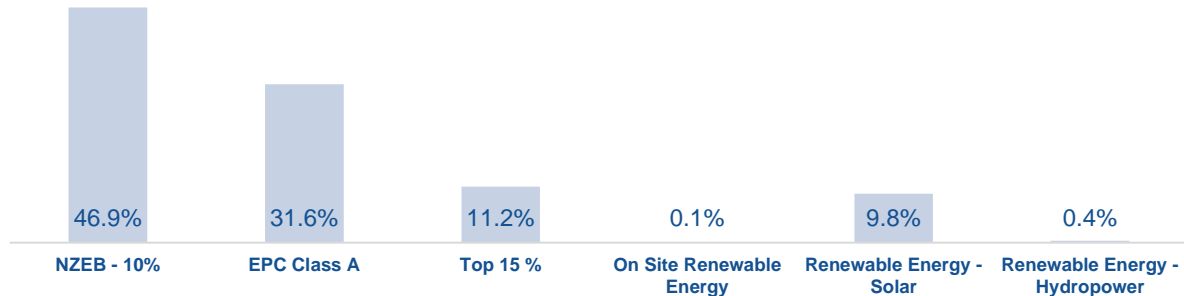
In formulating VBW's Framework care was also taken to, on a best effort basis comply with **the substantial contribution criteria** of the **EU Taxonomy requirements** for sustainable economic activities.

In the category **Green Buildings** the allocated financed properties meet the criteria for climate change mitigation by either by having an **EPC class A** rating or belonging to the **Top 15%** of the national building stock and, for buildings built in 2021 or thereafter, by meeting the requirements for a **PED lower than 10% threshold** set for a Nearly Zero Energy Building (**NZEB**).

The assessment for the financed properties is based on the methodology provided by the external consultant **Drees & Sommer**.

Projects in the **Renewable Energy** category are also deemed to comply with the substantial contribution criteria for climate change mitigation.

Eligibility Criteria in % of Volume



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